

Commencement Address
Marietta College
Sunday 8 May 2005

I) Introduction

- A) First off, I wish you all a Happy Mother's Day.
- B) My wife Brenda and I also are happy to be a part of the graduation ceremonies of the very first Rickey Scholars at Marietta.
- C) I walked the same path that some of you walk today, only 27 short years ago as a member of Marietta's Class of 1978.
- D) As your parents can attest, the passage of time is very non-linear.
- E) It took forever for me to reach age 25 and enter the work force full-time.
 - a. But these second 25 years of my life are a blur.
 - b. I wish the next 25 years could go slower, but that won't happen.
- F) Marietta College President Jean Scott asked me to return to this ceremony, to impress upon you some of the lessons I've learned during my career.
- G) So I will begin by telling you about my background.
- H) Then I will spend a few minutes telling you about the four most important lessons I've learned. They are simple lessons.
 - a. Do something you like to do.
 - b. Seize the initiative always.
 - c. Develop an open mind.
 - d. Choose mentors.

II) My educational background

- A) I was born and raised in rural western New York State.
- B) I arrived on the Marietta campus in August 1974.
 - 1) I still have my freshman ID picture at home.
 - i. I thought it was pretty bad at the time.
 - ii. But I sure looked good then, compared to now.
 - 2) I came to play baseball, but that didn't work out.
 - 3) I was more interested in Journalism at first.
 - i. I wrote for the Marietta Times and my hometown paper.
 - ii. I was editor of the Marietta College weekly, The Marcolian, my junior year.
 - 4) Eventually I chose math and physics over journalism.
 - 5) I then decided to pursue the so-called "3-2 program," whereby I spent 3 years at Marietta, and two years at Columbia University, earning two bachelors degrees.
- C) So I remained at Marietta through May 1977, and received my B.S. degree in mathematics a year later.
- D) I graduated from Columbia University in 1979 with another B.S. degree from the School of Engineering and Applied Sciences, a degree in Metallurgy.

- E) Columbia offered me a Fellowship to stay and pursue a PhD.
 - 1) But in the summer of 1979, as I jogged from Columbia to Central Park one hot and humid Saturday morning, running past gushing Fire Hydrants, spraying exhilarated children who were randomly darting into the streets before me, I decided I had spent enough time in New York City.
- F) I then enrolled in Stanford University's School of Engineering, and received my M.S. degree in Materials Science in 1981.
 - 1) My timing couldn't be better.
 - 2) I arrived on campus just as a young homemaker named Debbie Fields was baking her first chocolate chip cookies in nearby Palo Alto, and delivering them to the Stanford Bookstore every morning.
 - 3) Needless to say, I was a morning regular at that bookstore, and gained a few pounds that year thanks to Mrs. Fields.
 - 4) I passed Stanford's PhD qualifying exams, but I opted out with a Master's degree because I wanted to jump into the work world.
 - 5) I made a great fundamental decision during grad school, in deciding to pursue a career in the nascent field of Microelectronics, the science of semiconductors.
 - 6) This field, it turns out, has been the fundamental driver of technology advancement around the world.

III) My career background

- A) I left Stanford with an M.S. degree for IBM Corporation.
 - a. I started work on Monday, June 1, 1981 in Essex Junction, Vermont.
 - b. At the time, IBM was the world's most profitable and most admired corporation.
 - c. Not liking the weather, I transferred to Oregon in 1983, back when IBM was investing in, and literally saving, a fledgling company known as Intel Corporation.
 - i. I was part of a joint development team developing the world's first 1-megabit DRAM chips, using then-unheard-of 1-micron technology.
 - ii. But after Intel decided to exit the DRAM business (its best decision ever in retrospect), I left IBM and joined Northern Telecom in San Diego.
- B) I spent over 8 years with NorTel, both in San Diego and in Ottawa, Canada, from May 1985 through August 1993.
 - a. It was in Ottawa that I learned two important lessons:
 - i. The Fahrenheit and Celsius temperature scales cross at minus-40 degrees!
 - ii. Health care is a lot better in the USA than in Canada.
 - b. As NorTel was being downsized by what I considered to be a tyrant of a CEO, I left the big company for a high-risk start-up back in San Diego, AMCC.
- C) I worked for only 20 months at Applied Micro Circuits, as a Vice President, from 1993-95, as a "turnaround artist" for manufacturing.

