

行政院所屬各機關因公出國人員出國報告書

(出國類別：會議)

出席「矽谷台美產業科技協會」2005年會暨研討會報告

出國人：經濟部工業局陳昭義局長

出國地點：美國矽谷

出國期間：94年3月4日至3月8日

報告日期：94年3月25日

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出席「矽谷台美產業科技協會」2005年會暨研討會報告

壹、會議背景

矽谷台美產業科技協會 (TAITA-SV) 於 2003 年 1 月 3 日於美國加州 Santa Clara 成立，目標為提升台灣產業科技技術，主要任務為引進先進及新興科技、培育矽谷企業與台灣建立關係、作為矽谷與台灣之科技產業橋樑、遴選領導台灣產業發展之技術人才、為協會會員舉辦產業科技或創投研討會等。

TAITA-SV 訂於本 2005 年 3 月 5 日於美國加州矽谷 Double Tree Hotel 舉行 2005 年會暨研討會，主題為「企業營運轉型時代的投資策略-跨太平洋區企業合作模式的演進」。為讓矽谷的創投與專業人事能與台灣經濟部有直接交流之機會，並促成未來實際與台灣產業合作與投資，TAITA-SV 特邀請本部擔任大會貴賓與主講人，就台灣產業發展現況、國際合作方向及相關獎勵政策發表專題演講，奉 部長指派陳局長昭義代表。

貳、會議日期：94 年 3 月 5 日

參、會議地點：美國加州矽谷 (Double Tree Hotel)

肆、出席單位及代表：詳附件 1。

伍、我國與會人員：經濟部工業局陳局長昭義。

陸、會議議程：詳附件 2。

柒、會議情形：

TAITA-SV 2005 年會暨研討會，主題為「企業營運轉型時代的投資策略-跨太平洋區企業合作模式的演進」，由經濟部工業局陳局長昭義以「台灣經濟之挑戰與展望」(詳附件 3) 發表演說，演說內容分為六部分，首先介紹近年台灣產業結構變化；其次介紹 2004 年經濟概況，分析經濟成長、民間投資、工業結構、失業率、貿易等資料；第三部分，分析台灣之比較優勢、競爭力排名、出口主力產品；第四部分，介紹 2008 國發計畫重點產業如兩兆雙星、通訊、技術服務業及文化創意產業之願景與發展策略；第五部分，介紹台灣投資租稅獎勵政策及相關工業區概況；最後，以台灣已成為全球高科技的活躍角色，台灣是中國大陸市場的重要跳板，國際合作則為致勝關鍵作為總結，盼能以此拋磚引玉，促進台美雙邊技術與投資合作機會，以及台灣經濟成長與產業升級。

玖、 檢討及建議

台美矽谷產業科技協會年會係促成台美產業合作之重要會議，每年邀請來自資訊、半導體、生物科技及創投業的專業

人事、企業經營者及投資人，以分組方式提供跨太平洋區的合作模式和營運轉型投資策略的看法與經驗。本次經濟部受邀發表演說，除可瞭解台美產業合作情形，探詢進一步合作之商機外。透過主題演講方式介紹台灣經濟發展情形，更可促進台美產業界瞭解台灣政府之相關措施，亦有助於台灣在國際上之能見度，建議未來可持續派員與會，以促進台美雙邊技術與投資合作機會，以及台灣經濟成長與產業升級。

TAITA-SV 2005 Annual Conference Program

March 5, 2005 (Saturday)			
Morning Program	8:00 – 9:00	Conference Registration	Registration Team
	9:00 – 9:15	Opening Ceremony Yue-Teh Jang, Conference Chair Joseph Yang, Director of Science and Technology Division, TECO	Yue-Teh Jang, Conference Chair
	9:15 – 10:00	Keynote Speech: “Challenges & Prospects for Taiwan’s Economy” Chao-Yih Chen, Director General, Industrial Development Bureau, MOEA	
	10:00 – 10:45	Keynote Speech: “Future new business model in Silicon Valley” Len Perham, Chairman & CEO, Optimal Corp.	
	10:45 – 11:10	Break	
	11:10 – 12:20	Legal Panel: “Legal Considerations In Starting A Global Technology Company” Robert Cochran, Attorney, Law Office of Robert D. Cochran David Lee, Partner, Orrick, Herrington & Sutcliffe LLP James Pooley, Partner, Milbank, Tweed, Hadley & McCloy LLP Don S. Williams, Attorney, Wilson Sonsini Goodrich & Rosati	Moderator: Craig Johnson, Attorney, Venture Law Group, Heller Ehrman
12:20 – 1:30	Lunch Keynote Speech: “The Beautiful Island – Taiwan” Franklin S. Chen, Director of Taiwan Tourism Bureau, SF Office		

		Track 1		Track 2	
Afternoon Program	1:30 – 2:40	<p>VC Panel: “How is globalization (especially Asia) influencing the investment strategy for Silicon Valley venture capitalists?”</p> <p>Matt Howard, Principal, Norwest Venture</p> <p>Katherine Jen, Managing Partner, AsiaTech Management</p> <p>Thomas L. Rosch, General Partner, InterWest Partners</p> <p>Sung Y. Yoon, Managing Partner, KTB Ventures</p>	<p>Moderator: Tae Hae Nahm, Founding Partner, Storm Ventures</p>	<p>Startup Case Study Panel: “Building a successful start-up company”</p> <p>Chuo-Chye Huang, Founder & Chairman, Sunplus Technology</p> <p>Samuel Sheng, Co-founder & CTO, Telegent Systems, Inc.</p> <p>Ray Wei Chairman & CEO, Anchiva Systems, Inc.</p> <p>Chen H. Wu, Founder & President, Leotek</p>	<p>Moderator: Hans Tai, VP, Sunplus Capital</p>
	2:40 –4:00	<p>Pharma Panel: “Transforming the Generic Pharmaceutical Industry”</p> <p>Frank Kung, Managing Partner, Vivo Ventures</p> <p>Henry Su, Partner, Fenwick & West</p> <p>Jeffrey W. Guise, Partner, Wilson Sonsini</p> <p>Jen Chen, President, Genovate Biotechnology</p> <p>Larry Hsu, President, Impax Laboratories</p> <p>Narinder S. Banait, Senior Associate, Fenwick & West</p>	<p>Moderator: Sam Chow CEO & President, BioKey</p>	<p>Networking & Communications Panel: “The Future of Cyber Security and Networking Ventures”</p> <p>Kenneth C. Watson, Senior Manager, Cisco Systems</p> <p>C.T. Wu, Founder, CEO & President, SOHOfare Inc.</p> <p>Yan Ke, Co-Founder, NetScreen Technology, VP & Chief Architect, Juniper Networks Inc.</p>	<p>Moderator: David Weng, VP, TAITA-SV</p>

Afternoon Program	4:00 – 4:10	Break			
	4:10 – 5:20	<p>BioTech Panel: “The Status of Medical Device Outsourcing”</p> <p>Jack Costello, Partner, Costello O’Hara</p> <p>John Maroney, General Partner, Delphi Ventures</p> <p>Yan-Ho Shu, President, Polymerex Medical</p> <p>Tom Palermo, VP of Operations, Ensure Medical</p> <p>David Saul, Partner, Wilson Sonsini</p>	<p>Moderator:</p> <p>Yue-Teh Jang General Partner, The Vertical Group</p>	<p>SemiConductor Panel: "Progress Update of Taiwan and China IC Industry"</p> <p>Wilson Chang, Sr. VP, WISchip International</p> <p>Allen Lee VP, ATI Technologies Inc.</p> <p>Quincy Lin Sr. VP & CIO, TSMC</p> <p>H.C. Peng President, KYEC USA</p>	<p>Moderator:</p> <p>Simon Fang VP, UMC</p>
Evening Program	5:30 – 6:00	Registration			
	6:00 – 7:10	Dinner			
	7:10 – 7:30	Remarks by Mr. Chun Chiu, TAITA-SV President and VIPs			Hostess: Katrina Tsai
	7:30 – 7:40	Transition to New BOD			
	7:40 – 7:50	Raffle			
	7:50 – 8:10	Entertainment (Dance & Choir)			
	8:10 – 9:10	<p>Keynote Speech: “The impact of democracy, economic growth and globalization in the Cross Pacific Region; particularly as applied to Taiwan and China”</p> <p>James Lilley, Senior Fellow of American Enterprise Institute, Former US Ambassador to Taiwan, Korea, and China</p>			
	9:10 – 9:30	Q/A			
	9:30 – 9:40	Plaque for Speaker			
	9:40 – 10:00	Raffle & Adjourn			

Message from Mr. Chun Chiu, TAITA-SV President

Welcome to TAITA's 2nd Annual conference.

Your participation in this year's conference is much appreciated. We have invited Mr. James Lilley, as our evening keynote speaker, who is former Director of AIT and the former US ambassador to Korea and China, to share his view on the impact of democracy to economic growth in Asia, especially to Taiwan and China.

During the daytime program, we have invited Dr. Chao-Yih Chen, Director General, Industrial Development Bureau, which is within the Minister of Economic Affairs to present Taiwan's economic development status and various incentive programs for high tech companies to set up an R&D center in Taiwan. Also we have Mr. Len Perham, a Silicon Valley veteran in the semiconductor industry, to discuss with us the future business models in Silicon Valley. In the Lunch session, we have invited Mr. Franklin Chen, a director of Taiwan Tourism Bureau, to give us an introduction of "The beautiful Island – Taiwan."

The Taiwanese-American Industrial Technology Association, or TAITA, was started over 2 years ago by a group of Taiwanese-American business and technology people, who were interested in assisting and upgrading Taiwan's high-tech business. There are 3 main objectives of TAITA: 1) Assisting Taiwan in upgrading their technology, and to help make them a major player in the world market, 2) Promoting collaboration and discussion between Taiwanese and Silicon Valley high-tech businesses, and 3) to connect 2nd generation Taiwanese-Americans to become more involved in the development of Taiwan-Silicon Valley high-tech business collaboration.

The theme of this year's conference is "Investment in the era of business transformation". Allow me to explain why the theme of this year's conference:

Over the past decade, high-tech business models and company operations strategies have evolved rapidly. The conventional model of a vertically integrated corporation is no longer effective or competitive. With recent advances in communications and Internet technology, information flow and gathering have become much faster and easier. Globalization and partnering strategies have become major factors to succeed in this fast-changing business world.

Faced with challenges such as low-profit margins and fierce competition, companies are scrambling to transform their businesses to maintain competitive advantage and to improve profitability. Global collaboration in technology, resources, capital, operations, and supply chain, has been becoming the most adapted model for business transformation. Many key resources exist in cross-Pacific regions, where both the Silicon Valley and Taiwan will play significant roles in this current round of collaboration.

Investors and executives in both regions will need to understand the dynamics of these new business models, which will shape both their short and long term investment strategies, and to maximize their benefits from this new, business transformation.

Taiwan is one of the most important regions in this collaboration chain, and will play a significant role in future business development. From last year's keynote speaker, Ms. Ho, Minister of Economics of Taiwan, she told us that Taiwan had become the number one supplier of over 17 different product categories of high-tech manufactured goods. In order to keep up with the business transformation, Taiwan will have to move from being a source of product manufacturing, to becoming innovative and developing its own products and technologies.

The Silicon Valley has, and always will be the leading edge of high-tech. The reason for this is because we have been able to consistently attract the world's top talent. Our ecosystem in the Silicon Valley consists of world-class businesses and world-class universities, but it is also because of our openness to other races and cultures, as well as the democratic nature of the US, that makes the Silicon Valley so successful in the past, present, and the future.

Today, Taiwan is at a critical turning point of continuing its current success and leadership in economic development. In order to maintain and upgrade their technological lead, Taiwan will need to commit resources and effort to keep up with these rapid changes, or it will be passed up by aggressive competitors, such as China. In these critical times, Taiwan, as a democratic country, needs to unite, and much like the Silicon Valley, will need to adapt to the openness and acceptance of other races and cultures in order to cultivate and grow its own world-class talent locally.

Chun Chiu
President,
TAITA-SV



Mr. Chiu is President of Taiwanese American Industrial and Technology Association (TAITA). He is also on the board or advisory board of the following companies: SOHOWARE, Inc., Protego Networks, Inc., SOLUS Networks, Inc., Inphenix, Inc., AsiaTech Management, Global Alliance, Inc. (Japan), Technology Associates Management Corporation. He has also served on the board of Monte Jade Science and Technology Association from 1997 to 1999.

Mr. Chiu has over 30 years of experience in the high-tech industry in the Silicon Valley. His current interests include assisting entrepreneurs and investors in starting and building successful businesses. One of his most significant successes was to incubate NetScreen Technologies Inc. (NSCN) by forming and shaping the company, raising funds, and building the management team. He was an angel investor who sat on the board from the early days of the company. Recently he is actively involved in promoting the Taiwanese high-tech industry, and to help bridge Silicon Valley and Taiwanese high-tech companies.

Mr. Chiu started his career as an IC Design Engineer, with involvement in developing the industry's first single chip calculator and watch chips in the early 1970s. Subsequently, he led a team to develop and introduce EPROM products. In 1976, he joined Hewlett-Packard, and engaged in the development of personal computer chip set. In 1980, he co-founded Integrated Device Technology, Inc. (IDTI), where he developed hi-speed, low-power CMOS static RAM, as well as hi-speed DSP chips such as the 16-bit multiplier/accumulator. In 1986, while still at IDT, he switched tracks from engineering to business, and successfully established the Asia-Pacific market, as well as penetrating a tough Japanese market. In 1988, he left IDT and founded Quality Semiconductor Inc. (QSI), where he served as President, CEO, and Chairman. He led QSI to its IPO in 1994, and later merged QSI into IDT in 1999.

Mr. Chiu received his BSEE from Waseda University in Tokyo, Japan, and his MSEE from Oregon State University.



Message from Dr. Yue-Teh Jang, Conference Chair

On behalf of the Program Committee, I would like to welcome all of you to TAITA's annual conference. As you can see, we have prepared a full day of exciting program and I am glad to see so many of you taking your precious Saturday to attend.

In this era of business transformation, many industries have set up operations outside of the US, particularly in the Asian Pacific region. This wave of outsourcing has caused unemployment panic in the US, not only in the manufacturing sector, but also in some high tech development areas, such as software and IC design. Although manufacturing cost saving is believed to be the main reason for such a massive exodus, it's no doubt that companies also recognize the need to move the operations closer to their customers in China, India, Vietnam and the Philippines. Until the last few years, people in these countries only provide labors to make cheaper goods for the developed countries, but lately they have become strong consumers hungry for trendy fashion, computers and cell phones.

If skyrocketing wages in the US is to be blamed for loosing the manufacturing sector to China and India, then perhaps the lower price from the imported goods can help drive down the cost of living here, thus compensate for the economic loss due to outsourcing? In addition, if the job market can successfully shift more toward the service sector then the US may gradually add employment opportunity and the economy will return to its robustness? Furthermore, companies that outsource service and development jobs may find that language barrier; lack of IP protection and geographic distance could compromise customer satisfaction here and slow down development time, which may cause them to ship some of these operations back to the US eventually? These are the topics that have generated a lot of debates in the public and we hope to provide an opportunity to further this discussion.

We are honored to have so many experts from the IT, semiconductor, biotech and medical device fields to join us as speakers and panelists in this full day program. They represent many facets of the aforementioned industries and have been working as government policy makers, investors, lawyers, entrepreneurs, and company managements, all having personal experience dealing with globalization and outsourcing. During the lunch session, we have invited Mr. Franking Chen, Director of Taiwan Tourist Bureau in the Western US to share with us the natural beauty and unique culture of Taiwan. This will help those who have never visited Taiwan to gain a glimpse of the entrepreneur spirit of this tiny island, which has often made headlines in the world news.

In the evening, we are especially honored to have Mr. James Lilley, the former US ambassador to Taiwan, China, and South Korea join us for a dinner banquet and give a keynote speech on the democratic development and its impact on the local economy. As the world stage gradually shifts toward the Pacific Rim countries, continuing improvement on political stability and democratic development are the keys to the on-going prosperity in the region and the whole world. Mr. Lilley's life time involvement in the US-Asia diplomacy and his current role as a Sr. fellow, American Enterprise Institute gives him the unique qualification to share with us his view on the past, present, and future of Asia's political and economic development.

Thank you for joining us today. I hope you will enjoy the program and find the speeches and discussions informative and useful. I would like to take this opportunity to also thank the planning and hard work of many TAITA members and friends that make this program a success.

Yue-Teh Jang, Ph.D.
General Partner,
The Vertical Group



Dr. Jang is currently a General Partner of The Vertical Group, a venture capital firm that manages \$300 million with a focus on medical device and biotechnology investment. While serving as a board member for many of the firm's portfolio companies, Dr. Jang is also currently the President and CEO for Ensure Medical, a medical device development stage company for cardiology application, and Venomatrix, a start up for cell therapy development. Prior to joining The Vertical Group in 2000, Dr. Jang was the President and CEO for EMBOL-X, a medical device company specialized in stroke prevention during cardiac surgery and other interventional procedures. He has also served as President and CEO for Integrated Vascular Systems, which was acquired by Abbott Laboratories, and Kyphon, which went public in 2002 and now with a market cap of over \$1 billion. Dr. Jang's prior experience also includes Vice President of Corporate R&D for Boston Scientific Corporation (BSC) and Vice President of R&D for Cardiovascular Imaging Systems, a start up company in intravascular ultrasound imaging that went public and was later acquired by BSC. He also worked as a project manager at Mallinckrodt, now a Tyco company and a scientist at Deseret Medical. Dr. Jang received his Ph.D. in Materials Science and Engineering from The University of Utah and B.S. from National Tsing Hua University in Taiwan. He is the author of numerous publications on materials and inventor of over 40 US and international patents.

