



'Personal technology' to drive IC industry, says National's Halla

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HALF MOON BAY, Calif. — The future demand for ICs will not be driven by information technology (IT), but rather by personal technology, according to the top executive from National Semiconductor Corp. here on Tuesday (Jan. 11).

The last upturn was driven by IT products such as the PC. But the shift towards personal technology -- or hand-held devices -- such as cellular phones, PDAs and even Apple Computer Inc.'s iPod product will "create an infinite demand for semiconductors," said Brian Halla, president and chief executive of National.

There are other products that will propel future demand for ICs, such as medical systems, sensor networks, wireless local area networks, and other technologies, Halla said during a keynote address at the Industry Strategy Symposium (ISS).

Based on the new and emerging technologies coming down the pipeline, Halla dismissed the bearish sentiments in the IC industry. "It's a bright future," he said.

In an interview after the presentation, Halla did not provide an exact figure or forecast for the overall IC industry in 2005. The National executive did say the company sees strong growth within its core analog chip business, especially for display, instrumentation and related applications.

Overall, the outlook is mixed for the industry. At ISS, Gartner, IC Insights, Semico, VLSI Research and other market researchers revised their IC forecasts for 2005 -- and there are plenty of disagreements among the industry pundits.

IC Insights Inc. and Semico Research Corp. separately project that the IC industry will decline in 2005 over 2004, while Gartner Inc., Smith Barney, and VLSI Research Inc. expect positive figures this year (see Jan. 9 story).

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