

Company merging & acquisitions

Lost & found identities....
survival of the fittest enterprise model

R. Gomes, PII-1987

From Philips Gloeilampenfabrieken

N.V. PHILIPS'
GLOEILAMPENFABRIEKEN

Concernlegitimatiebewijs

Uitsluitend
geldig voor Eindhoven

N^o 123794

Uitgereikt aan:

Naam: GOMES.-

Voorn.: RODOLFO V.-

Bedrijf: P.I.I.STUDENT.-

Toegang in / CAB BE.4.
werktijd tot / HSI.- OVEXXXXXX

Handtekening houder:
Holder's signature: *Rodolfo V. Gomes*

Geldig tot: ~~31.12.87~~ 31,5,88.

Afgegeven door:
Afd. Bewakingsdienst

Handtekening: *[Signature]*

Datum: 12.1.87

zie ommezijde
please turn over

84513 008



PHILIPS

N.V. PHILIPS' GLOEILAMPENFABRIEKEN. EINDHOVEN - NEDERLAND

Toegangsbewijs voor - Tarjeta de entrada para
Admission card for - Carte d'entrée pour - Eintrittskarte für

Naam: R.V. Gomes

Firma: PII

Nation: Braziliaan

Geldig op - t/m / Período de validez
Validity period / Période de validité
Gültigkeitsdauer 1987-05-22

Begeleider/Acompanado por/Accompanied
Naam: Afd.

Ir. P. v. d. Wurf

Dit bewijs geeft toegang tot afd.
Esta tarjeta da acceso a los depts
This card gives access to dept.
Cette carte donne accès aux depts.
Diese Karte gibt Zugang zu Abt.

Cons. Electr., SPJ 2
(Ir. Verheijen)

Marij M. Paulussen
Magister van de afd. gemachtigde

Afdeling Internationale Verkoop
Tegengesteld op 22 MEI 1987
Eindhoven

POORT 88

Z.O.Z. WENDEN P.T.O.
T.S.V.P. VUELTA

G 220668



To several different spin-offs: NXP



• In December 2005, Philips announced its intention to legally separate its semiconductor division, Philips Semiconductors, into an independent legal entity

NXP = Next eXPerience
NXP = Noi eX Philips 😊



Selling parts of Spin-off: joint ventures



In 2008 NXP announced that it would transform its Mobile and Personal business unit into a joint venture with STMicroelectronics, which in 2009 became ST-Ericsson,



Selling parts of Spin-off: joint ventures



In October 2009, NXP announced that it would sell its Home business unit to Trident Microsystems.





“which process guides my company?»»

“...do i feel part of it?»»



Being part of Philips constellation of Product divisions was like playing in a team... on an international competition, like World cup.

Being part of a Spin off, it is like being a Marine in a war, a world wide war...

Increasing «critical mass»: acquisition of small silicon companies



- Jennic Limited, privately held UK-based fabless semiconductor company founded in 1996, was acquired by NXP Semiconductors in 2010



Increasing «critical mass»: acquisition of small silicon companies



- in 2015 NXP Semiconductors completes Quintic acquisition



Merging with a similar «silicon supplier»



Peer merging

- in 2016 NXP Semiconductors starts merging with Freescale



My experience

At “divorce from Philips”

- Company identity changed substantially
 - Philips offered «oxigen» from successful Units to suffering Product Divisions
 - Multiple product divisions offered employees good employability in case of downsizing
- Downsizing of least efficient-least profitable units took place from early days and thru 2009 financial crisis
 - 35000 units in 2006 down to 25000 units, four years later

During “2nd marriage”

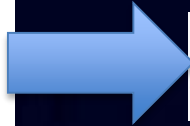
- Synergy is seen as very positive:
 - NXP and Freescale put together their top ranked Product Lines
- «deja vu» feeling: some Prod. Line/groups will have to get out, sooner or later
- Employability in a spin-off requires «searching job opportunities around» all the time:
 - LinkedIN,
 - Facebook,
 - Ex-employers, etc

My observation from PII times until today

- Big corporations had their origin at last stage of industrial revolution, where scientific knowledge and control of key processes (like semiconductor manufacturing) made the difference:
 - Siemens (1847), Ericsson (1876), Philips (1891), Motorola (1928), hired brilliant people during their R&D expansion, gathering together 90% of patents in electronics worldwide.
- 19th and 20th century corporations represent «Dinosaurs» enterprise model: their existence depended on opportunities and economic factors not valid anylonger:
 - collection of innovative patents is a necessary condition, but not sufficient to be successful today
- In this evolution scenario, Spin-offs are like «mammals», created under different assumptions:
 - High competitive globalized scenario
 - financial health is a must

My observation from PII times until today

SIEMENS



My observation from PII times until today

From “bonding feeling” to the company I work for..
(Philips 1999 - 2006)

...to “survival feeling” to keep company “alive”
(NXP 2006 – 2016)

From “Philips 5-years plan” to...

... “reaching quarterly (3months) results” to keep company “alive”



Dedicated to Dr. Hendrik Casimir

- He has been assistant of [Niels Bohr](#), father of «Bohr's atom model»
- He has worked with [Wolfgang Pauli](#), father of «spin exclusion principle»
- After difficulties in starting academic career in Leiden university, Philips hired him.
- He discover several semiconductor effects, like «Casimir effect» and was one of founders of Nat. Lab.
- PEIAA had the honour to have Dr. Casimir as speaker in our Conference in 1996



Dedicated also to...

- ...my grandson, Leonardo, born on 26/09/15
- It is amazing he has a lot to discover in this world, a world rather different from the one of his grannies!

Muito obrigado
Thank you
Muchas gracias



Philips International Institute, 1957-1989
Eindhoven International Institute, 1990-1994