

## 2009 OREGON MANUFACTURING AWARDS

# Long-term view helps manage short-term pain

BY ADAM WORCESTER / CONTRIBUTING WRITER

It's a cliché, but TriQuint Semiconductor Inc. CEO and President Ralph Quinsey doesn't hesitate when asked what makes his company special.

"We have a great group of talented people," he said, "and not a day goes by that the management team doesn't think about how to attract and retain more good people."

Quinsey credits the financial savvy of his managers with guiding the Hillsboro semiconductor company through a brutal first quarter this year to emerge with an explosive 42-percent revenue growth in the second quarter.

The roller coaster ride continues, however: Third-quarter earnings were in the high range of Wall Street's expectations, but the company warned Oct. 21 that fourth-quarter results would fall short of analysts' expectations.

TriQuint designs and manufactures high-performance radio frequency modules and components for wireless communications, especially for smart phones.

After generating record revenue of \$573 million in 2008, TriQuint's factories were operating at only 30 percent capacity by January of this year. Rather than slashing jobs, company executives tightened their belts but basically held course.

They avoided the impulse to cut some of the 600-plus staff at Hillsboro headquarters, or the 2,300 at other plants around the world.

"In retrospect, that was a good decision, to keep the crew together," Quinsey said.

By August, factories were back to 90-percent full.

Diversity helped TriQuint soldier through. When the mobile handset market dipped, the company focused on its Defense & Aerospace divisions.

TriQuint manufactures aerospace products for orbiting communications platforms,



CATHY CHENEY | Portland Business Journal

**TriQuint CEO Ralph Quinsey resisted the urge to cut staff when the economy went south.**

planetary exploration missions and satellite ground terminals.

It designs infrastructure products for networks, including standard and application-specific radio frequency devices supporting wireless voice and data needs.

When mobile handsets began to pick up again, TriQuint was well-positioned to take advantage. It had a positive cash flow (\$51 million), and no debt.

The company cleared its portfolio of some acquisitions debt prior to the financial meltdown, and "had the foresight," said Quinsey, to get a \$50 million revolving line of credit before the credit crunch became widespread.

In addition, TriQuint worked closely with its suppliers to manage decreased smart



### TriQuint Semiconductor Inc.

**Local HQ:** Hillsboro

**Ownership:** Publicly traded: NASDAQ:TQNT

**President/CEO:** Ralph Quinsey

**Revenue:** \$573.4M (2008)

phone demand, then to re-ramp when demand rose again.

Smart phones will drive most of the growth over the next couple of years, Quinsey said, via a continued demand for more data. But there are opportunities within other divisions.

In Networks, TriQuint will delve into cable and fiber-optics, as municipalities in the United States prepare to expand capacity from 10 gigabytes to 40, and from 40 to 100 in cable connections between cities.

There is also a new green radio frequency, TriPower, that Quinsey called a "500 million to \$800 million opportunity."

In Defense & Aerospace, TriQuint is evolving from a parts supplier to solutions supplier.