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Siliconaire Inc. Introduces New Operations Model for Fabless Semiconductor Companies; Cost-Effective Approach Enables Fabless Startups to Control Operational Expenses; Benefit From an Expert Team; Preserve Margins When Production Ramps

SUNNYVALE, Calif.--(BUSINESS WIRE)--Aug. 7, 2006--A new approach to providing world-class operations-level services to fabless semiconductor start-ups, allowing innovators to concentrate on their system-level expertise, was introduced today by Siliconaire Inc. of Sunnyvale, CA.

The new model recognizes that most fabless companies are started and run by innovators who need to concentrate on their systems-level core competency. By offering world-class operational know-how, Siliconaire then takes early designs through the entire silicon implementation process to reliable and profitable manufacturing. A key component of Siliconaire's low risk, flexible model is that it enables preservation of margins for customers when their production ramps up.

Since building an in-house team is time-consuming and expensive in the start-up phase, the Siliconaire approach allows an experienced team to be engaged immediately and cost-efficiently, assuring product performance, time-to-market and cost targets are met. The company's extensive relationships with suppliers worldwide also benefit its clients.

The company founder and CEO is Ron Das who has 25 years' experience in product development and silicon operations. Before founding Siliconaire, he was Vice President of Operations at Atheros Communications where he helped it grow from zero to a \$180M per year run rate. Before that, he was Vice President of Operations at NewPort Communications building the company's operations from ground level, and also held Director-level positions at Cirrus Logic and at AMD. He has served on the Board of the FSA (Fabless Semiconductor Association), and on the TAB (Technical Advisory Board) of Semiconductor Research Corporation (SRC) and Sematech.

Other key officers are Patrick Yue, Vice President of Technology, who was previously with Aeluros Communications and Atheros Communications, and has also held faculty positions at Carnegie Mellon and Stanford University; Snehal Shah, Vice President of Operations, who has held Director-level positions at several successful start-ups including Parama Networks, Sage and Tripath, and management positions with Sierra Semiconductor and National Semiconductor; and Paul Stapinski, Vice President of Sales, who was previously Vice President of Sales at BridgeCo, and InSilica, and held management positions at Atheros, Cirrus Logic, VLSI Technologies and AMD.

According to Dr. Das, "Our value to the innovators and their investors is to help them reduce operational risk and cost -- especially in the early stage where this is particularly critical -- in order to help them achieve their engineering, financial and time-to-market goals. Our process allows innovators to focus on their core competency while we provide the operational expertise. We are not a fabless ASIC company, operating between the fabless start-up and the suppliers, diluting that critical relationship and depriving the start-up of its own margins over time."

"Siliconaire's new business model is exciting because it ensures that fabless semiconductor companies will have access to cost-effective product development, and best possible gross margins in volume production," said Joanne Itow, Managing Director of market research firm Semico. "The need for these services becomes more evident with the increased complexity of advanced technology design and manufacturing. And Siliconaire's particular strength in the RF and mixed signal market will certainly benefit the many new companies coming into this space."

About Siliconaire - www.siliconaire.com

Siliconaire represents a new operations model for fabless semiconductor companies that need to manage their critical early-stage operational issues in a cost-effective, low risk manner. By allowing innovators to concentrate on their area of expertise, and providing world-class experience and know-how at the operations level, Siliconaire becomes a vital part of the team driving the new enterprise to succeed. And while building an in-house team is time consuming and costly, Siliconaire can be engaged immediately. In addition to this in-house expertise, Siliconaire has extensive relationships with top-tier suppliers around the world.

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