Evening Keynote Speaker

The impact of democracy, economic growth and globalization in the Cross Pacific Region; particularly as applied to Taiwan and China

Three major trends in the Cross Pacific region will dominate our future. First, the global supply chain runs from the U.S., Taiwan to China, Korea, and the world. The second, the march of democracies--older ones such as Japan and India in Asia, and newer ones such as Korea, Taiwan, Philippines, Thailand. There will be a counter-current of authoritarianism and this will be the contest of the 21st century. Finally, there is the military factor. The stabilizing influence of the U.S. military, the challenge of China's growing military power and the changes of North Korea's nuclear ambitions, Japan's high technology Navy and Air force are variables. How our businessmen and governments manage these dynamic trends will determine all of our futures.

James Lilley
Senior Fellow,
American Enterprise Institute,
Former US Ambassador to
Taiwan, Korea, and China



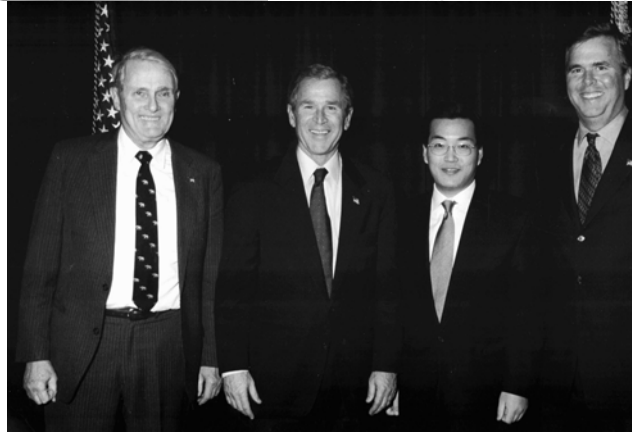
Ambassador Lilley researches China, Taiwan, and Korea. He was U.S. ambassador to the People's Republic of China from 1989-1991, and to the Republic of Korea, 1986-1989. Mr. Lilley's professional experience includes:

- Director, Institute for Global Chinese Affairs, University of Maryland, 1996-1997; senior adviser, 1998-1999
- Philip M. McKenna Visiting Scholar, Claremont McKenna College, 1995
- Assistant secretary of defense for international affairs, 1991-1993
- Fellow, Harvard University, Institute of Politics, 1991
- U.S. Ambassador to the People's Republic of China, 1989-1991, and to the Republic of Korea, 1986-1989
- Deputy assistant secretary of state for East Asian Affairs, 1985-1986
- Director, American Institute in Taiwan, 1982-1984
- Professor, Johns Hopkins School of Advanced International Studies, 1978-1980
- National intelligence officer for China, 1975-1978

Mr. Lilley received his M.A. in international relations from George Washington University, and B.A. from Yale University.



To Ambassador Lilley -
With best wishes,
L. L. Chao



Morning Keynote Speaker

Challenges and Prospects for Taiwan's Economy

Taiwan has achieved remarkable economic success, which owes to strong growth in the manufacturing industry. In 2004, Taiwan's economy grew by 5.93%, the best performance in last seven years; industrial output increased by 10.9%, the biggest increase since 1987; two-way foreign trade totaled US\$340 billion. Through the efforts of both the government and the private sector, we have created a stable and attractive environment suitable for investment and business development. With the rapid changes in the domestic and international political and economic environments, we will continue to improve the investment environment, create new competitive advantages in global competition, and position ourselves for high value-added production and services.

I. Development Strategy

1. Technology & Innovation-oriented Industrial Policy:

- Develop diversified industries such as the semiconductor industry, color-image display industry, digital content industry, biotechnology industry, communications industry, petrochemicals industry, steel industry, and automobile industry.
- Encourage local companies and transnationals to set up R&D centers in Taiwan.

2. Diversifying Markets and Extending Global Operations

- Encourage local companies to diversify markets.
- Promote Taiwan as the base of enterprise operation headquarters and R&D center.

II. Investment Incentives & Assistance Measures

- Tax incentive: 5-year tax exemption; no import duties on machinery, raw materials, fuels, supplies or semi-finished products; tax credits on R&D, automation and personnel training.
- Rental discount program "00-66-88" : Zero rent for the first two years; 40% discount for the 3rd and 4th years; 20% for the 5th and 6th years.

Looking to the future, the government and industries in Taiwan will work together to build up capability in R&D and innovation, design and marketing to maintain our competitiveness. Only through these joint efforts can Taiwan truly become an important R&D and operational stronghold as well as a major base for production and supply of high value-added products to the world.

Chao-Yih Chen, Ph.D.
Director General,
Industrial Development Bureau
MOEA, Taiwan



Dr. Chao-Yih Chen is Director General of Taiwan's Industrial Development Bureau, Ministry of Economic Affairs (MOEA). Previously, he was Director General of Industrial Development & Investment Center (2001-2002), Secretary General of Energy Commission (1997-2001), Director General of Department of Industrial Technology (1992-1997), Deputy Director of Sectoral Planning Department (1986-1992), and Senior Specialist of Sectoral Planning Department (1982-1986). Dr. Chen received his Ph.D. (1982), M.S. (1978), and B.S. (1976) in Agricultural Chemistry from National Taiwan University. He was awarded Outstanding Civil Servant Award (2002), K.T. Lee's Management Medal (2003), and Y.S. Sun Foundation's Outstanding Award (2004).

Morning Keynote Speaker

Future new business model in Silicon Valley

For 35 years I have participated in the microelectronics revolution taking place around the globe; and for more than 30 of those years I have watched from right here in Silicon Valley. In my presentation, I will present to the audience my observations of the continuing evolution of this economic and industrial phenomena: From Silicon Valley to Electronic Games Valley, to Personal Computing Valley, to Data Communications Valley and simultaneously from a world center for the manufacture of Integrated Circuits to the inception and growth of the Fabless Semiconductor Association which led; ultimately, to the severe decline of semiconductor manufacturing in California and the United States. By studying the ever evolving integration of entrepreneurialism, sources of initial capital, access to the financial markets, and the opening up of infinitely more and more applications for semiconductor electronics across the world, we should be able to predict a successful collaborative strategy for seamlessly continuing this economic phenomena as both the center of manufacturing and the biggest market for the products moves toward Asia.

Len Perham
Chairman & CEO
Optimal Corp.



Mr. Perham is a successful entrepreneur with more than 30 years of executive leadership and semiconductor industry experience. Mr. Perham is currently Chairman of the Board at NetLogic Microsystems (NETL), a fabless semiconductor company which made its initial public offering on July 9, 2004. Additionally, Mr. Perham is Chairman and CEO of Optimal Corporation, a developer of high-performance electronic design automation (EDA) software used to design high-speed electronic devices with the highest possible manufacturability. Mr. Perham is also an active member of the Board of Directors of GuideTech and is a Senior Advisor to AsiaTech Management, a venture capital company headquartered in Santa Clara, California. From 1991 to 2000, Mr. Perham served as CEO of Integrated Device Technology, Inc (IDTI). He was appointed President and elected to the Board of Directors in 1986. During his 16-year tenure, Mr. Perham incubated several companies under the IDT umbrella including Galileo Technology (acquired by Marvell Technology); Quantum Effect Devices (QED, acquired by PMCS-Sierra); Monolithic System Technology (MoSys); Clear-Logic, Inc.; and Centaur Technology. Prior to joining IDT, Mr. Perham was President and CEO of Optical Information Systems, Inc, a division of Exxon Enterprises. He was also a member of the founding team at Zilog, Inc. and held management positions at Advanced Micro Devices and Western Digital. Mr. Perham received a BS in Electrical Engineering from Northeastern University in Boston, Massachusetts.



Lunch Keynote Speaker

The Beautiful Island – Taiwan

A small island off the Southeastern coast of China with a land mass no bigger than Maryland and Delaware combined, Taiwan was famous during the ancient sea trade days as Ilha Formosa, “the beautiful island.”

Taiwan today still retains its memorable allure for millions of travelers from abroad with its landscaped mountains and gorges that punctuate through the clouds, majestic volcanic coastlines that wrapped around its shores, and soothing waterfalls and lakes through the beautiful morning mists. The flora and fauna discoveries on this island are second to none in Asia. This is where one can find numerous hot springs for complete relaxation, while gazing at the power of time and nature that has carved through the Taroko Gorge amid studying the many unique species of wildlife and birds that populate amidst about 27 million inhabitants.

Though predominantly Chinese, Taiwan is also the home for many indigenous aboriginal tribes. The culture on this isle is multi-faceted. Different excellent Chinese and indigenous festivals, customs and cuisine are available and practiced throughout the year.

One can always experience the best in Taiwan – from the world’s most glorious gathering of China’s best art and historic treasures at Taipei’s National Palace Museum, to taking to new heights for high-style shopping at one of the world’s tallest commercial buildings, the Taipei 101.

Taiwan is a destination for both novice and intrepid travelers alike. With quality accommodation, friendly service and efficient transportation infrastructure that cater to the comforts of the West, it is no wonder that Taiwan is the major trans-pacific crossroads and one of the prime economic power in Asia where important international business transactions, meetings, conventions and expositions are always being held. Only in Taiwan you will find the best of the East combines with the West.

Welcome to Taiwan, a place where it touches your heart.

Franklin S. Chen
Director,
Taiwan Tourism Bureau,
SF Office



Franklin S. Chen began his career with the Taiwan Tourism Bureau twenty-six years ago after his five years of illustrious military service as the Army Captain in Taiwan.

His tourism duties included assignment to oversee the bureau’s visitor service centers at the Taipei international airport where Franklin contributed immensely towards the development, design and marketing of the attractiveness of Taiwan to millions of visitors passing through Taipei international airport every year. His was instrumental in numerous projects to beautify the airport surroundings and promoting Taiwan including the fifty-meter luminous billboard displays to show case Taiwan at the departure hall, and the design and development of Taiwan display panels around the airport premises. He has also provided many valuable insights towards the successful expansion of the Taipei international airport’s Terminal Two project.

Franklin’s experience in handling international visitors’ demand has prompted his successful campaign in strategizing and developing friendly world-class standards for airport customer service, airport transportation and reception services, and customs and immigration services at all airports in Taiwan. His understanding of the international market ground arrangements has put him in good stead with tour operators, airlines, and hoteliers welcoming international visitors to Taiwan.

Franklin S. Chen was born in Taiwan in 1949 and graduated from the English department at Taiwan’s Tamkang University. Franklin is currently the Director of Taiwan Tourism Bureau’s San Francisco regional office that oversees the tourism market development and promotion in major states and provinces of West Coast United States and Canada.

Seminar Speakers

<p>Legal Panel: 11:10 – 12:20</p> <p>"Legal considerations In starting a global technology company"</p> <p>Moderator: Craig Johnson, Attorney, Venture Law Group, Heller Ehrman</p>	
<p>Legal considerations In starting a global technology company</p>	
<p>Increasingly startup technology businesses are global operations from the start. For example, a startup fabless semiconductor company may be incorporated in the Cayman Islands, have its headquarters staff and design engineers in Silicon Valley, receive its initial funding from investors located in Silicon Valley and Asia, have a software development subsidiary in India, do its chip manufacturing with a foundry in Taiwan and have its major initial customers in Europe. Such a global orientation of the business results in many legal questions. The panel (all experienced technology company lawyers) will discuss the following questions:</p> <p>(1) Where is the best place to incorporate a global company? What are the tax, corporate law and other legal factors influencing the decision?</p> <p>(2) What should a global company do to protect its intellectual property and avoid future litigation? When should a global company rely on patent, trademark, copyright or trade secret protection of its inventions? What can be done to prevent employee theft of valuable trade secrets? Where should intellectual property disputes be litigated or arbitrated and why?</p> <p>(3) Where should a global startup go to get its initial financing? Does it make a difference whether funding comes from venture capitalists in the United States or outside the United States? Which investors will add the most value and how? What about debt or customer financing?</p> <p>(4) How can employees be incentivized to stay with the company? What should a company do if the laws of a particular country don't permit employee stock options or impose unusually burdensome taxes on stock grants or sales?</p>	
<p>Craig Johnson, J.D. Attorney, Venture Law Group, Heller Ehrman</p> 	<p>Mr. Craig Johnson joined the firm in 2003 and was a co-founder of Heller Ehrman's Venture Law Group. Mr. Johnson represents high technology emerging growth companies from incorporation through initial public offering or acquisition. Among the companies he has represented are Adaptec, Wyse, Collagen, StrataCom, Aspect, SnapTrack, Gupta, MediaQ, Reflectivity, Voxify, Centrality and IP Wireless. Mr. Johnson is also the co-founder of Garage Technology Ventures, Financial Engines, Grassroots Enterprise and Concept2Company. These companies have raised more than \$200 million in venture capital. Mr. Johnson has been recognized by <i>Business Week</i> as one of Silicon Valley's top 25 "movers and shakers" (1997), <i>Red Herring Magazine</i> as one of nine Silicon Valley "top power brokers", (1999), as one of the 100 most influential attorneys in America by <i>The National Law Journal</i> (2000), and by <i>Forbes</i> as one of the country's top private company investors ("Midas List") in 2001 and 2002. Mr. Johnson received his J.D. from Stanford Law School (1974) and B.A. in History from Yale University (1968).</p>
<p>Robert D. Cochran, Esq Principal, Law Office of Robert D. Cochran</p>	<p>Robert D. Cochran, Esq. is principal of a boutique law firm, Law Office of Robert D. Cochran (www.robcochranlaw.com) in Woodside, California. It serves as outside corporate and securities counsel for emerging growth corporations and venture capital funds in high-technology areas. His highly transactional practice emphasizes venture capital financing, strategic technology arrangements, mergers and acquisitions, and preparing growth corporations for prospective initial public offerings ("IPO"). Over his career of 22 years, Mr. Cochran has guided start-up corporate clients in securing a cumulative aggregate of over US\$1,000,000,000 in private equity financing. Many of his start-ups are now publicly listed on US or foreign exchanges (see website). His small firm offers a higher percentage of "partner level" advice than is generally available at the finest and largest law firms,</p>



often initially on a risk basis.
 Mr. Cochran is known as a leading expert regarding US / Asia cross-border transactions, particularly acquisitions involving corporations in Taiwan. In 1989, Mr. Cochran established international legal precedent completing the first-ever tax-free US / Taiwan corporate flip for Mosel-Vitellic, Inc., which thereafter publicly listed its securities in Taiwan. Numerous other corporations later went public in Taiwan after international acquisitions or reorganization transactions conducted under Mr. Cochran's guidance.
 Mr. Cochran was educated at Harvard College ('78) and Harvard Law School ('83); he was associated with, and trained at, the law firm of Wilson, Sonsini, Goodrich and Rosati, P.C. during the 80's; and he served as Vice President and Global Legal Counsel of Mosel-Vitellic, Inc. in the early 90's.

David Lee, J.D.
 Partner,
 Orrick, Herrington & Sutcliffe LLP



David Lee, a partner in the firm's Silicon Valley office, is a member of Orrick's Emerging Companies Group, which advises emerging companies and venture capital firms. Before joining Orrick, Mr. Lee was a founding member of Venture Law Group. Mr. Lee focuses his practice on companies in the semiconductor, networking, Internet, and software industries in both the United States and China. Mr. Lee practices in the areas of corporate and securities, venture capital financings, mergers and acquisitions, public offerings, and technology licensing agreements.
 Mr. Lee received his J.D. from Stanford Law School (1990), and B.A. in English Literature, summa cum laude and Phi Beta Kappa from University of California at Berkeley (1987). He is Member of Stanford Law Review and Law & Technology Association.

James Pooley
 Partner,
 Milbank, Tweed, Hadley &
 McCloy LLP



James Pooley is a partner in Milbank's Intellectual Property Group resident in the Palo Alto office. Mr. Pooley specializes in the litigation and trial of patent, trade secret, copyright, and complex technology-related litigation, in state and federal courts, and before the International Trade Commission.
 Mr. Pooley has practiced in Silicon Valley since 1973, establishing a national reputation as trial counsel in some of the most difficult and high visibility cases involving intellectual property. His successful patent infringement defense of Adobe Systems was recognized by the National Law Journal as the only IP case among its Top Defense Verdicts of 1997, and a record settlement for ESS Technology in a software copyright case led to his being honored as a 2003 Lawyer of the Year by *California Lawyer Magazine*. Mr. Pooley is also listed in the *Guide to the World's Leading Patent Law Experts*.
 Mr. Pooley is the author of several leading texts and scores of other professional publications in the field of intellectual property. He is a Director and officer of the American Intellectual Property Law Associate and of the National Inventors Hall of Fame, and an Adjunct Professor of Law at the University of California's Boalt Hall School of Law. He is a member of the National Academy of Sciences Committee on Intellectual Property Rights, and of the Northern District of California committee on pattern jury instructions for patent cases. Mr. Pooley conceived and scripted an instructional video for jurors in patent cases, which was produced by the Federal Judicial Center in 2002, and is now used by federal courts throughout the country.
 Mr. Pooley graduated from Columbia School of Law as a Harlan Fiske Stone Scholar in 1973, and holds a Bachelor of Arts, with honors, from Lafayette College.

