

## **Petrov Group Announces Executive Report on How STM, TI, ADI, National Maxim and Linear Make Profits in ICs**

PALO ALTO, Calif.—(BUSINESS WIRE)—November 25, 2002—The Petrov Group today announced its new Executive Report on profitability and revenue generation opportunities in consumer electronics products titled *How STM, TI, ADI, National, Maxim and Linear Make Profits in ICs*. This new report focuses on the second half of the profitability and revenue generation equation in consumer electronics products—the underlying product hardware technologies. This is a companion report to the Executive Report on Sony Electronics, Inc., published earlier this month, that focuses on the first critical half of profitability and revenue generation opportunities in consumer electronics products—the branding strategy.

"This follow up Executive Report uncovers the best kept secret of the high-technology hardware world—the analog profit machine—and how it can be put to work for your company. Consumer electronics system vendors and digital component vendors leave a significant amount of profits on the table for the prosperous few analog vendors. More specifically, the stake is over ten billion dollars in total revenue currently shared by about six analog component vendors that are able to maintain better than 60 percent gross margins even during the current worst economic downturn in decades. Our *How STM, TI, ADI, National, Maxim and Linear Make Profits in ICs* report shows how to exploit the analog profit gold mine and make consumer electronics systems and digital components more profitable," said Boris Petrov, managing partner of the Petrov Group.

This detailed and factual report demonstrates that this analog profit gold mine is readily accessible and rapidly deployable—once understood. The report delivers an in-depth top-down view of industry trends and evaluates the approaches, capabilities, and focus areas of leading vendors, including STMicroelectronics, Texas Instruments, Analog Devices, National Semiconductor, Maxim Integrated Products, and Linear Technology. Each mixed-signal/analog vendor is analyzed in terms of revenue profile, partnering and outsourcing, and product line and process technology portfolios.

"Our Executive Report findings have been reinforced and validated by in-depth interviews with leading experts in analog technologies and mixed-signal system-on-chip (SoC) integration. The report translates the esoteric and little understood world of analog electronics into understandable and actionable language, and quantifies the opportunities in consumer electronics segments."

According to Petrov, this report evaluates mixed-signal/analog strategy implementation options and SoC integration trade-offs in targeted electronics applications. In addition, it describes how to make

selections among various trade-offs and achieve the cost reduction and profit increase transformation that will mark, for example, the successful consumer electronics vendors. A real-life case study example demonstrates the benefits of such an analog strategy successfully implemented by a component vendor assisted during the strategy formulation and implementation phases of their profit and revenue transformation process.

“Analog components differ dramatically from digital components—in fact, they are diametrically opposite in most of their technical, investment and manufacturing aspects,” Petrov said. “Their base is knowledge rather than capital infrastructure; they typically use abandoned and depreciated digital technologies and assets. This simple fact leads to very profitable implications.”

The price for the Petrov Group's factual and up-to-date Executive Report titled *How STM, TI, ADI, National, Maxim and Linear Make Profits in ICs* is \$4,950. The pre-publication price, however, is only \$2,950—if payment is received before December 31, 2002—a saving of 40 percent.

The price for the companion Executive Report on branding, titled *How Sony markets, sells, services and develops in the US*, is \$4,950. The price for both reports, if payment is received before December 31, 2002, is only \$5,950.

The Petrov Group is a strategy consulting practice that is focused on an integrated approach to profit and revenue generation in the consumer electronics sector. The scope of our expertise and consulting services ranges from branding strategies to system integration strategies to component/SoC development chain strategies. The Petrov Group has a proven track record of assisting clients in assessing, resolving, and executing in critical areas, always with the highest standards of independence and integrity. Boris Petrov founded the Petrov Group in 1981.

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