- D) Well, I fixed manufacturing but gave up hope for the rest of AMCC, so I departed for NexGen, a Bay Area chip company run by a Stanford classmate of mine, Atiq Raza.
- E) My nine months at NexGen were like Robin Williams on caffeine.
- a. We took the company public 3 weeks after I arrived, generating the highest IPO valuation ever for a technology company up to that time.
 - b. My job was to ramp sales from zero to \$200 million in one year, by bringing on board a myriad of suppliers around the world despite a worldwide semiconductor-industry supply crunch.
 - i. One major goal was to get the cost of a NexGen motherboard, populated with components, down to \$99 per board within 6 months.
 - ii. But when I arrived, the actual cost was almost \$500 per board.
 - iii. A shortage of industry capacity was pushing out lead times for many products from 6 months to one year vs. the normal 8 to 12 weeks.
 - iv. For those of you familiar with the laws of supply and demand, when there is only a small available supply relative to demand, prices do not go down.
 - v. Needless to say, I did not come close to my cost targets.
 - c. And so a team of very bright people spent the summer of 1995, working around the clock, essentially trying to defy gravity.
 - d. With about 6 days of cash left in the bank, we agreed to sell the company to Advanced Micro Devices for \$865 million in October 1995.
 - e. AMD's resurgence as an Intel competitor, evidenced by products like the Athlon and Opteron microprocessors, is a direct result of the NexGen acquisition.
 - f. Of my experience at NexGen, I will say this: I have never had so much fun being so stressed out in all my life.
 - g. On the day we announced the sale of NexGen, the AMCC board contacted me, asking me to return to San Diego to be CEO of AMCC.
- F) So from February 1996, until I retired just a few weeks ago, I was CEO and President of AMCC.
- a. When I joined, AMCC was private, investors had given up, and we were running out of cash.
 - b. Each share of AMCC stock was worth about 7 cents.
 - c. I arrived to find a demoralized company, which I had to slash further.
 - d. 90 minutes after I arrived, I called a meeting of all employees, and articulated my vision for the company.
 - e. I told them we would be a public company by August 1998, we would achieve a valuation of over \$1 billion on the Nasdaq, and we would be the leader in high-speed Communications.
 - f. The employees sat back in their chairs and scowled at me and my ridiculous plan.
 - g. It turns out I was wrong.
 - i. We actually went public 9 months earlier, in November 1997.

- ii. Our stock rode the telecom boom to a total market capitalization of \$33 billion within 3 years.
 - iii. Many of those scowling employees became millionaires.
 - h. Then the telecom industry and our customers cratered, starting in 2001.
 - i. The story of that industry, whose downfall was led by companies like WorldCom and Lucent, will be studied for decades to come.
 - j. Today AMCC is valued at about \$900 million.
- G) In 2004, I decided to step aside to let someone else run AMCC.
 - a. I gave the Board of Directors one year's notice.
 - b. They found a successor in about 6 months' time.
 - c. I remain with the company until August as an advisor.
 - d. Meanwhile, I remain active on the boards of other companies.
 - e. Now at home, I am mainly Brenda's assistant and our daughters' cheerleader.

IV) Lessons learned over my career

- A) I have learned that the same 4 lessons which apply to your career, also apply to life before your career, and life beyond your career.
 - a. I will not talk about integrity, which of course should be obvious.
 - b. I also won't talk about the "golden rule," which also should be obvious – meaning simply, treat others like you would want to be treated.
 - c. Integrity and the "golden rule" are must-dos in life.
- B) The first lesson that I will talk about is a no-brainer: **do something you like to do.**
 - a. Believe it or not, a lot of people do not choose this path.
 - b. Instead, they pick a profession that they think will bring them fame or fortune, confusing the two with happiness.
 - i. Fame and fortune are really for people who have what I call an "external locus of control."
 - ii. By definition, these people look outside of themselves for meaning to their life, even on a day to day basis.
 - iii. The approach of "selling your soul" for wealth would work if your career only spanned 6 months of your life.
 - iv. But you probably will be working 30-plus years.
 - v. These externally-controlled people tend to get burned out early to mid-career.
 - vi. In my position as CEO, I saw this burn-out mainly among lawyers and investment bankers.
 - vii. The ones who get the most satisfaction from life are those who have what I call an "internal locus of control."
 - viii. For the ultimate internal locus of control, see Howard Roark in Ayn Rand's *The Fountainhead*.
 - c. Which brings me to the most important axiom you will ever hear in your life.
 - i. "It's about the money ... until you have it."