Don Williams, J.D.
Partner,
Wilson Sonsini Goodrich & Rosati



Don Williams is a partner at Wilson Sonsini Goodrich & Rosati where he practices corporate and securities law. Don's practice covers a broad range of general corporate and transactional matters including venture capital financings, public offerings and mergers and acquisitions. Don represents, software, semiconductor, private and public companies across many industries including, semiconductor, Internet, ecommerce, computer and life sciences companies. He also represents investment banks in connection with public offerings as well as venture funds in connection with portfolio investments. Representative clients have included Advanced Technology Ventures, Agilent, Anyka Cayman, Autodesk, Azure, Cypress Semiconductor, Equator Technologies, Intersil, Morgan Stanley, Netscape, Sigma Designs, Voltage Security and Xicor. Don received his J.D., cum laude, from Harvard University in 1993 and his B.A., with honors and distinction, from Stanford University in 1989. He was admitted to the California Bar in 1993.



矽谷台美產業科技協會(TAITA-SV)

躍升台灣 貢獻殊偉

敬祝「2005年會暨研討會」圓滿成功

駐洛杉磯商務組組長 劉志英 敬賀

VC Panel: 1:30 – 2:40

“How is globalization (especially Asia) influencing the investment strategy for Silicon Valley venture capitalists?”

Moderator: Tae Hae Nahm, Partner, Storm Ventures

Tae Hea Nahm, J.D.
Founding Partner,
Storm Ventures



Tae Hea Nahm is a founding partner of Storm Ventures. At Storm, Tae Hea has invested in wireless (Airespace Networks, Berkana Wireless, Kineto Wireless, Longboard and Mcube Works), analog/mixed signal semiconductor (Berkana Wireless, Nuelight Corp., Sierra Monolithics and Silego Technology), and software (5Square Systems and OSA Technologies/acquired by Avocent). Leveraging his prior work related to Asia (including Samsung, Sina.com and Novera Optics), Tae Hea has participated in several Asia-related investments (Auvitek, Berkana, McubeWorks and OSA Technologies). He was the founding CEO and founding investor of Airespace Networks, which was incubated by Storm, and had previously cofounded Novera Optics with Prof. Byoung Yoon Kim (KAIST) and Prof. H. John Shaw (Stanford). Prior to Storm, Tae Hea was a cofounding partner of Venture Law Group and a partner at Wilson Sonsini Goodrich & Rosati. Since his first client (incorporating StrataCom), Tae Hea has advised and personally invested in startups, including communications (JetCell/Cisco, Netro, Ramp Networks/Nokia, StrataCom/Cisco, Telera/Alcatel, Transmedia/Cisco and Xylan/Alcatel), semiconductors (ESS Technology, IC Works/Cypress, Marvell Technology and Quality Semiconductor/IDT), software (Access360/IBM and Gupta Technologies), internet and services (AtRoad and Sina.com) and life science/materials (Connectics, Landec and General Surgical Innovation/Tyco). He holds an AB in Applied Mathematics from Harvard College and a JD from University of Chicago Law School. Tae Hea was born in Seoul, Korea.

Matt Howard
Principal,
Norwest Venture Partners



Matt brings over 20 years of experience in marketing, product management, engineering, business development, and sales in a wide range of technologies to Norwest Venture Partners. Prior to joining the firm in 2000, Matt held a number of senior positions with Cisco's IOS organization and the Internet Business Unit. He established Cisco's security and VPN strategy, situated Cisco as the leading firewall appliance manufacturer, and launched the first load-balancing product. Previously, Matt was vice president of marketing at Vertical Communications, where he focused on voice over IP and launched the first MGCP enabled media gateway. In addition, Matt has held various positions at Digital Equipment Corporation, BDM International, and Bolt, Beranek and Newman (BBN) Communications Corporation. He began his career as a cryptological analyst with the U.S. Naval Security Group. Matt focuses his efforts on communication and storage systems, embedded systems, semiconductors and security. He currently serves on the board of Airespace, Megisto Systems, Omneon Video Networks, Reconnex, SkyStream Networks, Swan Labs and Summit Microelectronics. Previously, Matt was on the board of Spinnaker Networks (acquired by Network Appliance) and Webstacks (acquired by Extreme Networks). Matt is a board observer with Inkra Networks, TestQuest and Veraz Networks. He was a board observer with ZettaCom when it was acquired by IDT and he previously served on the board of the Wireless Communications Alliance (WCA). Matt holds a bachelor of business administration, with an emphasis in information systems, and a master of science degree in telecommunications management.

Katherine Jen
Managing Partner,
AsiaTech Management



A seasoned investment executive with over 20 years of experience, Katherine founded AsiaTech in 1997. She has substantial experience in general business finance, deal structuring, and venture capital funding. Katherine was a pioneer in the Taiwan venture business. She played a key role in setting up the first six venture funds in Taiwan and also helped start the successful semiconductor industry there. Katherine was the Director and Deputy Executive Secretary of the Development Fund of the Taiwanese government for 7 years.

Since the inception of the Taiwan Semiconductor Manufacturing Company (TSMC), the world's leading semiconductor foundry, Katherine had been heavily involved with the company's strategic decisions and became very instrumental in its infant stage. She then served as a member of Board of Director of TSMC in the late 1980s. With her extensive business experience and strong working relationships with prominent business leaders, Katherine is well positioned to help start-up companies achieve their growth objectives. AsiaTech Management is an early stage venture capital firm. Headquartered in Santa Clara, Calif. with Asia operation in Taipei, AsiaTech invests in Silicon Valley companies and helps them to expand into the burgeoning Asia Pacific market through its extensive networks in the industry and local government. Companies that AsiaTech has helped to build include NetScreen Technology, AboveNet Communications, CenterRun, Protego Network, NetLogic Micro, WIDCOMM, Inapac, Reflectivity.

Thomas L. Rosch, J.D.
General Partner,
InterWest Partners



Tom Rosch focuses on networking, semiconductors and infrastructure software. Some of his representative investments include Juniper Networks (JNPR), Signio (acquired by VeriSign), Sentient Networks (acquired by Cisco Systems) and Accept.com (acquired by Amazon.com). Previously, Tom was a Partner at AT&T Ventures where he focused on networking, software infrastructure and semiconductors. Prior to that, Tom was a Senior Manager of the Media Convergence Practice at The Boston Consulting Group and an Analyst at Morgan Stanley. Tom received his MBA and JD from Stanford and his BA, magna cum laude, from Harvard. He lives in Woodside, California, with his wife and twin ten year-old daughters.

Sung Y. Yoon
Managing Partner,
KTB Ventures



Sung Yoon is the Managing Partner of KTB Ventures. KTB is a venture capital firm with US\$ 4 Billion of assets under management operating from offices in Palo Alto, Seoul, Beijing, Shanghai and Tokyo. Based in Palo Alto, Sung is focused on the information technology sector with emphasis on the communication and semiconductor space. Since 1994, Sung has led KTB's investments in 34 companies such as Xylan/Alcatel, Copper Mountain Networks, Alteon Websystems/Nortel, Sonus Networks, Centillium Communication and Terayon. Sung is active as a board member or a board observer of companies under KTB's current investment portfolio including Berkana Wireless, Bitfone, Airespace, Inphi and Rosum. Sung previously served as the CEO of Wisenut prior to its successful merger with Looksmart Ltd. He also managed the cross-border acquisition of KTB's portfolio company in Korea, Internet Auction, by eBay in 2001. Prior to managing KTB's investments in the U.S., Sung managed KTB's investments in the Asia Pacific region. Sung is fluent in English, Korean and Mandarin.

Startup Case Study Panel: 1:30 – 2:40

“Building a successful start-up company”

Moderator: Hans Tai, VP Sunplus Capital

Building a successful start-up company

General Venture Capital is chasing for the start-up companies that have potential to be listed in the open market. However, other venture capital such as corporate venture capital is looking for the strategic alliance to expand its core business through the solid R&D team. No matter what type of the money you are looking for to fund your start-up company, the basic line is how well you prepare to start up the company, if you choose to. Face yourself honestly to find out your pro and con. Then, you will find your own way to start up your company. Do you need to be like so-called entrepreneur type or simply be a talent engineer? The answer is yes or no. A so-called successful start-up company in my viewpoint is to reach the target your team sets and offer the sweet rewards to those who support you. In this panel discussion, the guests would like to share their story and experience to us.

Yi-Chih Hans Tai
VP,
Sunplus Capital



Mr. Tai got his master degree from the University of Toronto, Canada, in 1996. He co-started the venture fund, named TPVC, with US\$16M fund size in 1997 as a fund manager. Under his management, there are six projects (out of 14 projects) that went IPO successfully in Taiwan or the US stock market. The track record is as the following: AboveNet (Internet Industry), Altigen (CTI Industry), Giagastroage (Storage Industry), ICSI (Semiconductor Industry), Mobilink (Semiconductor Industry), NetScreen (Network Industry). In year 2000, Mr. Tai joined the Sunplus Capital as the vice president to assist Sunplus to proceed the strategic investment, M&A, IP purchasing and new business development. The track record for the venture and strategic investment is as the following: Paypal (Internet Industry), Mobilink (Semiconductor Industry), ViewQuest (DSC Maker), APITEK (DSC Maker), KingYang (Semiconductor Industry), Harvatek (Semiconductor Industry). For the M&A, he led the team to proceed the OAK Asset Purchase Deal and TopDek Asset Purchase Deal. The acquisition successfully assists Sunplus to grow the revenue on DVD product line significantly in year 2004.

Chen Wu, Ph.D.
Founder & President,
Leotek Electronics



Dr. Chen Wu has been developing technical and market solutions for LED based applications since 1973. As Founder and President of Leotek Electronics Corporation, he is responsible for identifying and developing emerging LED applications and the market for Leotek. He founded Leotek in 1993 and led his team through the design and development of many innovative and successful products. Prior to founding Leotek, Chen Wu was Vice President of Advanced Technology (Taiwan) Corporation and Executive Vice President of Compound Semiconductors, Inc. in California. He began his career at Hewlett-Packard's Optoelectronics Division in various roles including New LED Material Development Engineer, Project Leader and Project Manager. Chen obtained his Ph.D. degree in electronic materials from Stanford University, his M.S. degree in Physics from New Mexico Tech, and his B.S. degree in Electrical Engineering from National Taiwan University. Chen was a member of the American Physical Society and the Northern California Crystal Grower Society. He is a member of IMSA (International Municipal Signal Association) and ITE (Institute of Transportation Engineers). He is currently on the Board of Directors of NAMES, Inc. in California and Highlight Optoelectronics Inc. in Taiwan. He has authored numerous technical publications in the area of optoelectronics and holds 17 patents related to LED applications.

Chuo-Chye Huang
Founder & Chairman,
Sunplus Technology



Mr. Huang got his master degree from National Tsing Hua University, Taiwan in 1981. He led the design team as a manager of ERSO/ITRI before 1987. In 1987 he joined the start up of Silicon Integrated System Corp., a leading-edge logic IC design house, as a vice president and led the consumer IC design Division. In 1990 he founded Sunplus Technology with NT\$23 million of registered capital in Hsinchu City, Taiwan with other 7 engineers. Before September 2000, Mr. Huang was both President and Chairman of Sunplus and still is the Chairman of Sunplus till now.

Samuel Shen, Ph.D.
Co-founder & CTO
Telegent Systems



Dr. Samuel Sheng is the co-founder and current CTO of Telegent Systems, a fabless semiconductor company designing products for next-generation video applications. A world-renowned expert in CMOS RF and DSP development, Dr. Sheng has extensive experience in architecting and designing leading-edge CMOS RF and DSP chips for silicon tuners, ADSL transceivers, magnetic recording and DVD RF/servo technologies. He has a proven track record of sampling first silicon for all the chips developed under his leadership. Prior to co-founding Telegent Systems, Dr. Sheng was responsible for architecting and implementing the DPS7000 series of silicon RF tuners for video-band applications, targeted for cable modems, analog/digital video over cable, and voice over IP. It was one of the first silicon RF tuners in the market, as well as the first silicon RF tuner not requiring an expensive RF SAW filter. He also developed highly integrated DVD front-end technologies for next-generation DVD recorders. In 2002, he was named a Distinguished Engineer at LSI Logic, and has been twice honored (in 2002 and 2003) as Inventor of the Year at LSI Logic for his technical contributions to the company. Before LSI Logic, Dr. Sheng was one of the early employees at DataPath Systems, Inc., and was instrumental to their success as a semiconductor vendor in magnetic storage and DSL analog front-ends. He co-led their ADSL front-end (AFE) development effort, resulting in what is still regarded as the highest-performance AFE available today. The levels of integration were unprecedented, including the industry's first integrated AFE/line power amplifier and the first octal AFE for central office ADSL applications. On the strength of its ADSL technology, DataPath Systems was acquired for \$420 million by LSI Logic Corporation in 2000. Dr. Sheng has received numerous honors and awards. He co-authored one of the seminal papers on low-power CMOS digital design (listed as one of the top twenty most-cited papers in the Journal of Solid-State Circuits), and received the 1993 Best Tutorial Paper award from the IEEE Communications Society for the paper titled "A Portable Multimedia Terminal." In addition, he has authored numerous papers and publications, including a book on low-power CMOS RF wireless systems published in 1997. He has been awarded seven patents in the areas of RF tuner and DSL modem design, and taught short courses on DSL design and RF CMOS design at the University of California at Berkeley, the International Solid-State Circuits Conference, and the National Chiao-Tung University in Taiwan. He was a Fellow of the Fannie and John Hertz Foundation from 1989 to 1994. Dr. Sheng received the B.S., M.S., and Ph.D. degrees in electrical engineering, and the B.A. degree in applied mathematics, all from the University of California, Berkeley.

Ray Wei, Ph.D.
Chairman & CEO,
Anchiva Systems, Inc.



Dr. Wei is a serial entrepreneur, angel investor, and hi-tech business consultant with over 20 years of experience. He founded ACEO Technology, an EDA software company, and sold to Avant! (now Synopsys) in 1998. He is currently Chairman/CEO of Anchiva Systems, Inc., a young start-up for security networking systems and solutions, which he incubated and invested along with other angels who are among the earliest investors of Netscreen. He is also Vice Chairman of Pro Broadband Inc. (PBI), a China company with 3000+ employees and a leading OEM/ODM for digital TV Set-Top-Box (STB) and broadcasting equipments. In 2002, he helped PBI merge with PESI to become a public company in Taiwan. PESI is now a leader in OEM/ODM of STB, multimedia WLAN, and satellite LNB. He co-founded SoftKnot Corporation, a provider of Internet infrastructure software. He founded Achiema Systems, Inc., a hi-tech channel company that helps promising start-ups enter the exploding market between US and China/Taiwan. He was COO and VP Engineering briefly at Accelerate Software Inc., a provider of Web services software for supply chain management. He continues to advise for hi-tech start-ups in US, Taiwan, and China. His investment portfolio covers many technology sectors. Before his entrepreneur career, he was Engineering Director at Cadence Design Systems, and once held senior technical positions at AT&T Bell Labs, IBM Watson Research, and Intel. Dr. Wei received his Ph.D. from University of California, Berkeley, MS from University of California, Los Angeles, and BS from National Taiwan University, all in EECS. He has one US software patent, and numerous technical publications.



Pharma Panel: 2:40 – 4:00
 “Transforming the Generic Pharmaceutical Industry”

Moderator: Dr. Sam Chow, President, BioKey, Inc.

Challenges and Opportunities in the Generic Industry

Dr. Chow will address the numerous challenges facing the generic drug industry today, the most significant of which is the authorized generics. He will also address the costly intellectual litigation and the changing declaratory judgment provisions, the 30-month stay prescribed by the patent infringement suits, the long regulatory approval process, and drug importation. Daunting as these challenges might be, the enormous market size of generic drugs presents an unprecedented opportunity to the company that can innovate and adapt to the challenges. The public demand for lower prescription drug prices and the Medicare Drug Benefit Act’s ensuing demand for generic drugs all lend support for the viability of the generic drug industry.

San-Laung (Sam) Chow, Ph.D.
 CEO & President,
 BioKey, Inc.



Dr. Chow is a co-founder and the President and CEO of BioKey, Inc., a specialty pharmaceutical company engaging in ANDA and NDA drugs development and manufacturing with focus in the application of controlled release technologies. Dr. Chow has more than twenty- five years of managerial and extensive R & D experience in major pharmaceutical companies such as Lederle Laboratories, Pennwalts Pharmaceuticals and Fison Corporation, etc. Previously, he held the positions of Chief Scientific Officer of Apex Pharmaceuticals and Vice President of Andrx Pharmaceuticals and Stason Pharmaceuticals, respectively. His technical expertise centers around controlled release technology. He has more than 25 articles published in professional journals and been granted many patents in dosage forms and formulation designs. Graduated from Wayne State University with a Ph.D. in Pharmaceutics, Dr. Chow also studied Business Administration at the Hagan School of Business at Iona College.

