



## Whatever happens to Verific licensees ?

Earlier this year, Verific shipped its 100<sup>th</sup> source code license and that triggered an interesting question. Whatever happens to those licenses, and the licensees, over time ? For the non-initiated, let me briefly explain what we are all about. Verific Design Automation sells SystemVerilog and VHDL parsers (some call it a platform) to EDA, FPGA, and semiconductor companies who in turn build their EDA applications on top of our front ends. Some of those applications are used in-house (semiconductor customers) and others are shipped worldwide as part of well-known EDA products.

It wasn't too difficult to trace this down as we have maintained clean records of all licensees over time. All we needed to do was to account for what happened to some of them. (For instance, company A gets acquired by company B, which gets acquired by public company C. Ok, that's one license under 'acquired' and does not count towards 'public'.)

Well first for the bad news. 11% went out of business. All of these were startups that eventually ran out of time and money. On the positive side, 20% of our licensees have been acquired. It would be nice to be able to attach an aggregate dollar amount to that percentage, but unfortunately the vast majority of those acquisitions were private, and in those situations where they weren't (Magma, Denali) the Verific license supported only part of the product line.

Over time, 10% of our licenses were cancelled, with the vast majority of cancellations due to discontinuation of a project or product. Of the remaining licenses, 26% are in use at public companies and 33% reside with private corporations.

Altogether not a bad track record I dare say. Still waiting for the first one that goes public though.

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