- ii. I reaped the financial benefits of the high-technology boom of the 1990s.
 - iii. How long did I bask in the euphoria of two IPOs?
 - iv. Not very long, actually.
 - v. At some point, you realize it's not about the money, it's about the journey.
 - d. So pick a field you like, and commit yourself to the journey.
 - e. If I were in your shoes and I had to pick a field for the next 25 years, it would be bio-tech, which itself is largely fueled by advances in Microelectronics, enabling such leaps forward as the mapping of the human genome.
 - f. If you are sitting here, uncertain of what to do with your life, then go to graduate school.
 - i. I can't name any colleagues who regretted going on to graduate school for advanced degrees.
 - ii. Many companies now prefer M.S. and PhD to B.A. or B.S. degrees.
 - iii. Planning to attend graduate school buys you more time to zoom in on an interesting field while you're an undergraduate.
 - iv. You'll also do yourself a favor if you can intern during the school year, or during summers, in potentially interesting fields of interest.
 - g. Regardless of whether you stop at a B.S., or go on to graduate school, **do something you like to do.**

C) The second lesson is simple also – **Seize the initiative, always.**

- a. This sounds easier than it is.
- b. Many people simply don't have the personality for this.
- c. But in the business world, it is imperative.
- d. Businesses generally either grow or die, unless they are a utility or branch of the government.
- e. Growth requires **change agents**, not status-quo maintainers.
- f. One of the highest compliments you can earn in the business world is to be called a "self-starter."
 - i. The traditional business model of a hierarchical organization, where many levels of management ensure compliance, died in the 1990s.
 - ii. The new organizational model is a "flat" organization, with fewer managers and more "doers" who are given less supervision and expected to be "self starters."
- g. So always seize the initiative.

D) The third lesson is perhaps the most difficult to put into practice – **develop an open mind.**

- a. From the time we're born, we are conditioned to have biases, conscious or otherwise.
- b. For example, political biases are often passed from parents to children, sub-consciously.
 - i. Most people are in denial about their biases.
 - ii. In the business world, biases also abound.

- c. The downside of these biases is that people put boxes around themselves, imposing artificial constraints which impair creativity later in life.
- d. With age, many people become more close-minded.
- e. In the work world, businesses want innovation and creativity.
- f. But the work world often is poisoned by “groupthink,” a state of conformity which stifles innovation and creativity.
- g. Too many people know **what is not possible**.
- h. Rather than “rationalize” what’s not possible, you should imagine what is possible.
- i. So **develop an open mind**, and question your biases constantly.

E) Lesson four – **Choose mentors.**

- a. My career success would not have happened, were it not for the many mentors I have had throughout my life.
- b. The business world was full of mentors through the early 1980s.
- c. But then the pressures of competition, downsizing and “doing more with less” effectively squeezed most of the available time out of mentoring.
- d. I had wonderful mentors at IBM.
 - a. These were senior engineers who were technical experts.
 - b. The IBM culture fostered a sense of mentorship among these seasoned veterans.
 - c. Back then, it wasn’t called “mentoring,” it was a natural, almost subliminal duty of the veterans of any organization.
 - d. But that culture has been hammered by downsizing.
- e. As a result, employees now bear more of the responsibility of seeking out and choosing their own mentors.
- f. You have to seize the initiative to seek them out, and adopt them as your own mentors.
- g. In putting together our estate plan several years ago for those who would survive me in the event of my death, I made a list of all those people who I thought were major mentors in my life.
 - a. I came up with a list of 35 people who I consider mentors.
 - b. These include teachers, professors, coaches, bosses, fellow CEOs and board members, advisors and friends.
 - c. Upon my death, each of those people will receive a letter from me, thanking them for their mentorship, and our estate will donate a sizable amount each to the charity of their choice.
- h. By the time you are my age, you will be blessed if you can count so many mentors who have made such a difference in your life.

V. Conclusion

- A. In closing, let me again thank Jean and the Marietta College community for inviting me back to campus to speak today.
- B. I congratulate the graduating Class of 2005, and wish you the best.

C. There are perhaps 3 things I'd like you to remember about my talk today:

- 1) Time is non-linear, and your adult life will now accelerate faster than you can imagine.
- 2) Your opportunities will be unleashed, or held captive, not by some external locus of control, but by your own mindset.
- 3) It's all about money, until you have it. Then it was never about money at all.

Thank you for listening.