Value Creation in the Generic Pharmaceutical Business

The rapid migration, primarily resulted from M&A transactions, of generic pharmaceutical, specialty pharma and biotech companies into each other’s turf made it increasingly challenging to apply the traditional earning (and earning growth) based valuation model in this space. This chaotic landscape also presented a unique window of opportunity for visionary CEOs to create extraordinary shareholder values.

Frank Kung, Ph.D.
 Managing Partner,
 Vivo Ventures



Dr. Kung is a founding member of Vivo Ventures Investments, LLC (formerly BioAsia Investments), a healthcare/biotechnology venture capital management firm in Palo Alto, California.

Dr. Kung started his career in the biotechnology industry in 1979 when he joined Cetus Corporation. He later co-founded Cetus Immune Corporation in 1981, which was acquired by its parent company in 1983. In 1984 he co-founded Genelabs Technologies, Inc. (NASDAQ: GNLB) where he served as Chairman and CEO until 1995. During his tenure in Genelabs, he brought the company public in 1991, and built it to a 175 employee international biotech company with operations in the United States, Belgium, Singapore, Switzerland and Taiwan.

Dr. Kung received his B.S. in chemistry from the National Tsing Hua University in Taiwan, his Ph.D. in molecular biology and M.B.A. from the University of California, Berkeley. He received the Best Use of Technology Award from the Governor of California, the Entrepreneur of the Year Awards from Ernst and Young, and the Asian Business League. He also served on the board of directors of the Emerging Company Governing Body of the Biotechnology Industry Organization (BIO); Mt. Jade Science and Technology Association, West Coast; and the Asian American Manufacturing Association. He was appointed by the U.S. Secretary of Health and Human Services as a voting member of the National Biotechnology Policy Board. Dr. Kung currently serves on the board of directors of a number of emerging healthcare and biotechnology companies.

Antitrust Aspects of Brand-Generic Settlements

Dr. Su will highlight the antitrust issues associated with settlements of patent infringement litigation between brand name and generic firms and with market entry and competition by generic firms generally. This discussion will review recent antitrust litigation and administrative proceedings and recap the findings in the Federal Trade Commission's July 2002 Study on Generic Drug Entry Prior to Patent Expiration and the current legislative efforts at competition-related reform. Dr. Su will comment on what these developments mean for the future of the generics industry.

Henry C. Su, J.D.
Partner,
Fenwick & West, LLP



Dr. Henry C. Su is a partner in the Silicon Valley office of Fenwick & West LLP, a law firm specializing in high technology matters. His practice concentrates on intellectual property and antitrust litigation involving high technology and biotechnology companies. He has represented numerous clients in litigation and alternative dispute resolution over claims involving patents, copyrights, trademarks, trade secrets, and antitrust and trade regulation issues.

Dr. Su writes and speaks regularly on a variety of topics relating to intellectual property and antitrust law. Recent publications include an article in the January 2003 issue of *Nature Biotechnology* regarding the written description requirement in patent law, a contribution to the 2002 edition of an ABA commentary on the Federal Antitrust Guidelines for the Licensing of Intellectual Property, and a 2004 article on antitrust issues in standard setting in view of the Rambus proceedings.

During college at Yale University, he did graduate level research in biochemistry, evolutionary biology and genetics, and contributed to a paper entitled "Rapid Decreases in Phosphatidylinositol in Isolated Luteal Plasma Membranes after Stimulation by Luteinizing Hormone," 38 *Bio. Reproduction* 79 (1988). Dr. Su applied to and was accepted by medical schools but chose to attend law school at the University of Virginia, where he received the John M. Olin Prize in Law and Economics and graduated with a J.D. degree in 1990.

Intellectual Property Litigation and Protection of Specialty Pharma Companies

Dr. Guise will address the whole IP litigation front and IP protection strategy from a specialty pharma angle. Key areas included also are orange book patents, patent thicket and freedom to operate.

Jeffrey W. Guise, Ph.D., J.D.
Partner,
Wilson Sonsini Goodrich & Rosati



Dr. Jeffrey Guise is a partner in the San Diego office of Wilson Sonsini Goodrich & Rosati. He practices in the area of intellectual property law and has extensive experience in all aspects of intellectual property acquisition, licensing, and enforcement. Jeff's intellectual property litigation experience includes pre-trial and trial experience, interference proceedings, and litigation counseling. His intellectual property counseling experience includes drafting non-infringement and invalidity opinions, freedom-to-operate analysis, and invention records management plans. Jeff's patent prosecution experience includes drafting and prosecuting U.S. and international patent applications for a wide range of biotechnology, pharmaceutical, immunology, medical diagnostics, genetic engineering, agricultural biotechnology, genomics, and proteomics clients. He also has extensive experience in negotiating and drafting license agreements.

Prior to joining Wilson Sonsini Goodrich & Rosati, Jeff was a partner at Pillsbury Winthrop. Prior to Pillsbury Winthrop, he was a partner at both Brobeck, Phleger & Harrison and Lyon & Lyon. Jeff received his J.D., *cum laude*, from the University of San Diego in 1992 and his Ph.D. in molecular biology and immunology from the University of Texas, Southwestern Medical Center in 1987. He earned a B.S. from the University of Iowa in 1981.

Jeff is a member of the State Bar of California and admitted to practice in the following jurisdictions: the U.S. District Court for the Northern, Southern, Central, and Eastern Districts of California; the U.S. Court of Appeals, Ninth Circuit; and the U.S. Court of Appeals for the Federal Circuit. He is registered to practice before the U.S. Patent and Trademark Office. Jeff is also a member of the American and Federal Circuit Bar Associations; the American Intellectual Property Law Association; the American Society for Microbiology; and the American Association for the Advancement of Science.

Uniqueness of Taiwan Generics: Our Answer to Specialty Pharma

Taiwan generic pharmaceutical companies are relatively small compared to those in Korea or India, not to mention those in the U.S. Even the top ten generic pharmaceutical companies in Taiwan have annual sales of only between \$15M to \$80M. They tend to be unique in having the following general characteristics: (1) Highly diversified to include business in API manufacture, consumer, OTC and OEM products, (2) Significant direct involvement in sales and marketing, including being distributors of branded drugs, (3) Limited experience in relatively large-scale clinical/registration trial of "40 patients" studies, (4) Extensive collaboration with university and/or government funded medical centers for new drug R & Ds, (5) Relatively familiarity with the Chinese market, (6) Well connected with oversea Taiwanese that has good pharma and/or biotech experiences.

For a specialty pharma to evolve out of Taiwan, the company must be able to utilize the uniqueness of the present Taiwan generic pharma companies, to not only take advantage of Taiwan/China's huge pharma market, but also to use "Greater China" as a testing ground for new drug development including me-too NCEs, novel DDS drugs and new drug combos.

The evolution of a Taiwan generic pharma to a specialty pharma will be slow. However, specialty pharma industry in Taiwan will eventually grow and be competitive because of their innovative business strategies and their persistent search for new drug candidates.

Jen Chen, Ph. D.
General Manager,
Genovate Biotechnology Co.



Dr. Jen Chen is the General Manager of Genovate Biotechnology Co., Ltd. (GBL), Taiwan, since 1996. Prior to current position, Dr. Chen held managerial posts from Director of Medicinal Chemistry through Sr. Director of Pharmaceutical Development to VP of Asian Operations with Genelabs Technologies, Inc., CA, from 1992 to 1996. Dr. Chen started his industrial career at CIBA-GEIGY Corporation as a Senior Scientist followed by Project Leader from 1985 to 1991. Dr. Chen has published more than 30 research articles and been granted more than 10 patents. Dr. Chen earned his Ph.D. and B.S. in Chemistry from University of Rochester, NY, and the National Tsing hua University, Taiwan, respectively.

To establish its manufacturing capability, GBL acquired a GMP plant, in Hsin-Chu, Taiwan, from Bristol Myer Squibb in 1997. Since then, GBL has been manufacturing BMS' products as an OEM in Taiwan. Furthermore, GBL allied with a sales company and established its own sales networks in 1997. GBL also established its GCP clinical team conforming to international standards and serving as a CRO for company such as GSK.

Authorized Generics and an Overview of Declaratory Judgment Actions

Authorized generics, manufactured under an innovator's NDA and distributed by a third party, can be marketed in competition with an ANDA/paragraph IV filer. Narinder Banait will discuss issues with authorized generics, and the use of declaratory judgment actions to gain market entry as well as intellectual property certainly by the generics, especially in light of the January 2005 Federal Circuit decision Teva Pharmaceuticals v Pfizer Inc.

Narinder S. Banait, Ph.D., J.D.,
Senior associate,
Fenwick & West LLP



Narinder S. Banait, Ph.D., J.D. is a senior associate in the Intellectual Property Group of Fenwick & West LLP, a law firm specializing in high technology and bioscience matters. Fenwick & West is headquartered in Mountain View, California, with offices in San Francisco, California and Washington, D.C. Narinder's practice focuses on patent prosecution, patent analysis and counseling, and intellectual property due diligence.

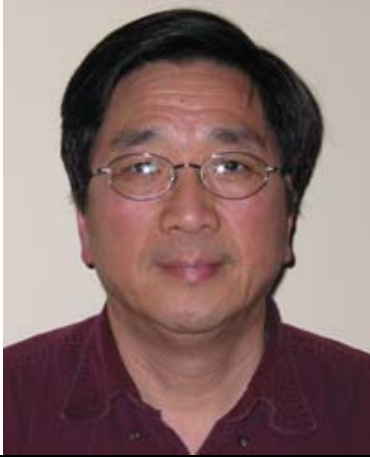
Narinder received his undergraduate education at University of Toronto, graduating with a B.S. in Chemistry and Biochemistry. He received a M.S. in Synthetic Chemistry and a Ph.D. in Organic Chemistry, both from the University of Toronto. He was a Post-doctoral fellow at Brandeis University, and at University of California. In addition, he worked as a research scientist at Syntex Research, a pharmaceutical company that was acquired by Roche, where he primarily focused on 5-HT3 antagonists for the treatment of emesis and anxiety disorders. He received his J.D. from the Santa Clara University in 1997. Narinder has published over a dozen scientific papers in peer reviewed journals.

Prospects of Generic Industry

The landscape of generic industry has changed significantly in the past few years. In addition to the introduction of new patents (i.e., "torpedo" patents) that issued shortly before the expiration of old patents, the branded companies have also found the new tools of citizen's petitions as a strategy of delaying the launch of generic products. The financial benefit of 180-day exclusivity for the first paragraph IV generic filers has also been reduced significantly due to the introduction of "authorized" generics by the brand companies. Many foreign companies, particularly from India, are aggressively targeting the US marketing. The low cost of manufacturing in these countries will definitely put pressure on the generic pricing.

How to maneuver in order to be profitable (or maintain the profitability) in this new environment is the biggest challenge for all generic companies.

Larry Hsu, Ph.D.
President,
Impax Laboratories, Inc.



Dr. Larry Hsu co-founded Impax Pharmaceuticals, with Charles Hsiao in early 1995. In December of 1999, Impax was merged with a public traded company named Global Pharmaceuticals, and formed a new entity, called Impax Laboratories and became public with a ticker symbol : IPXL. To date, Impax has more than 500 employees.

Dr. Hsu is currently the president of Impax and responsible for its daily operation. Prior to his presidency of Impax, he worked for Abbott for 15 years. He was the Director of product development in charge of world wide activities including product development, process development, clinical supply, and production support. He had a staff of over 250 people back then. Larry received his Bachelor of Pharmacy from National Taiwan University, and earned his Ph.D. in Pharmaceutics from University of Michigan.



Networking and Communications Panel: 2:40 – 3:50

Moderator: Mr. David Weng, VP, TAITA-SV

David Weng
Chairman,
Essence Technology;
Vice-President,
TAITA-SV



David Weng (翁嘉盛) was born in Chang-Hua, Taiwan. He graduated from Fu-Jen Catholic University in 1979. He received his M.S. Computer Science Engineering degree from San Jose State University in 1983. David Weng was an Engineering Director in Internet Technologies Division of Cisco Systems Inc. He retired from Cisco in May 2003. He has 20 years of industry experience in software engineering and networking area.

David joined Cisco in 1992; he established Software Engineering Solutions and Automated Network Testing Infrastructure for Cisco from scratch. David managed several development groups in San Jose, CA; Research Triangle Park, NC; India; and Taiwan. David initiated a development partnership project with National Chiao-Tung University and Institute for Information Industry (III) in Taiwan to develop network security and Voice over IP Technologies since March 2000. Prior to joining Cisco, David worked for Hewlett-Packard for 7 years. He managed a software development group at HP, Information Networks Division.

David is an angel investor and has track records of bringing startup companies to successful IPO, merger and acquisition. He invests in early stage high technology companies in the areas of network security, VoIP, and wireless communications. Using his expertise and resources he helps bring nascent startups to success by forming and shaping the company, raising funds, and building the management team. Couples of the more notable recent success stories are Netscreen Technologies IPO and acquired by Juniper Networks in 2004; and Protego Networks acquired by Cisco Systems in 2005. David also funded several companies in Silicon Valley and encouraged them to move back to Taiwan. He also sponsors several charitable projects in Taiwan. Currently, he serves as the Chairman of Essence Technology, and Vice-President of TAITA-SV.

Yan Ke, Ph.D.
Co-Founder,
Netscreen Technologies Inc.;
VP & Chief Architect,
Juniper Networks



Dr. Ke co-founded Netscreen Technologies Inc. in 1997 and is presently VP of China R&D and Chief Architect of Juniper Networks. Previously, he was Sr. Staff Engineer at Cisco Systems (1994-1997), Sr. Software Engineer at Hughes LAN Systems (1991-1994), and Assistant Professor at University of Saskatchewan, Canada (1989-1991). Dr. Ke was named E&Y Entrepreneur of the Year for Northern California region in 2002 and he received HuaYuan Science & Tech. Assoc., Special Attainment Award in 2004. Dr. Ke received his Ph.D. in CS and M.S. in EECS from Johns Hopkins University.

Leveraging Core Competencies in the Public and Private Sectors to Enhance Cyber Security and Protect Critical Infrastructures

The private sector delivers practical innovations. The government has budgets and influence. Academia provides long-term, speculative research. Each community has its unique strengths, and critical-infrastructure protection is too important to neglect any of them. True public-private partnerships – characterized by distributed leadership, close cooperation and layers of trust – are driving the effort to enhance cyber security. Public-private interdependency is nothing new, but, with society moving toward network-based management for core business practices, the necessity of such partnerships has never been so clear.

- Teaming to enhance cyber security across public and private entities
- Assessing what's at stake in the effort to protect critical infrastructure

- Examining the successes of these public-private partnerships, as well as the challenges they have confronted
- Considering where do we go from here

Kenneth C. Watson
Senior Manager,
Critical Infrastructure Assurance
Group,
Cisco Systems, Inc.



Ken Watson is Senior Manager, Critical Infrastructure Assurance Group (CIAG), Cisco Systems, Inc. He established CIAG to drive Cisco's strategic contribution to the security of worldwide critical infrastructures, with initiatives encompassing long-term research, education, training, incident response support, policy and standards development, and communications and awareness. He is also Chairman Emeritus of the Partnership for Critical Infrastructure Security, a non-profit organization dedicated to assuring the reliable provision of critical infrastructure services in the face of emerging risks to economic and national security; and Chairman of the National Cyber Security Alliance, a non-profit foundation focused on helping home and small business computer users improve their computer and network security through its www.staysafeonline.info website and other national awareness efforts. He came to Cisco with the WheelGroup acquisition in March 1998, where he was Director, Professional Services.

Before WheelGroup, Watson served 23 years in the Marine Corps, retiring with the rank of lieutenant colonel. His last assignment was as the Marine Liaison Officer to the Air Force Information Warfare Center. Assigned there by the Assistant Commandant of the Marine Corps, his responsibilities included refining and evaluating Marine Corps requirements regarding information warfare and its implementation on the battlefield via command and control warfare. He led multi-Service information warfare teams in military operations spanning several continents. His efforts helped convince the Marine Corps to establish permanent policy, doctrine, personnel positions, and operational requirements to make offensive and defensive information warfare an integrated part of Marine Corps operations. As Marine Liaison Officer to the Air Force Information Warfare Center, he participated in the beginnings of organized network security in the military services. He also led the Electronic Warfare Reprogramming Support Division, responsible for supporting reprogramming updates for all US Air Force aircraft threat warning and countermeasure systems.

During his military career, Watson was a carrier-qualified A-6E Intruder and EA-6B Prowler pilot. A Joint Specialty Officer, he served at the Joint Electronic Warfare Center, helping to coordinate publication of the annual Department of Defense Electronic Warfare Plan, He also wrote a handbook on US responses to hostile wartime reserve modes and provided planning and analysis support to various contingencies and operations. He co-authored Marine Corps doctrinal textbooks on directed energy weapons, electronic warfare, and command and control warfare.

C.T. Wu, Ph.D.
Founder, President & CEO,
SOHOware Inc.



