CONSULTING IN ELECTRONIC DESIGN

IC CAD Market Trends 2009

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EXECUTIVE SUMMARY

It would be nice if we could present these numbers as being completely correct, but we can't. We are still suffering from the Cadence bookings machinations of the past. This time the numbers reflect a more negative view of Cadence that actually exists. The problem is by how much. We believe that there is only a 15% to 20% downside left in Cadence's revenue figures. That probably will be taken care of this year but may run into 2010. What is compounding the problem is that the Upper Mainstream Users, Cadence's main customer base, is continuing to drop out of the Implementation market. That mainly shows up in the IC CAD and IC CAD Synthesis numbers. We just don't know by how much.

Still these are by far the best look at the market we've had since 2004; before the bookings game started. What we are seeing is the flattening of the IC CAD market while the ESL market grows as it becomes the design methodology of choice. IC CAD continues to grow even as we are losing seats, because of the merciless march of Moore's Law. There may be fewer IC CAD engineers but the ones that we have are being swamped by problems that only RET (Resolution Enhancement Tools) and DFY (Design for Yield) tools can resolve. That will bring more dollars into the EDA vendor's bottom line. So welcome to the future; 2008 was the first year of the new era of EDA.

INTRODUCTION

The problems at Cadence and Magma have had their biggest impact on the IC CAD area. Synopsys remains in on top but Mentor is moving into a prominent market position. We are also seeing a start-up, Atop making moves that would have been impossible two years ago.

OVERVIEW

The IC CAD Market Trends report includes market share, market forecast and analysis by sub-applications for the IC CAD sub-applications.

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