

Learning Vital Lessons For the Next Climbs



SDBJ INSIDER

Nels Jensen

When **Aaron Fulkerson** stepped down as CEO in May some 13 years into his tech startup **Mind-Touch**, he said he wanted to get away to reflect and recharge.

So he hopped on his motorcycle and rode the length of the Baja peninsula.

Since then he's motorcycled through Mexico and been on an extended summer vacation with his kids (in a Jeep) to the Grand Canyon, Yosemite and many Native American sites.

He just returned from summiting Mount Whitney, which he described as a humbling experience as he experienced altitude sickness on his way up to 14,505 feet.

As Fulkerson reflects on his adventures, he has come to embrace the Latin phrase "amor fati," which loosely translates to "love your fate."

He has had to constantly remind himself to not feel guilty while he was without a job yet living such rich experiences. He says it also means embracing your fate while you wait out a flashflood, 115-degree temperatures or feeling nauseous on a mountain.

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The Mount Whitney climb was the idea of **Eric Otterson** and **Cody Nenadal** from the San Diego office of **Silicon Valley Bank**. Otterson has climbed peaks as high as 18,800 feet in Mexico and wanted to summit Mount Whitney as he recently learned his father had in 1949. (That would be Bill Otterson, who would go on to found **Connect**.)

Otterson and Nenadal invited clients Fulkerson and **Kyle Slager**, CEO of **Raken**, for their adventure. Otterson said it had snowed the day before their climb, and the frigid conditions over the final four miles had him worrying about frostbite. He said he was reminded about the fundamentals of teamwork and how lifetime relationships are forged.



Kyle Slager and Aaron Fulkerson

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Fulkerson says he is starting to "plug back in," which in his case means helping vet a potential investment opportunity for a private equity firm and working with **Marty Beard** and machine learning startup **alwaysAI**. Beard, previously COO at **Blackberry**, describes his company as adding intelligent sight to devices. Think of it as enabling a device to learn from the images it sees, sort of like an internet of things device without an internet connection.

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PSemi's Parent Company Keeps It Very Busy

TECH: San Diego Co. Is Turning Away Work, But Still Making Acquisitions

■ By BRAD GRAVES

Jim Cable is back for another go-round as chief executive of **PSemi Corp.**, the semiconductor unit of Japan-based **Murata Manufacturing Co. Ltd.**

The company is on a growth tear. It is hiring. Revenue in the most recently ended quarter was 15 percent higher than any quarter in the history of the company.

PSemi's microchips, combined with parent Murata's electronic filters, are part of **Apple Inc.**'s iPhone.



Jim Cable

Turnover at the Top

Despite the growth, however, there is turnover at the top. And as the company loses its chief executive, Cable is stepping in for the interim and searching for a successor.

Cable spent 15 years as CEO and stepped aside in March 2017 to be PSemi's chief technology officer and Murata's global R&D director. His handpicked successor, **Stefan Wolff**, came aboard in March 2017.

Wolff stepped down on Oct. 1 after 18 months on the job. Wolff, a former executive with **Intel Corp.**, is spending two months as a strategic adviser to PSemi and plans to return to his native Germany in December.

Cable said Wolff was leaving for personal reasons and did not elaborate.

"There were family issues. He made the right decision. And I got volunteered to go back to my old role," Cable said.

CEO Pro Tem

In a recent interview, Cable said it was energizing to be in the CEO's chair again. Actually, his new title is CEO pro tem. He now has 17 people reporting to him, up from five earlier this year.

For the last 18 months his job has been technical. He has also been handling acquisitions for Murata, and talking with startups, which he enjoys. "It reminded me of when we were a startup," he said.

PSemi bought a Massachusetts company called Arctic Sand Technologies in March 2017 for undisclosed terms, and a second, unnamed company since then. Cable said the second acquisition was never announced, describing it only as a local semiconductor firm.

New acquisitions went into an internal "incubator."

"You can't buy zero-revenue startups and have it not clobber your P&L," or profit and loss, Cable said, so the incubator has its purpose. "We kind of got forgiven for the P&L impact because it was not in the core business."

PSemi started life in 1990 with technology developed at the local **U.S. Navy** labs. The business was originally called **Peregrine Semiconductor**. Cable became chief executive in 2002. During a relatively short span of time between 2012 and 2014, **Peregrine** stock traded on the public markets.

Benefits of Private Company

"Being CEO of PSemi right now is a lot better than being CEO of Peregrine as a public company," Cable said. "I don't take investor calls anymore, or shareholder calls."

Today, the pressure to get good quar-



Photo courtesy of PSemi Corp.

PSemi specializes in small electrical components. PSemi Corp. is searching for a new CEO after its chief executive of 18 months quit for personal reasons. The semiconductor company reports that it is turning away business.

modules that Murata sells into iPhones.

Business is good, Cable said. In fact, PSemi is turning work away. Murata gives the company plenty of projects, and once that internal customer is served, there doesn't seem to be enough staff to serve external customers.

Turning Away Work

Just what is PSemi turning away? Work on components for wireless base stations, for one thing. "There are some automotive opportunities that we turn away," Cable added. "And it's kind of painful. When you look at it you go, 'Gosh, there's just so much more here,'" he said with a laugh. "But you just can't do everything."

Turning work away seems to be against a business person's better instinct, the CEO said, but experience tempers that instinct. "Usually you learn — after you've been punished for it — that there's a downside to overcommitting."

PSemi has about 600 employees, with the bulk of them in San Diego. Cable said the business could hire an additional 100 people within two years. PSemi has design centers in Austin, Chicago, Boston and the United Kingdom.

PSEMI CORP.

PSemi
A Murata Company

CEO: Jim Cable
REVENUE: Undisclosed
NO. OF LOCAL EMPLOYEES: About 500
INVESTORS: PSemi is a subsidiary of Murata Manufacturing Co. Ltd. of Japan
HEADQUARTERS: Miramar area
YEAR FOUNDED: 1990
COMPANY DESCRIPTION: Semiconductor maker.

terly results is not as great as the pressure other public U.S. companies face. And by Cable's account, Murata is a patient investor. "They're perfectly willing to take on R&D projects that may not get you to a product for seven [or] eight years — which would be unheard of in the U.S."

PSemi does not report its quarterly results. Cable said they are not material to the parent company's results; Murata is just so much bigger than PSemi. However, Cable went on to say, the San Diego division's products are valuable. PSemi makes integrated circuits that go into the

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