Before founding SOHOware (formerly NDC Communications) in 1990, Dr. Wu had gained extensive technical and management experience through his employment with Hughes Network Systems, GTE Spacenet and COMSAT LABS. Dr. Wu is one of the pioneering researchers for voice/data integration over packetized networks and was the recipient of the 1987 GTE Leslie Warner Technical Achievement Award. He received a bachelor of science in electrical engineering from National Taiwan University in 1977, a MSCS from the University of South Carolina in 1979 and a PhD in electrical engineering in 1987 from the Steven's Institute of Technology.

Dr. Wu founded National Datacomm Corporation (NDC) based in Hsin-Chu Science Park of Taiwan in 1989. During 1990 – 1995, NDC ranked as the world's 5th largest Token Ring networking supplier through its technology licensing partnership with IBM. NDC has been the world's pioneering leader in Wireless LAN and SOHO Networking technology since 1995 and a leading Wireless LAN ODM Supplier with prestigious accounts such as Fujitsu, Toshiba/TEC, Clarion and Denso Japan. In August 2000, NDC spun off its SOHOware product line of business and formed SOHOware Inc.

Dr. Wu currently also serves as the Advisory Board Member of several high tech companies in the communications and networking area.

Biotech Panel: 4:10 – 5:20
“The Status of Medical Device Outsourcing”

Moderator: Dr. Yue-Teh Jang, General Partner, The Vertical Group

Yue-Teh Jang, Ph.D.
General Partner,
The Vertical Group



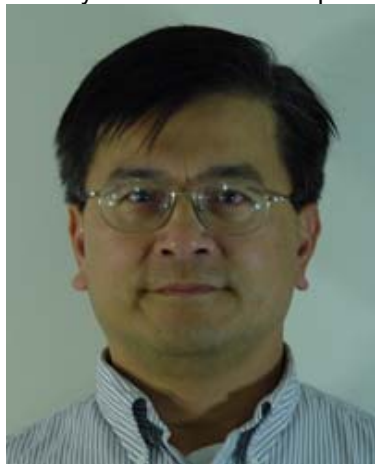
Dr. Jang is currently a General Partner of The Vertical Group, a venture capital firm that manages \$300 million with a focus on medical device and biotechnology investment. While serving as a board member for many of the firm's portfolio companies, Dr. Jang is also currently the President and CEO for Ensure Medical, a medical device development stage company for cardiology application, and Venomatrix, a start up for cell therapy development. Prior to joining The Vertical Group in 2000, Dr. Jang was the President and CEO for EMBOL-X, a medical device company specialized in stroke prevention during cardiac surgery and other interventional procedures. He has also served as President and CEO for Integrated Vascular Systems, which was acquired by Abbott Laboratories, and Kyphon, which went public in 2002 and now with a market cap of over \$1 billion. Dr. Jang's prior experience also includes Vice President of Corporate R&D for Boston Scientific Corporation (BSC) and Vice President of R&D for Cardiovascular Imaging Systems, a start up company in intravascular ultrasound imaging that went public and was later acquired by BSC. He also worked as a project manager at Mallinckrodt, now a Tyco company and a scientist at Deseret Medical. Dr. Jang received his Ph.D. in Materials Science and Engineering from The University of Utah and B.S. from National Tsing Hua University in Taiwan.

Jack Costello
Partner,
Costello O'Hara



Jack Costello is a Partner with Costello O'Hara. Jack was formerly the founder of J. Costello Associates, Inc., a boutique retainer-based firm, which emerged as a leader in medical device search. Jack's clients included Fortune 500 and venture-backed medical device companies. Prior to establishing a successful career in executive search, Jack served for 18 years as an executive at leading medical device companies Johnson & Johnson, Medtronic, and Baxter; he was a senior officer of the startup companies Cardiovascular Imaging Systems (acquired by Boston Scientific Corporation) and Urologix. Jack holds a BS in Biology from St. Joseph's College. He and his family reside north of Chicago.

Yan-Ho Shu, Ph.D.
President,
Polymerex Medical Corp.



Dr. Shu is President of Polymerex Medical Corp. where he joined in 1994 and turned the company profitable by 1995. He diversified company's product lines from catheter components to stent and catheter development and manufacturing. PMC reached a million dollar sale by 2000. Prior to joining Polymerex, Dr. Shu was with Guidant Corporation and Mobil Chemical Corporation. Dr. Shu received his Ph.D. in Plastics Engineering from University of Massachusetts, Lowell, MA, in 1987, MBA from National University, San Diego, CA in 1993, and MS and BS in Chemistry from Tsing-Hua University, Taiwan, in 1978 and 1976, respectively.

John Maroney
General Partner,
Delphi Ventures



John joined Delphi Ventures as a General Partner in 2003 and focuses on medical device and diagnostic investments. Prior to joining Delphi, John was President and CEO of EndoTex Interventional Systems, Inc. a development stage, venture backed, start-up company where he redirected the technology, resized the team and raised more than \$50.0 million over six years through a series of venture capital, technology licensing, and corporate partnership financings. From 1988 to 1997, John held a variety of senior management positions including President and General Manager at EP Technologies, Vice President of Operations at both Boston Scientific Corporation and Cardiovascular Imaging Systems (CVIS). While at CVIS, John was a key member of the senior management team during the Company's IPO and eventual acquisition by Boston Scientific Corporation. John is on the Board of Directors of TriVascular, Inc. and is Chairman of the Board of EndoTex Interventional, Inc. John earned his B.S. in Mechanical Engineering from the University of California, Davis in 1975.

Tom Palermo
Vice President of Operations,
Ensure Medical



Tom Palermo is Vice President of Operations for Ensure Medical, a Silicon Valley medical start-up company in the femoral closure market. A twenty-year veteran of the medical device industry, Mr. Palermo has held a variety of senior positions in R&D, Business Development and Operations at innovative technology companies, including Target Therapeutics, General Surgical Innovations, MedSource Technologies and Integrated Vascular Systems . He has been awarded over 35 patents, and holds a BS in Technology Management from New Hampshire College.

David Saul, J.D.
Partner,
Wilson Sonsini Goodrich & Rosati



Mr. David Saul is a partner at Wilson Sonsini Goodrich & Rosati. His practice focuses on public and private company corporate and securities representation, corporate governance counseling, start-up and venture capital transactions, public offerings and mergers and acquisitions. David's practice focuses primarily on life science companies, along with technology companies. In 2002, David represented Kyphon Inc. in its \$100+ million initial public offering, and Fusion Medical Technologies, Inc., in its \$150+ million acquisition by Baxter International. In 2003, David assisted private life science companies in acquisitions by Abbott Laboratories, Boston Scientific, and Medtronic. David received a J.D. degree from the University of Chicago in 1991 and a B.A. degree, with distinction and high honors, from the University of California, Berkeley, in 1987. He was admitted to practice law in California in 1991.

Semiconductor Panel: 4:10 – 5:20
 "Progress Update of Taiwan and China IC Industry"
 Moderator: Simon Fang, VP of UMC

Simon Fang, Ph.D.
 VP,
 UMC



Simon Fang, (方頌仁) was born in Taipei, Taiwan. He received his BA in Physics Department of National Central University in Taiwan; MA and PhD in Materials Science and Engineering Department of Stanford University. He research work in Stanford focused on surface science and silicon dioxide-based gate materials in advanced CMOS technologies. He joined Semiconductor Process and Device Center (SPDC) at Texas Instruments in 1995 for advanced research on semiconductor processing technologies. His research work in TI involves in High-k materials development, Chemical-Mechanical Polishing and process integration of advanced copper interconnect system. In 1999, he joined UMC at Hsin-Chu Taiwan. He was first with R&D division and then transferred to Customer Engineering Division. In 2002, he formed UMC's New Business Development Division. During his tenure of NBD, he is responsible to establish the strategies of new business models and emergent accounts. In 2003, he was transferred to UMC-USA to be in charge of sales operation in North America. He is also the adjunct professor from 1999 to 2003 at Yuan-Ze University, Chunlin Taiwan.

Wilson Chang
 Sr. VP & Board Director,
 WISchip International Ltd.



Mr. Wilson Chang has more than 18 years of senior management, sales and marketing experience in the semiconductor and consumer electronics industries. Before jointed WISchip International, he served as Senior Vice President of Sales at Siliconware USA (SPIL), 3rd largest IC assembly and test foundry operations worldwide. He previously served as sales director for Macronix International (MXIC), a supplier of semiconductor devices for personal computer and consumer electronics. Mr. Chang worked for UMC for several years, responsible for USA, Asia and Europe sales and marketing for its foundry operations. Mr. Chang received his B.S. in electrical engineering from National Cheng Kung University, Taiwan.

About WISchip International
 WISchip International is a global provider of digital video and audio semiconductor solutions that enable new classes of powerful multimedia products. The company's portfolio of high-performance, low-power application specific integrated circuits (ASICs) incorporate next-generation standards, such as MPEG-1, 2, and 4 which enable system developers to quickly bring leading-edge products to market. Patented WISchip technology maximizes digital video and audio quality in a wide range of end-user computing, surveillance, and electronic entertainment products. WISchip International offices are located in San Jose, California, with operations, distribution partners, and strategic alliance partners in USA, Asia, Europe, and the Middle East. For more information, visit www.wischip.com.

Allen Lee,
 Vice President,
 ATI Technologies Inc.



Allen Lee is Vice President of Integrated Graphics Systems for ATI Technologies Inc. Mr. Lee oversees the design and creation of ATI's integrated graphics product line for the entire PC segment and is responsible for the company's entry into the integrated market.

He joined ATI in 2002 as Director of Engineering and was appointed to his current position in March 2003. Prior to joining ATI, Mr. Lee was Senior Director of Engineering of S3 Graphics, where he managed the graphics division. He has also been employed by SMOS, a subsidiary of Seiko, where he served as ASIC manager.

Mr. Lee holds a MSEE from the University of Missouri at Columbia.

Quincy Lin, Ph.D.
Senior Vice President and Chief
Information Officer,
Taiwan Semiconductor
Manufacturing Company (TSMC)



Dr. Quincy Lin is the Senior Vice President and Chief Information Officer of TSMC leading 550 advanced business managers and technologists who provide a wide range of innovative, affordable solutions to both internal business unit customers and external customers. Before being promoted to Senior VP, Quincy was the Vice President of Corporate Marketing and Sales for TSMC. During that period, TSMC's revenue grew from US\$26M to US\$1.44B.

Dr. Lin has dedicated over 20 years of his career in business management, education, research, and the semiconductor industry. His previous TSMC experience included leadership positions in Marketing and Sales, Legal Affairs, and Human Resource. Quincy established several new functions for TSMC, including Marketing, IC Design Services, and Legal Affairs. In these capacities, he had developed extensive relationships with semiconductor companies worldwide. Dr. Lin has led his team to demonstrate success both at group and individual levels receiving, among other awards, the Asia's Most Admired Knowledge Enterprise (MAKE) Award, e-Asia Award (by AFACT), Service Excellence Award (by Accenture and Common Wealth Magazine), Ken Sharma Award (by i2), and the e-Business Accomplishment Award (by Ministry of Economic Affairs, Taiwan). His team also won four TSMC innovation awards.

Quincy serves as board directors at ShiEtsu Semiconductor, Taiwan (semiconductor wafer manufacturer), Powertech Technology Inc. (IC testing company), and KT Venture Capital.

Dr. Lin is also very active in other professional societies. He was Founder and Chairman of Taiwan High-Tech Industry CIO Association, Founder and Vice Chairman of Global RosettaNet Semiconductor Manufacturing Organization, Standing Board Director for Taiwan Semiconductor Industry Association, Standing Board Director for Industry Association for Hsin-Chu Science-Based Industrial Park Companies, Distinguished Alumni of National Chiao-Tung University (NCTU), and Chairman of NCTU Hsin-Chu Alumni Association. Before joining TSMC, Dr. Lin worked at AT&T Bell Labs at Holmdel, New Jersey from 1981 to 1989. Quincy participated in innovative New Technology Commercialization ventures where he received AT&T Architecture Award and Distinguished Contributions Awards. Before joining Bell Labs Dr. Lin was Assistant Professor at the Summerfield School of Business at the University Kansas.

Quincy was appointed Honorary Chair on Management at NCTU School of Management in 2004 for his accomplishments in business and his contributions in teaching (part time) at the school.

Dr. Lin holds a PhD in Business Administration from the University of Kentucky; MBA and BS in Electronic Engineering from National Chiao-Tung University.

H.C. Peng
President,
KYECA USA



Mr. HC Peng is the President of KYEC USA since 2003. KYEC USA is a sales, marketing and service arm of KYEC (King Yuan Electronics Corp.). KYEC, is a \$300 million company in fast growing, is the number one IC semiconductor test foundry headquartered in Hsin-Chu, Taiwan. Its test capabilities well cover Memory, Digital, Mix-signal, Image Sensor, LCD driver and RF/SOC; they provide test services in wafer test, laser repair, burn-in, final test and also assembly-A.

Prior to joining KYEC, Mr. Peng ever worked for WAE (Walsin Advanced Electronics Corp.), a Taiwanese IC assembly & test house, for 8 years as headquarter sales / marketing manager and then appointed to the director of its branch in North America.

Prior his join WAE, Mr. Peng worked for Philips Semiconductor Kaohsiung, the primary IC packaging and test site of Philips Semiconductor, for 10 years as Senior Engineer with various engineering and research jobs.

Mr. Peng received his B.S. degree in E.E. from Catholic Fu-Jen University in Taipei, Taiwan.



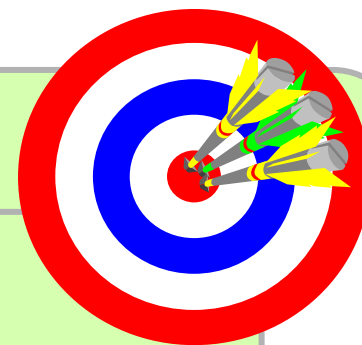
Challenges & Prospects for
Taiwan's Economy

The background features a world map with several regions highlighted in yellow and green. Small flags of the Republic of China are placed over each of these regions. The labels for these regions are: 北美 (North America), 歐洲 (Europe), 亞西 (Southeast Asia), 亞太 (Asia-Pacific), 非洲 (Africa), and 中南美 (Latin America).

Chao-Yih Chen
Director General
Industrial Development Bureau
Ministry of Economic Affairs

