

## New Semiconductor Group Formed; No WEMA Pullout

by **RON ISROFF**

**ED NOTE:** See WEMA's statement on the formation of the SIA on page 2.

CUPERTINO —

The founding of the new Semiconductor Industry Association by five major firms is not a defection from **WEMA**, **SIA's** executive director declared last week.

Bernard T. Marren, who was appointed executive director by the semiconductor firms, told this paper, "that in many cases **WEMA** and the **SIA** will be closely aligned in our goals."

Marren, a former president of American Microsystems, Santa Clara, reported that the **SIA** "will be more explicit in the areas of legislation that affect semiconductor firms" than **WEMA** has been.

• **Founders** of the new group are: Wilfred J. Corrigan, president of Fairchild Camera & Instrument, Mountain View; Dr. Robert N. Noyce, chairman of Intel, Santa Clara; Jerry W. Sanders, president of Advanced Micro Devices, Sunnyvale; and Charles E. Sporck, president of National Semiconductor, Santa Clara.

John R. Welty, a vice president of Motorola, and group executive for its semiconductor operations in Phoenix, Ariz., is also a co-founder.

The five executives have formed

an executive committee to guide the **SIA** through its startup.

Marren said the **SIA** will be located at 20380 Town Center Lane, here. Its initial staff will be composed of Marren and Mal Padgett.

Padgett will handle public relations and other organizational functions, Marren said.

**WEMA**, headquartered in Palo Alto, has more than 750 active members, including the five founding **SIA** companies, and is 34-years old.

Edward E. Ferrey, **WEMA** president, was out of town and unavailable for comment on the new **SIA**. A **WEMA** spokesman, however, had "no comment" on the **SIA**.

"We know too little about it at this time to make any comment," he said.

Corrigan, Noyce, Sanders, Sporck, and Welty are all on **WEMA's** semiconductor group executive committee.

Marren, while **AMI** president, was also on that committee.

• **Marren remarked** that the idea for the **SIA** came from the five founding companies.

"They asked me, after the fact, if I would be interested in taking it on, on a permanent basis as executive director."



**BERNARD T. MARREN**

Marren said he told them he was not interested in it on a permanent basis, but would help get the new organization launched on a part-time basis.

A major focus of the **SIA**, Marren said, will be in the area of legislative interface both at federal and state levels.

The **SIA** will be a national organization. "We hope to serve a broad spectrum of the semiconductor industry," Marren remarked, adding that membership will be expanded as the **SIA** is further organized.

Noyce, who is chairman of **WEMA's** semiconductor group executive committee, could not be reached for comment.

Asked how the **SIA** might impact **WEMA's** semiconductor committee, Marren declared, "I don't know how active it's (**WEMA's** semiconductor

committee) going to be with the founding of the **SIA**.

"But it will probably not be as active," he added.

**SIA's** executive director said that in many cases, he felt **WEMA** and the **SIA** "will be closely aligned.

"I don't think we'll compete unless **WEMA** were to take a position contrary to what the semiconductor industry would on some legislation."

For several years, **WEMA** has been compiling data on semiconductor device shipments, based on inputs from member companies.

Marren said the **SIA** will likely conduct its own surveys. "Whether we do the same survey or additional surveys has to be resolved with **WEMA**."

While the founding companies are among the largest in the industry, Marren said the organization is open to semiconductor firms of all sizes.

He also extended an invitation to Texas Instruments, which does not belong to **WEMA**, or other trade organizations to join the **SIA**: "We would certainly be open to them if TI is interested."

• **No fee** -structure has been set for membership yet. The five founding companies are splitting the costs of setting up the organization.

Marren said the **SIA** would be a great deal more involved than



CORRIGAN

NOYCE

SANDERS

SPORCK

WELY

**WEMA** in issues like 806/807 (involving tariffs on components).

"The 806/807 legislation wouldn't be of overriding interest to the broad spectrum of **WEMA** members.

"While **WEMA** has been active in it, it's even more vital to the semiconductor industry, because they're the primary beneficiary and the primary companies impacted by 806/807 legislation," Marren noted.

- **He added** that the **SIA** will also not be involved in programs such as those offered by the five-month-old Electronics Association of California, which has 53 members.

"I don't anticipate **SIA** would be working in the areas of insurance and benefits.

"EAC is probably providing a valuable service, but it's not an area that this group is focusing on," Marren explained.

James Conway, **EAC** president, agreed that the **SIA** does not appear to compete with the Palo Alto-based **EAC**.

"As far as it relates to our organization, the **SIA** is a national trade association with far different objectives than we have. I don't really consider the **SIA** any competition whatsoever."

He added that, "We may have

some of the smaller semiconductor firms join our organization. But they would join **EAC** for different reasons than they would join **SIA**."

Fairchild Camera was asked if the formation of the **SIA** meant it would pull out of **WEMA**.

"The answer is no," declared Frederick M. Hoar, vice president for communications.

"We don't consider this (the **SIA**) as a substitute for **WEMA**, which is far broader based. So we have no intention of withdrawing from **WEMA**, and we continue to be fully supportive of **WEMA**," he said.

- **Jerry W. Sanders**, **AMD** president was also adamant about his firm's staying with **WEMA**.

"My feeling, and the feeling of the other **SIA** co-founders, was that we needed a supplementary trade association to serve the specific needs of the semiconductor industry.

"Those are pretty specialized, and sometimes not served without undue expense to **WEMA**," Sander remarked.

He added that by "having our own dedicated organization, we can expend the necessary money, based on dues from participants to serve whatever projects are unique

to the semiconductor industry."

Sanders said he expected the other co-founders, as well, to maintain their alliances with **WEMA** "since we're part of the larger, overall electronics industry.

"So the answer is no. We're not pulling out of **WEMA**."

Marren said he would remain as executive director for the new organization for an unspecified period of time.

He expects the fee structure for the **SIA** to be set at the next executive committee meeting.

Attorney Tom Skornia of Palo Alto has been named secretary of the **SIA**.

#### **WEMA STATEMENT ON SIA FORMATION**

*Following is an excerpt from a statement issued by **WEMA** late last week on the formation of the **SIA**:*

*"**WEMA** will cooperate with the new association of semiconductor manufacturers, **SIA**, formed recently by Motorola, Intel, National, **AMD**, and **Fairchild**. **WEMA** recognizes that there are certain legislative issues pertaining specifically to semiconductor manufacturers that could be more easily addressed by a*

*smaller organization such as **SIA**. "In fact, **WEMA** hopes that in the future, both organizations can work together effectively so as to focus more attention on issues that concern the electronics industry. **WEMA** is pleased that **SIA** members will remain active in **WEMA**. **WEMA** provides a broad range of services well in excess of specific representation of legislative issues, and will work to continue to provide those services to all members, including those in the **SIA**."*