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Analog shines in the digital world's shadow

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An article in *The New York Times* business section on July 9 ("Cashing in its chips") had the spin of a David vs Goliath story, discussing how Texas Instruments had so thoroughly defeated Intel in the cell phone IC business that Intel had to throw in the towel and sell off its operation to Marvell Technology.

While TI's 2005 revenue of $13.4 billion means it is not your typical "David," the article waxed eloquent about how TI's investment in, and dedication to, DSPs enabled it to beat Intel, a tough competitor with deep pockets.

TI certainly has been a prime mover in the DSP world. It has promoted DSP technology, architectures and applications for years, investing substantial money and corporate commitment. In many ways, TI and a handful of other missionary companies developed the DSP market, showing designers what these ICs could do as an alternative to conventional CPUs.

Yet the Times article never used the mysterious "a" word--analog. It ignored the fact that TI has invested heavily in analog processes, fabs, applications support and components, and that analog products deliver a significant fraction of TI's revenue, along with very respectable margins. The reality is that this profit has helped fund a large part of the company's DSP efforts.

Why am I not surprised? Analog just doesn't have the hot news appeal to most nontechnical journalists that digital has. That's their view.

I experienced this attitude first-hand at a conference, where I sat next to a well-known business reporter. When I mentioned that I covered analog, and that there was a significant amount of analog content in all the latest products, he said something like, "But everything's going digital, why would you want to do analog?" I said that solely from a business perspective, analog is a vital and profitable market segment with a "long tail" (one of today's hot phrases), and involves intense vendor/customer relationships. But he still looked puzzled.

Trying to reinforce the pitch, I said that from a design perspective, analog is often the better way to go in terms of power, functionality or performance, and many functions are inherently analog by the laws of physics. I was still getting that blank look.

The apparent invisibility of the analog world used to bother me, but it no longer does. I've come to realize that maybe it's better to have a lower profile. Each time Intel sneezes, every analyst and pundit has both the diagnosis and a suggested cure.

By staying below the noise level, analog vendors have much more latitude and flexibility to do what they think best for their long-term success, rightly or wrongly. That's not a bad thing to have.