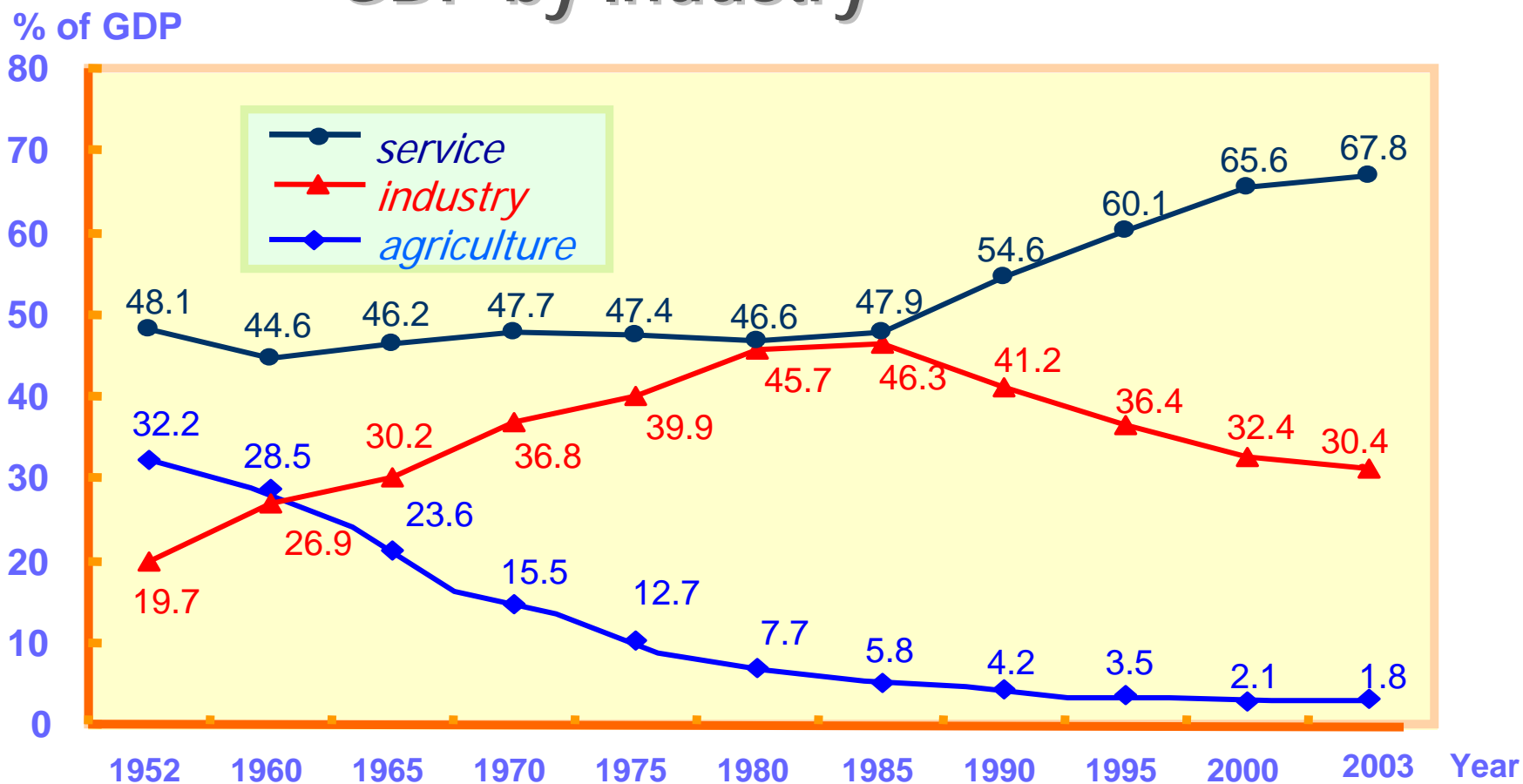
March 5, 2005

Contents



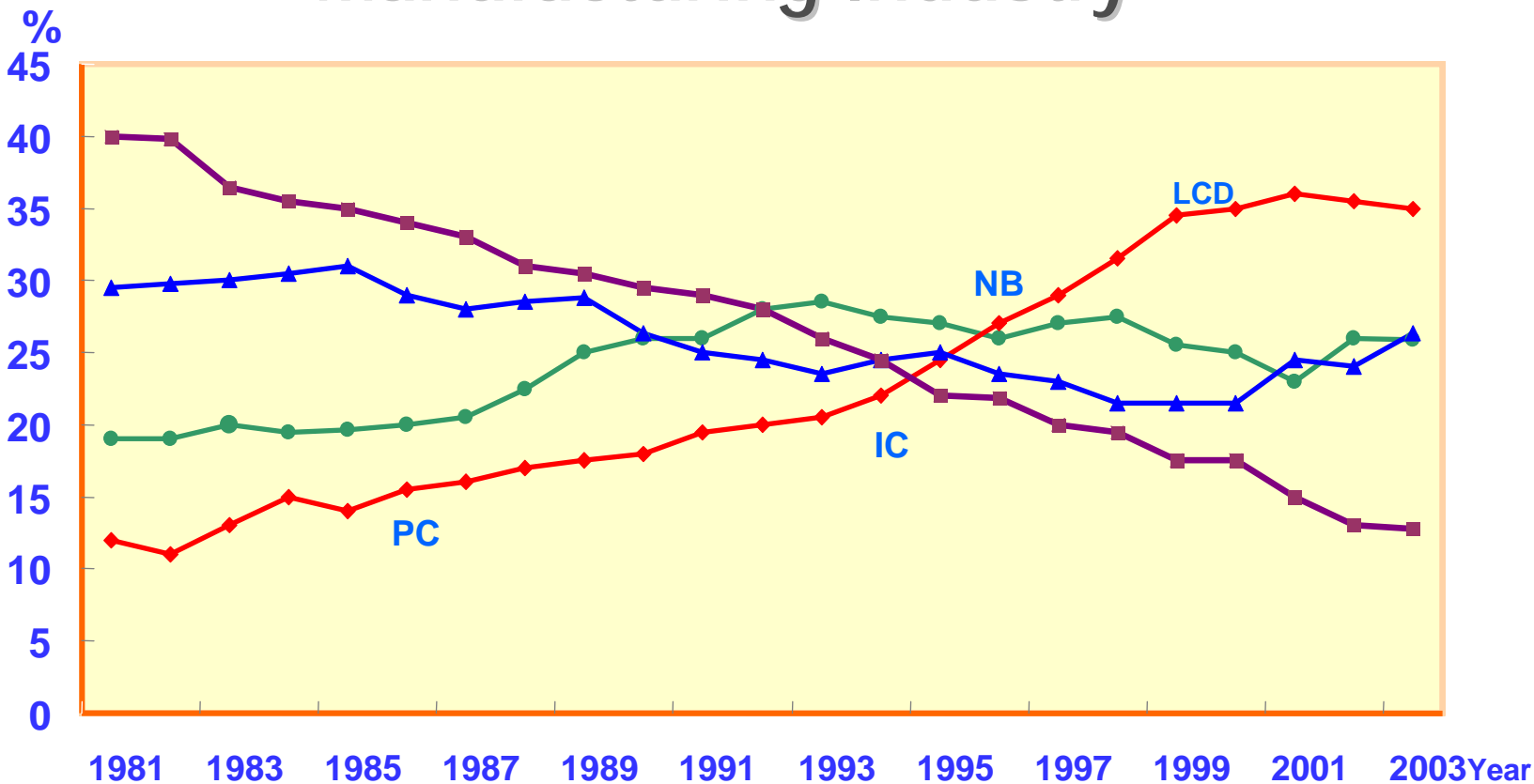
- I. Change of Industrial Structure
- II. 2004 Economic Overview
- III. Comparatives Advantages
- IV. Key Industries
- V. Investment Incentives
- VI. Future Prospects
- VII. Concluding Remarks

I. Change of Industrial Structure(1) —GDP by Industry



Source: Council for Economic Planning and Development

I. Change of Industrial Structure(2) — Manufacturing Industry





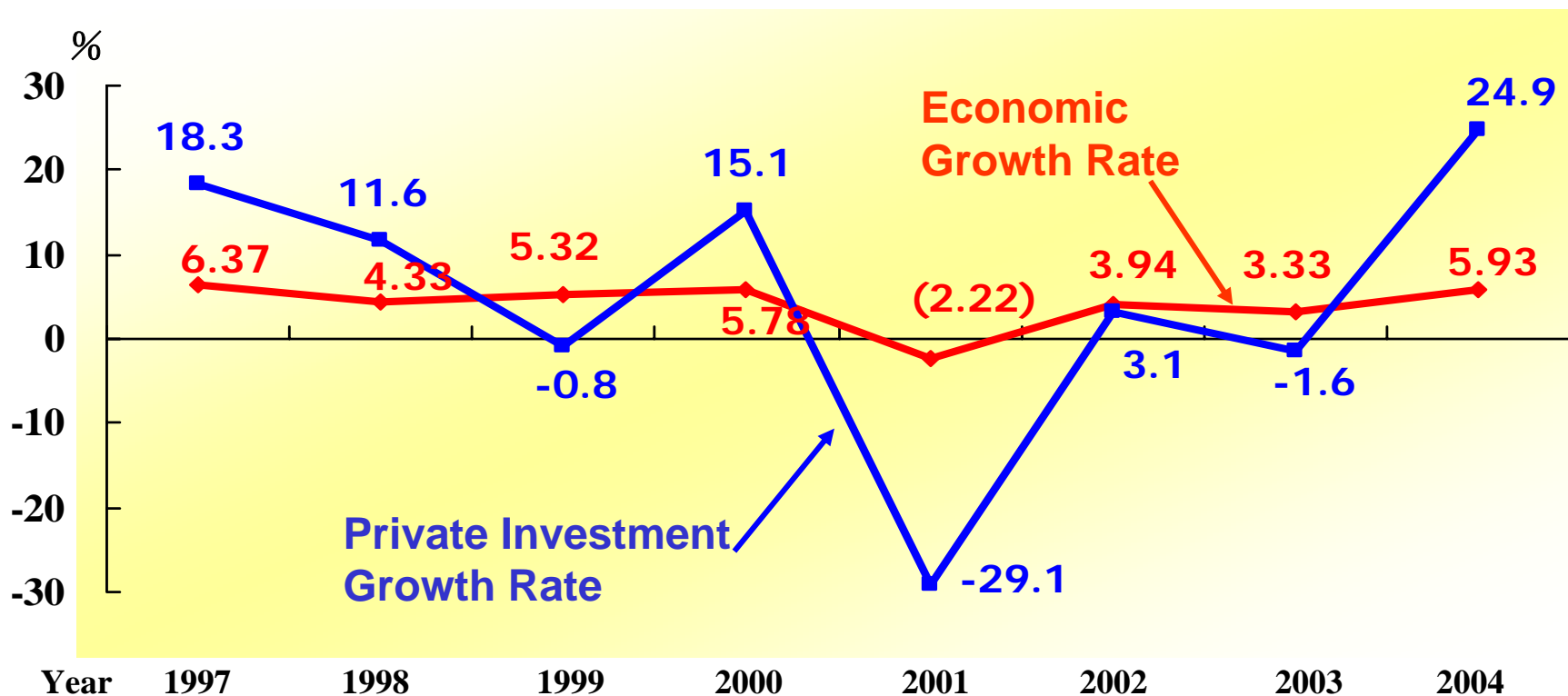
II. 2004 Economic Overview(1)

Domestic Economy

In 2004, Taiwan's economy grew by 5.93%, the best performance in seven years.

Private Investment

In 2004, private investment grew by 24.9%, the biggest increase since 1993.





II. 2004 Economic Overview(2)

Industrial Output

In 2004, industrial output increased by 10.9%, the biggest increase since 1987.

Unit: %

Year	Industrial Output	Manufacturing (Subtotal)	By Industry			
			Metal & Mechanical	IT & Electronics	Chemical	Food & Textile
2001	-7.81	-8.36	-13.70	-11.65	2.03	-8.11
2002	7.92	9.39	9.36	17.84	7.29	-4.78
2003	7.10	7.38	5.16	11.69	9.40	-3.22
2004 (Jan.~Nov.)	10.90	11.78	12.31	15.89	11.10	0.42

II. 2004 Economic Overview(3)

Unemployment Rate

In 2004 (Jan.~Nov.), unemployment rate decreased to 4.47%, the lowest rate since 2001.

Unit: 1,000 persons

Year	Employment	Industrial Structure				Unemployment Rate (%)
		Agriculture	Industry		Services Production	
			Manufacturing			
2001	9,383	706	3,378	2,587	5,300	4.57
2002	9,454	709	3,332	2,563	5,413	5.17
2003	9,573	696	3,334	2,590	5,433	4.99
2003 (Jan.~Nov.)	9,563	697	3,332	2,587	5,534	5.03
2004 (Jan.~Nov.)	9,777	644	3,440	2,667	5,693	4.47
Increase (person)*	214	-53	108	80	159	-0.56

Source: Directorate General of Budget Accounting and Statistics, Executive Yuan

*Comparison between 2004 (Jan.~Nov.) and 2003 (Jan.~Nov.)

II. 2004 Economic Overview(4)

Foreign Trade

➔ In 2004, Taiwan's two-way foreign trade totaled US\$342 billion.

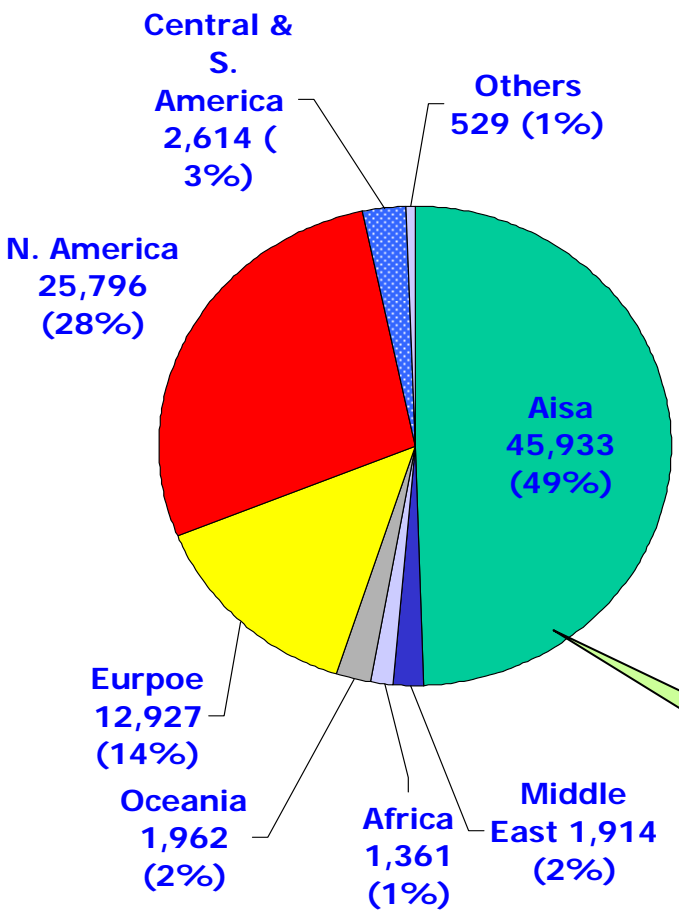
Year	Foreign Trade		Exports		Imports	
	Amount (US\$ billion)	Change (%)	Amount (US\$ billion)	Change (%)	Amount (US\$ billion)	Change (%)
2001	230.1	-20.19	122.9	-17.16	107.2	-23.41
2002	243.1	5.65	130.6	6.27	112.5	4.94
2003	271.4	11.64	144.2	10.41	127.2	13.07
2004	341.9	25.98	174.0	20.67	167.9	32.00

Source: Department of Statistics, Ministry of Finance

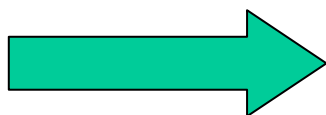
II. 2004 Economic Overview(5)

Exports by Region

Unit: US\$ million

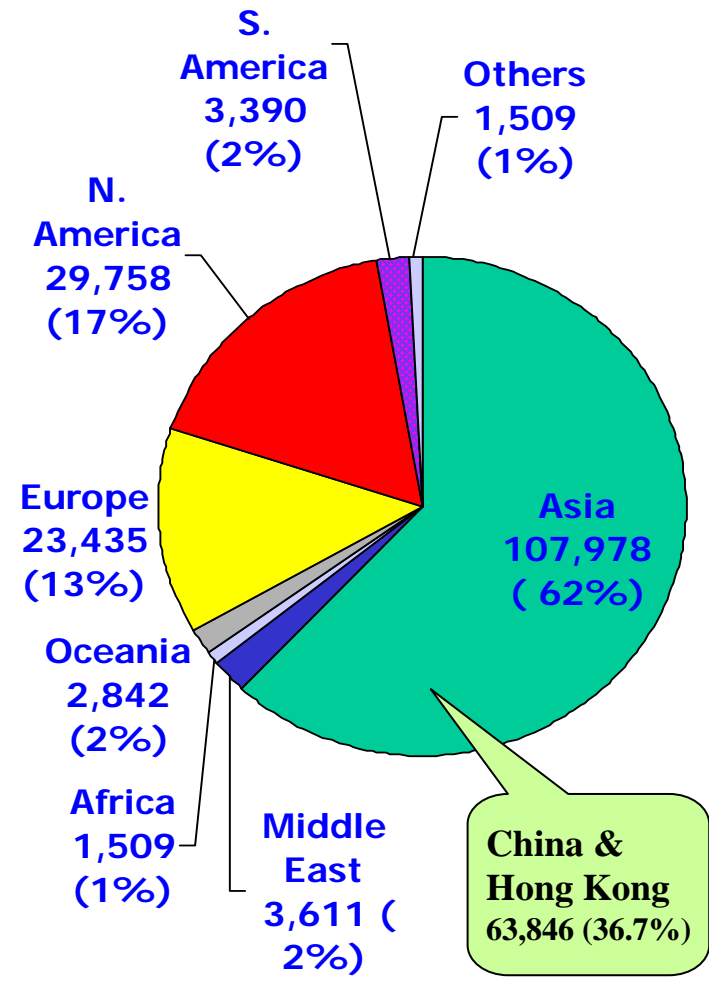


1994
Total Export Value:
US\$ 93 billion



2004
Total Export Value:
US\$ 174 billion

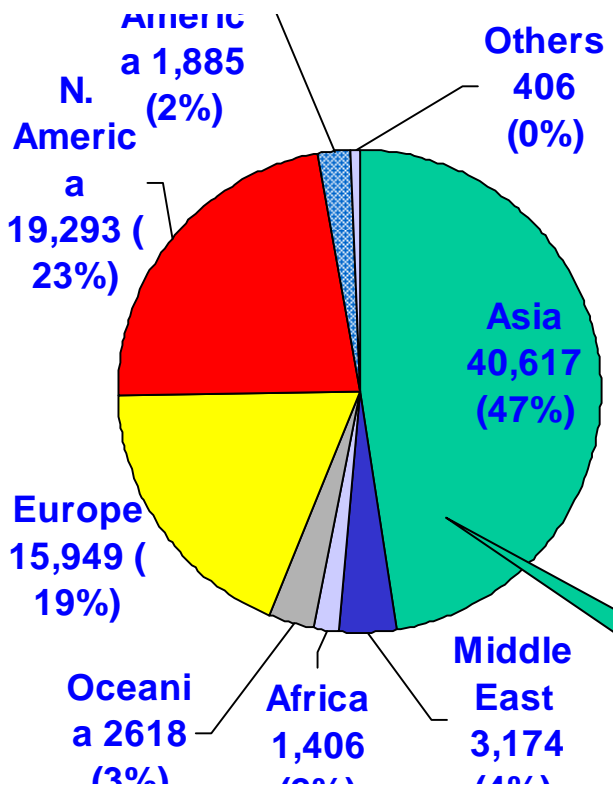
China & Hong Kong
21,391 (23%)



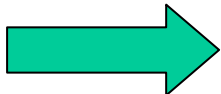
II. 2004 Economic Overview(6)

