Success Through Adversity
A CEO’s Story of Entrepreneurship

Ray Zinn
The Longest Serving CEO in Silicon Valley
## Adversity is like *maneuver* ...

*It stinks, but it helps us grow!*

<table>
<thead>
<tr>
<th>Started a semiconductor company</th>
<th>Without venture capital</th>
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</thead>
<tbody>
<tr>
<td>Rode out several major industry corrections</td>
<td>Was profitable 36 of 37 years, GAAP basis</td>
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<tr>
<td>Reached IPO</td>
<td>Went blind during the IPO roadshow</td>
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<tr>
<td>Survived one corporate raider</td>
<td>Didn’t survive the second</td>
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The adversity of inventiveness

“You should not work for anyone …”

• Had conceptualized the wafer stepper
• Sold it to TI without any engineering
• Presented a huge PO to my boss
• Suggested I not be an employee … anywhere
• The adversity of inventiveness is thinking outside boxes when your leadership does not
The adversity of inventiveness

The Adversity of Inventiveness

People Who Get It

People Who Don't Get It

Common Knowledge

Start

The Gulf Of Disapproval

Ideas Spread Over Time

Chart concept adapted from Seth Godin
The adversity of confidence

“No bank lends to startups!”

- Did not want VC money
- Discussed pie-in-the-sky terms with bank
- Accepted their stringent terms … and met them
- Being confident is essential, but adversity comes if people do not share your confidence
Adversity of the market

“Everyone loses money in down cycles.”

- All markets and industries have business cycles
- Anticipating the cycles, and watching financials helps predict
- Keeping cash to invest in R&D during down cycles leads to sustainable profits
- Being frugal during good times looks like adversity, but it is really avoiding down-cycle adversity
Adversity of fate

“You need to resign. You cannot lead in this condition!”

• Went blind during IPO roadshow
• No chance to recover eyesight
• Many thought no blind man could run a tech company
• Used tech, memorization, acute listening to adapt
• Life throws curve balls, but nearly any misfortune can be compensated for
Adversity of greed

“You need to sell your company!”

• Corporate raiders came in 2008
• No interest in enduring, profitable business – just short-term share price
• Slugfest and another roadshow needed to convenience the board to stay the course
• Adversity is limited when your goals and ethics are clear
Adversity of greed, part 2

“You need to sell your company! Really!”

• 2015, the second corporate raiders came, 20+ years of running it without eyesight
• Board forced the sell of Micrel
• Failure? No way!
  – 37 years, 36 profitable
  – Thousands of happy employees
  – Great products
  – Kept semiconductor fab in the U.S.
  – An unprecedented success, an enduring company
Adversity creates opportunity

“You need to write a book!”

• Retirement does not mean watching TV
  – A new book
  – A new investment arm
  – A new podcast
  – A lot of public speaking
Embrace your adversity

• Vision, discipline and grace makes a good Silicon Valley entrepreneur
• The essence of discipline is doing the tough things first

People who have a vision and drive themselves and their organizations relentlessly toward that vision – they begin by learning to love doing what they don’t love to do.

“Doing what you don’t like doing, and doing it well.”
Innovate by exploring the outside of boxes

Explore.
Never be Afraid to Connect

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