

Petrov Group Announces Its Report “Value Migration in Semiconductor Product Development Activities— 2006 To 2015+”

PALO ALTO, Calif.—(BUSINESS WIRE)—May 29, 2006—The Petrov Group today announced its Executive Report on changes in IC product development value chains in the 2006 to 2015+ period. This \$950 report is the result of an in-depth analysis of more than 50 semiconductor companies and is part of Petrov Group’s IC Industry Profitability and Growth Series of studies and reports.

“Relative values of product development activities are one of the cornerstones of our Profit-Growth Strategy Board (P-G Board) framework for semiconductor strategy formulation. Semiconductor technologies used to develop products evolve along two different technology tracks featuring distinctly different, typically opposite, attributes. The two technologies intersect with two distinct types of semiconductor businesses for which we use the Farming and Mining metaphor. Together they form a technology-business matrix; attributes of each matrix field emanate from the nature of semiconductor industry itself,” said Boris Petrov, managing partner of the Petrov Group.

“In order to formulate successful strategies one has to understand the requirements of the two distinct semiconductor business types and their effect on the potential positions on the Profit-Growth Strategy Board. In this Executive Report we analyze the migration of value-added activities in semiconductor product development—from product concept to the finished product. There has been an important movement of implementing signal processing functions in the purely digital domain, and this trend will continue. When the signal processing function is implemented in the digital domain only, it shares the benefits of the mainstream data processing technology (more accurate, sooner, faster, cheaper, smaller, etc.)”

The Petrov Group, LLC is a strategy and investment advisory firm focused on the high-tech industry since 1982. It is recognized for pragmatic due diligence; its methodology includes proprietary models; several of which are shown at www.petrovgroup.com