Imports by Region

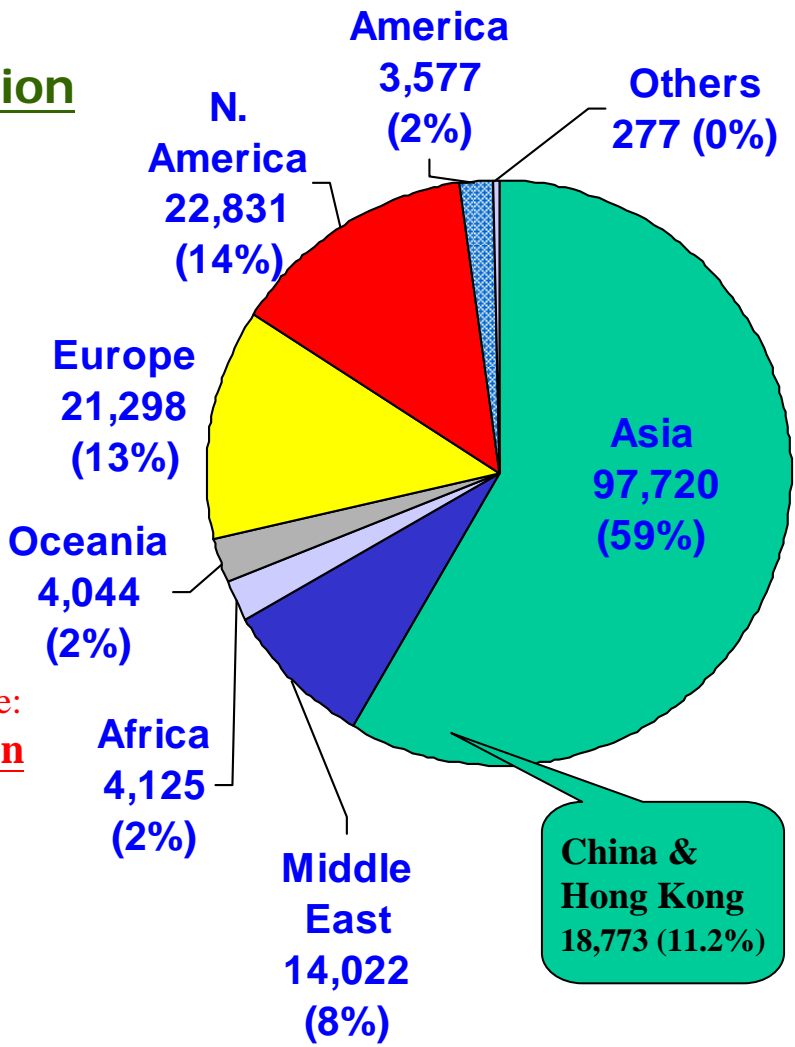
Unit: US\$ million



1994
Total Import Value:
US\$ 85.3 billion



2004
Total Import Value:
US\$ 167.9 billion



China & Hong Kong
3,392 (4%)

China & Hong Kong
18,773 (11.2%)



III. Comparative Advantages

(I) Taiwan's core advantages

- Superior geographic gateway to the Asia-Pacific region
- Ideal springboard into mainland China markets
- Well-integrated industrial clusters
- Abundant high-quality human resources
- Solid R&D capabilities
- Well experienced operation in global logistics
- Sound infrastructure



(II) Competitiveness Ranking

International Rating Institution	Ranking
<p>WEF (World Economic Forum) (Oct. 2004)</p>	<p>Growth Competitiveness: -- No. 4 in the world (next to Finland, US and Sweden) -- No. 1 in Asia Technology Competitiveness: No. 2 Innovation Index: No. 2</p>
<p>BERI (Business Environment Risk Intelligence) (Sep. 2004)</p>	<p>Investment Environment: No. 5 -- Low investment risk country</p>
<p>IMD (International Institute for Management Development) (May 2004)</p>	<p>Global Competitiveness: No. 12</p>
<p>EIU (Economist Intelligence Unit) (Sep. 2004)</p>	<p>Business Environment Forecast: -- No. 18 in the world -- No. 3 in Asia (next to Singapore and Hong Kong)</p>



(III) Active IPO Business

USA, Japan and Europe IPOs' Purchases in Taiwan

Unit: US\$ billion

	Top-10 USA IPOs	Top-5 Japan IPOs	Top-5 European IPOs	Total for Top-20 IPOs
2002	31.1	7.3	1.8	40.2
2003	34.3	9.3	1.9	45.5
2004	38.6	11.2	2.0	52.7
Increase (2004/ 2004)	12.54%	20.43%	5.26%	15.82%

Note: 2004 a. Top-10 US IPOs—Apple, Cisco, Dell, HP, IBM, Intel, Motorola, Solectron, Linksys, Viewsonic

b. Top-5 Japan IPOs—Fujitsu, Hitachi, NEC, Sony, Toshiba

c. Top-5 European IPOs—Actebis, Fujitsu Siemens, Nokia, Philips, Siemens

d. Total purchases in Taiwan by the top-20 IPOs in 2004 was around US\$52.7 billion. The total purchase amount of IPOs in Taiwan was around US\$54.0 billion in 2004, and US\$48.5 billion in 2003, representing an 11.3% growth rate.



(IV) Leading Export Products

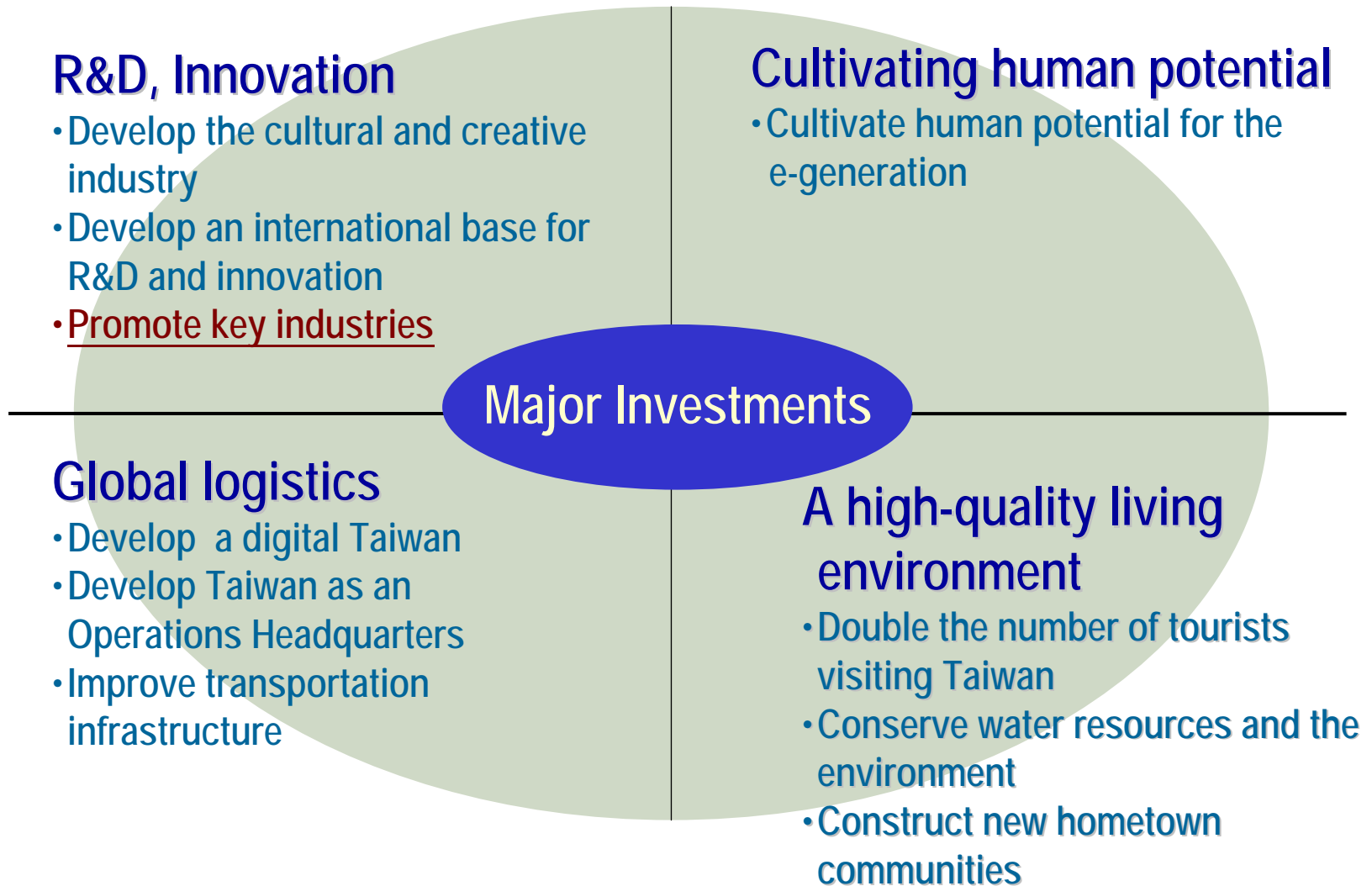
<i>Item</i>	<i>Global market share (%)</i>	<i>Item</i>	<i>Global market share (%)</i>
Hub	95	Cable modem	41
Recordable optical disk	77	Optical disk drive	40
Motherboard	72	xDSL modem	37
IC foundry	71	IC packaging	36
Notebook PC	58	Glass fiber	34
SOHO router	57	Power chair	30
LCD monitor	54	Bicycle	26
Wireless LAN	42	ABS copolymer	17

Market share in terms of production value and volume



IV. key Industries

(I) Master Plan for National Development





(II) Strategic Industries

1. Two Trillion & Twin Star Industries

- Semiconductor
- Flat Panel Display
- Digital Content
- Biotechnology

2. Communications

3. Knowledge-Based Services

4. Cultural and Creative Industry

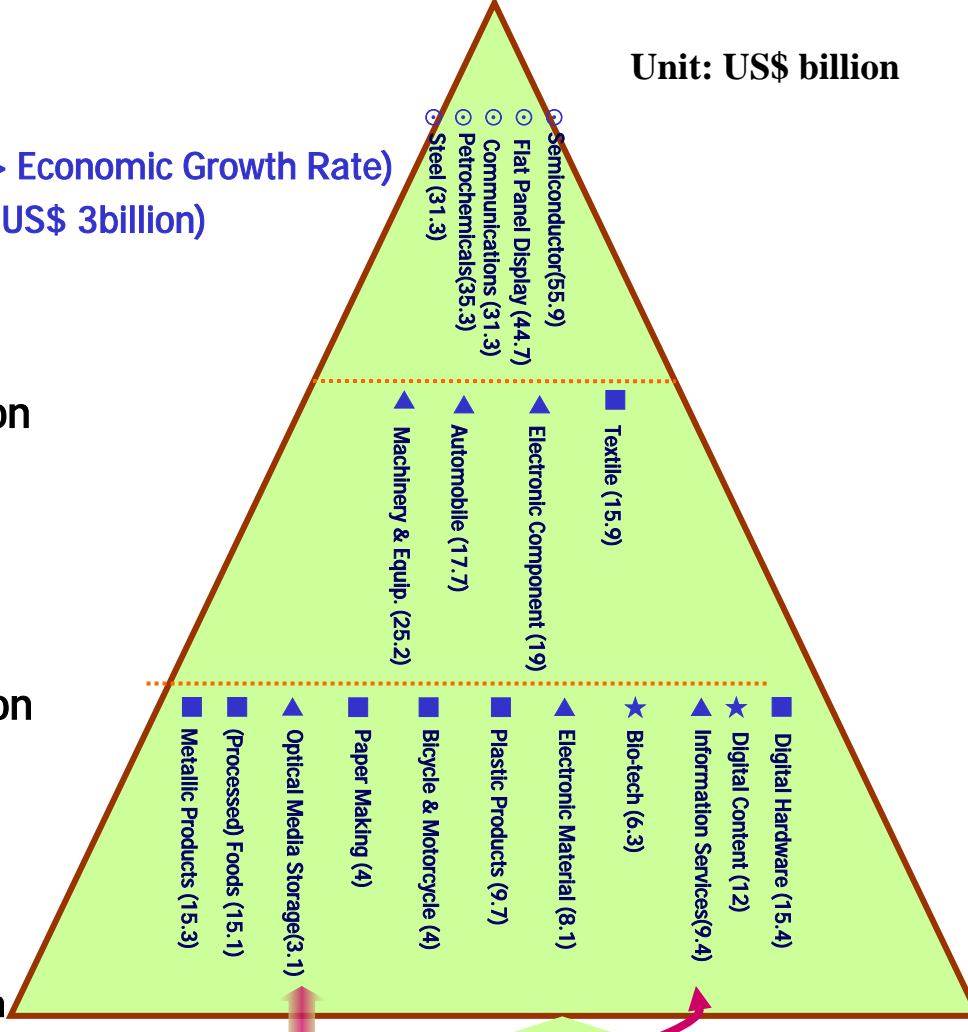
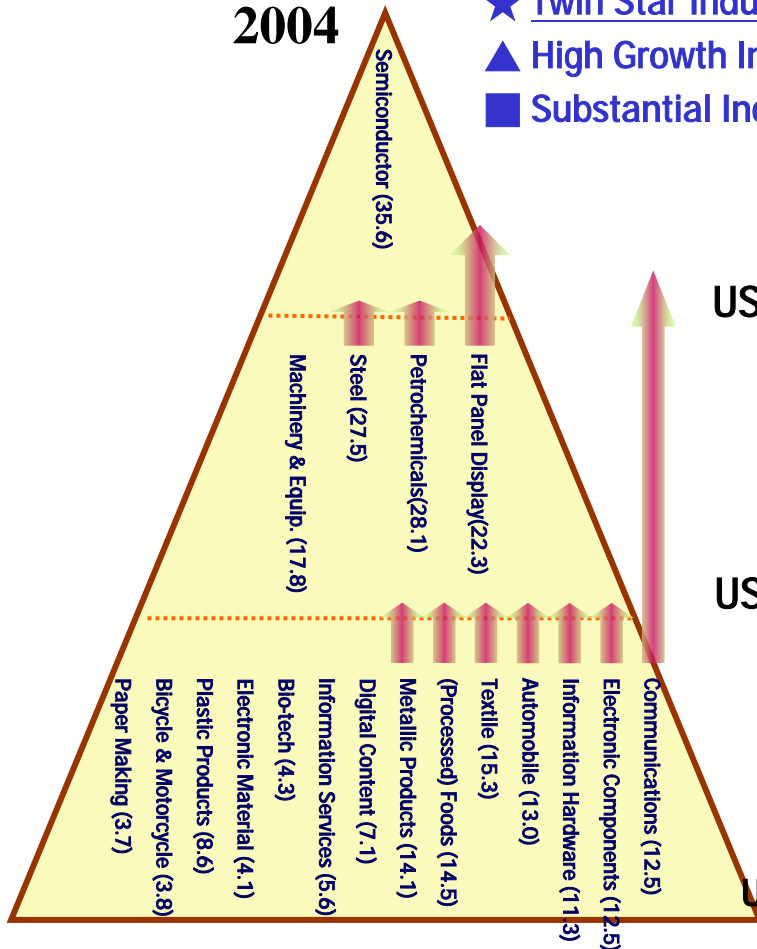
(III) Roadmap of Industrial Development

2008

Unit: US\$ billion

- ⊙ New Trillion Industries
- ★ Twin Star Industries
- ▲ High Growth Industries (> Economic Growth Rate)
- Substantial Industries (> US\$ 3billion)

2004



US\$ 30 billion

US\$ 15 billion

US\$ 3 billion



Exchange rate: USD1 : NTD32

(IV) Two-Trillion and Twin-Star Industries

Unit: US\$ billion

Industry	Production Value					Investment		
	2002	2003	2004	2005 (f)	2006 (f)	2002	2003	2004
IC	20.4	25.6	35.6	40.4	49.7	7.0	7.1	8.5
TFT-LCD	9.4	13.1	20.7	29.7	42.8	3.2	3.8	5.0
Digital Content	4.8	5.9	7.1	9.1	11.6	0.2	0.3	0.3
Biotech	3.5	3.9	4.3	5.0	5.9	0.6	0.7	0.8
Total	38.1	48.4	67.7	80.1	110.0	11.0	11.8	14.6



(V) Comparison of IC Industry

Unit:US\$ billion

Item	2003 production Value	2004 (e) Production Value	Global Ranking (2003)	
			Market Share (%)	Ranking
IC Design	5.9	8	28.0	2
IC Foundry	14.7	20.8	70.8	1
IC Packaging	3.7	5	36.0	1
IC Testing	1.3	1.8	44.5	-

Overview of IC Fabs in Taiwan

- 12-inch wafer fabs
 - Existing: 4
 - Under construction: 6
 - Planned: 2
- 8-inch wafer fabs: 20
- 6-inch wafer fabs: 8
- 5-inch wafer fabs: 3

Country	Industrial Structure	Process Technology		SOC Advantage	Top-10 IC Firms, 2004(f)		No of 12-inch Wafer Fabs
		Current	Under Development		Companies	Revenue (US\$ million)	
Taiwan	Vertical Specification	90nm	65, 45nm	Good (lacks system design ability)	TSMC (8)	7,665	10
U.S.A.	IDM	65nm	63, 45, 30nm	Excellent (has system design ability)	Intel (1)	30,050	7
					TI (3)	10,885	
					Motolola (10)	5,656	
Japan	IDM	65nm	63, 45, 30nm	Excellent (has system design ability)	Renesas (4)	9,475	5
					Toshiba (6)	9,030	
					NEC (9)	6,660	
Korea	IDM	65nm	63, 45, 30nm	Excellent (has system design ability)	Samsung (2)	15,930	2
Singapore	Mainly OEM	90nm	65nm	N.A.	-	-	2

