

JOBS MAY GROW WITH CADENCE

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The Deseret News. Salt Lake City, Utah: May 22, 2002. pg.C.01.

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The 300 jobs Cadence Design Systems Inc. is bringing to Sandy may seem like a large number, but the company's top executive is hinting that it may be just a beginning.

Ray Bingham, president and chief executive officer of the company based in San Jose, Calif., noted that a New Delhi resource center like the one the company will open in Utah this summer has grown far beyond company expectations.

The company will start this summer with 50 jobs at a corporate resource center in Sandy and grow to about 300 jobs over the next two to four years.

"Our experience with these kinds of centers is that it's a start," Bingham said. The New Delhi center started with about 200 workers and now has more than 400, branching out activities to include building of software code.

"As Utah emerges as an engineering center, particularly in the software area, it could very easily be a place where we could put software development activities for our core products," he said. "As the engineering resources here in Utah develop, that prospect is not out of the question."

The company supplies electronic design products and services used in semiconductors, computers, personal digital assistants, navigation devices and communications equipment such as cell phones.

"Our tools design the things inside these devices," Bingham said. "It sounds a little like it might be an overstatement, but I think any of our customers would say they can't design chips, they can't design boards, without our tools and our systems."

Leased space at a building near the Sandy City Hall will be the home of accounting, information technology, real estate, human resources and procurement services for the company's North and South American activities. Some workers will move to Utah from San Jose.

In addition to software development, Utah operations also could grow as the company establishes its own information technology architecture, Bingham said.

"It's easy to imagine the Intermountain West as a secure location, not only for Cadence but for many companies to develop more of an IT presence," he said. "We still do a lot of our IT support out of the (Silicon) valley. If you look how IT is supported generally, those resource centers are spread around the world so there is support 24/7, all the way around the world. That's one opportunity, and that could be big."

The company's first resource center was in Austin, Texas. The one in India was next, and the company is in the process of opening one in China.

"One of the things that we have found in developing our business is that not everyone can work in Silicon Valley. Silicon Valley has its purpose, but it's a narrow and very expensive purpose," he said.

"One of the most important things we can do as we provide this leading-edge technology is go where the talent is, where there's a robust and healthy economy and a robust and healthy education system that supports the activity that we turn into high-quality jobs and leading-edge electronics products for consumers all over the world."

Among Utah's attractions was its education system, he said. "We're a business that has very

few tangible resources. Our investment every day as a company — a billion-and-a-half-dollar company — is people's minds," he said.

In announcing the company's Utah plans Tuesday, Gov. Mike Leavitt said the state is committed to providing a high-quality work force to fuel Cadence's growth.

Bingham also mentioned a stable work force, great values, close proximity to recreational areas and other attributes among the advantages of having operations in Utah.

"I can't help but add to that how reassuring it is that the messages we are putting forward are both true and resonating with the economic community," Leavitt said.

Bingham also noted strong investment from Silicon Valley in Utah technology, especially in biomedicine and software development.

"There are some very interesting startups that are being invested in from folks in the valley that typically don't get much further than the bridges, and that tells a lot. It says there is some world-class talent doing some things here, and that that should be encouraged."

Bingham's Utah connections include a mother from Heber and his bachelor's degree in economics from Weber State University. He also has a master's in business administration from the Harvard Business School.

And among Cadence's longtime customers is Salt Lake-based Evans & Sutherland Computer Corp. "There are some pretty exciting things going on over there that require exotic technology that is very design-intensive," he said.

Cadence has about 5,600 workers worldwide. Helping get the company to Utah was state Industrial Assistance Fund money of \$1.2 million, to be given over five years, with a commitment that the company keep the jobs in Utah for at least five years. It also was based on paying workers at least 125 percent of Salt Lake County's median wage.