(VI) Flat Panel Display Clusters in Taiwan

Total Companies :

※ Flat Panel Displays

- * TN/STN LCD: ≥ 20
- * TFT LCD: 8
- * PDP: 2
- * OLED/PLED: 7
- * LCOS: 3

※ Parts & Components

- * Color Filter: 8
- * Back Light: ≥ 20
- * Polarizer: 4
- * Glass substrate (ITO): 10
- * Drive IC: ≥ 10

Hsinchu

- | | |
|--------------------|---------------|
| TFT: 4 | TN/STN: 4 |
| Glass Substrate: 1 | Back light: 2 |
| Color Filter: 3 | ITO: 2 |
| Drive IC: 4 | LCOS: 2 |
| OLED/PLED: 5 | Mask: 1 |

Taichung

- TFT: 1
- TN/STN: 3
- OLED/PLED: 1
- Back Light: 1
- Polarizer: 1
- Color Filter: 1
- ITO: 1
- Glass Substrate: 2

Yunlin

- Glass Substrate: 1
- PDP: 1

Tainan

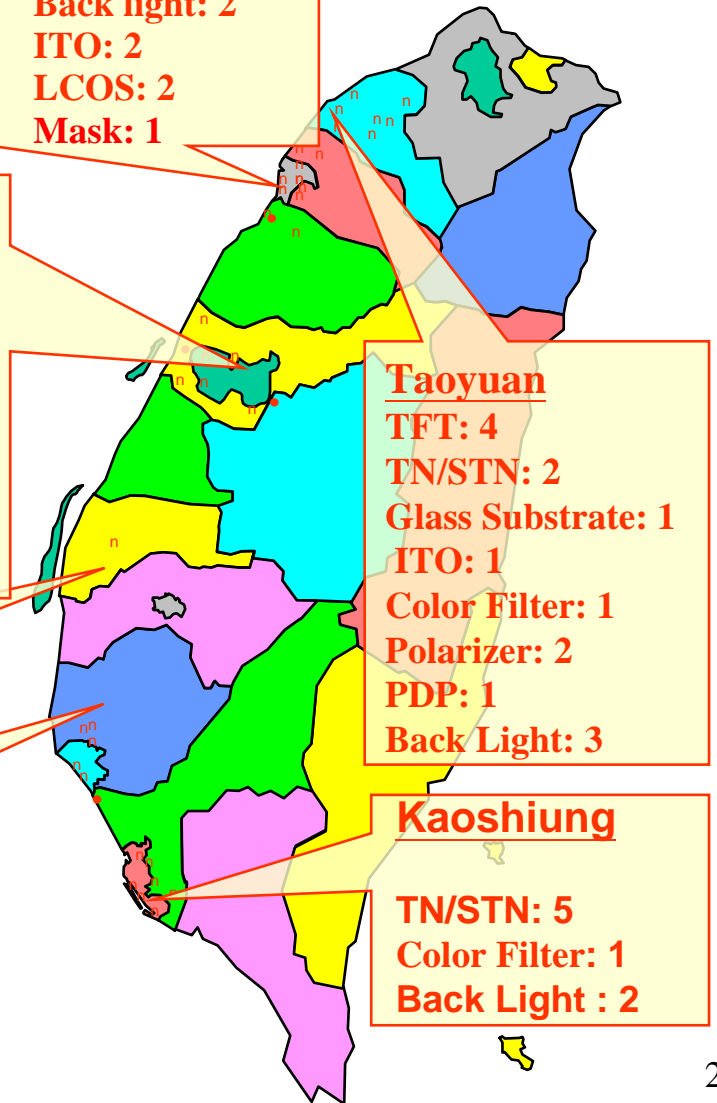
- | | |
|--------------------|---------------|
| TFT: 2 | OLED/PLED: 1 |
| Glass Substrate: 2 | Back Light: 2 |
| Color Filter: 3 | LCOS: 1 |
| Polarizer: 1 | Mask: 1 |

Taoyuan

- TFT: 4
- TN/STN: 2
- Glass Substrate: 1
- ITO: 1
- Color Filter: 1
- Polarizer: 2
- PDP: 1
- Back Light: 3

Kaoshiung

- TN/STN: 5
- Color Filter: 1
- Back Light : 2



(VII) Comparison of TFT-LCD Industries

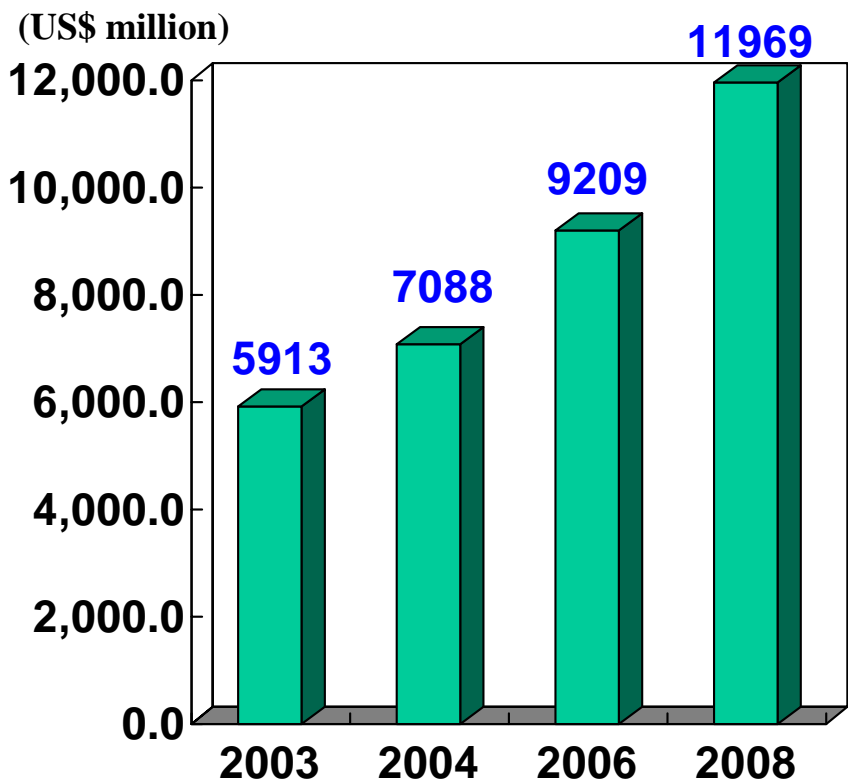
Type Country	No. of Existing Fabs							No. of Fabs Under Construction						
	3G	3.5 G	4G	4.5 G	5G	6 G	Total	4.5 G	5G	5.5 G	6 G	7G	7.5 G	Total
Taiwan	4	6	3	2	6	1	22	1	0	1	3	1	0	6
Korea	2	2	1	0	4	1	10	0	0	0	0	1	1	2
Japan	1	1	1	0	0	1	4	0	0	0	1	0	0	1

Source: IDB/ MOEA (2004/12)



(VIII) Development of Digital Content Industry

Changes in Digital Content Industry Production Values



➔ Current Status

- Production value of US\$5.9 billion in 2003
- Rapid growth in production values

➔ Development Target

- To develop Taiwan as the “center of digital content design, development and production” in the Asia Pacific Region
- To achieve a production value of US\$12.0 billion by 2008

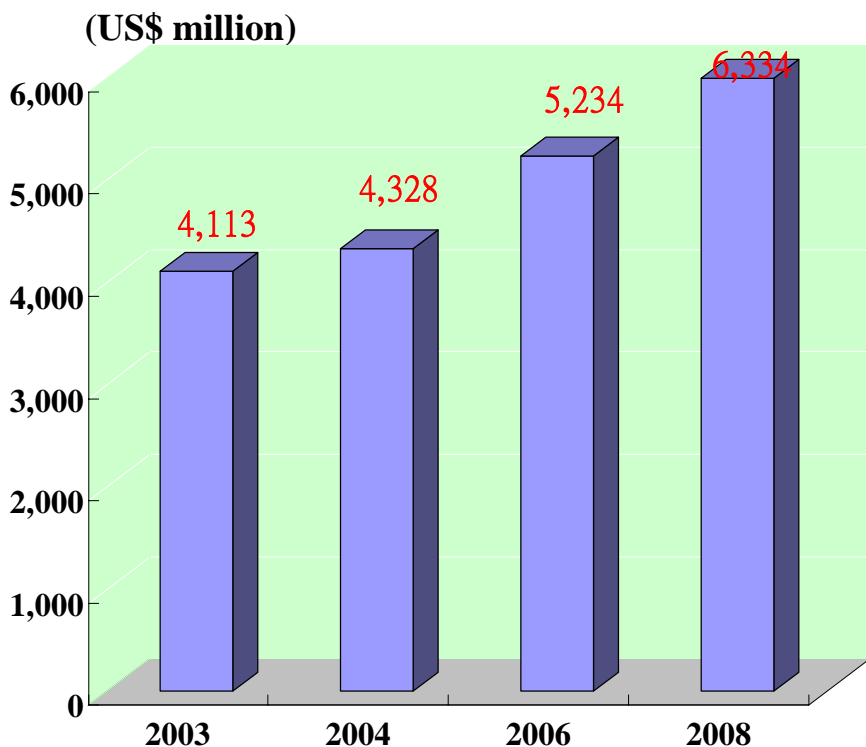
➔ Development Strategy

- Establish favorable environment and regulations.
- Assist in promoting investments.
- Strengthen human resources.
- Expedite the development of key technologies and products.
- Assist enterprises in strengthening international marketing.
- Disseminate the usage of digital content in Taiwan.



(IX) Development of Biotechnology Industry

Biotechnology Industry Turnovers



• Current Status

- Covering the fields of new biotechnology industry, pharmaceutical industry and medical device industry.
- Since 1997, investments in the biotechnology industry in Taiwan have grown steadily. In 2003, there were a total of 93 investment projects, funded with about US\$800 million.

• Development Target

- To develop Taiwan as the R&D, manufacture and operation center of biotechnology industry in the Asia Pacific Region.
- To achieve a turnover of US \$6,334million in 2008.
- To accomplish 18 important investment projects by 2010.

• Development Strategy

- Promote priority niche items.
- Assist in regulatory and clinical trials.
- Promote the outcome of government-supported research programs.
- Promote international cooperations.
- Enhance IPR protection.



(X) Development of Communications Industry

➔ Current Status

- The production value of the communications industry in Taiwan has grown yearly, and the global market shares of various products have all exceeded 50%, including cell phones, wireless LAN devices, GPS, IP LAN devices, broadband modems, and others.
- The production technologies of GSM/GPRS cell phones are near completion, including the upgraded technologies of 3G; moreover, enterprises are starting to invest in the R&D of B3G systems.

➔ Development Prospect

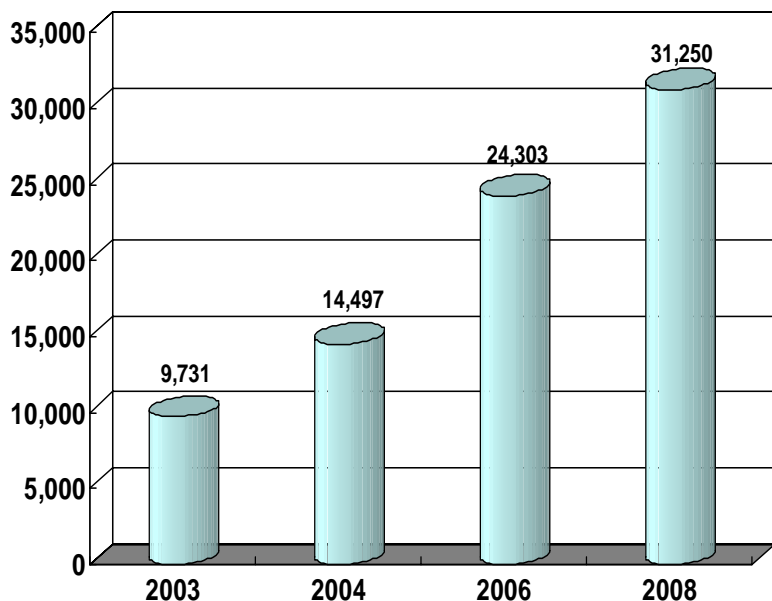
- To develop and promote Taiwan as an island with broadband and wireless communications technology services.
- To become one of the world's top 10 communications-producing countries by 2008 with a production value of US\$31.3 billion.
- To become a major supplier of mobile phones and broadband network devices, with a global market share reaching 40%, and over 80% of locally made components of wireless communications products.

➔ Development Strategy

- Assist harmonizing in establishing the certification and testing environment, and the international standards.
- Integrate domestic resources for participating in international organizations and activities.
- Encourage technical cooperation.
- Assist in the vertical integration.

Changes in Communications Industry Production Values

(US\$ million)



Source: ITRI's IEK-IT IS project, Dec. 2004



V. Investment Incentives

(I) Tax status

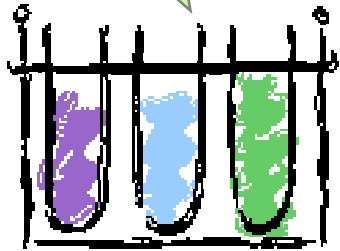
- Maximum business income tax: 25%
- Maximum consolidated (personal) income tax: 40%
- *The business income tax paid by a company may be deducted from the consolidated income tax payable by its individual shareholders.*
- Average nominal tariff rate in 2004 (for imported goods): 5.64%
 - Industrial products: 4.19%
 - Agricultural products: 13.30%
- Value-added tax: 5%

(II) Tax incentives for industrial upgrading

R&D
30% credit



Human resources
development
30% credit



Automation, pollution
control & energy saving
5~11% credit



(III) Tax incentives for encouraging investments

Newly emerging, strategic industries

5-year tax exemption, or
Credit up to 20% for enterprise or 9%
for individual

Foreign investment

Flat 20% income tax rate



Outward investment

Investment loss: covered up to 20%

Balancing geographical development

Scant available resources or slow
development: credit up to 20%



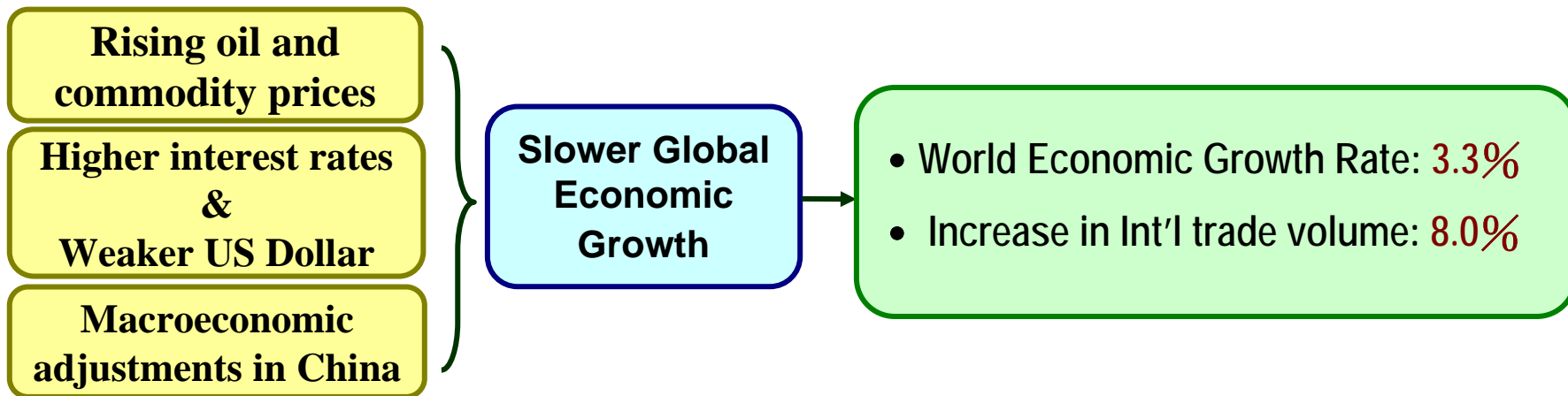
(IV) Industrial Parks

Type	Science Parks	Economic Processing Zones (EPZ)	Industrial Parks
Location	Hsinchu Science Park Southern Science Park Central Science Park	Kaohsiung EPZ, Pintung EPZ, ...	60 industrial parks 2 industrial harbors
Incentives	<p>One-stop service for issuing construction license, etc.</p> <p>Tax incentive: 5-year tax exemption (<i>Statute for Upgrading Industries; SUI</i>); no import duties on machinery, raw materials, fuels, supplies or semi-finished products; tax credit on R&D, automation and personnel training (<i>SUI</i>)</p> <p>Low interest loan</p> <p>R&D encouragement: up to NT\$5million granted for each project</p>	<p>One-stop service for issuing construction license, etc.</p> <p>Tax incentive: 5-year tax exemption (<i>SUI</i>); no import duties on machinery, raw materials, fuels, supplies or semi-finished products; tax credit on R&D, automation and personnel training (<i>SUI</i>)</p> <p>Low interest loan</p>	<p>Tax incentive: 5-year tax exemption (<i>SUI</i>); no import duties on machinery; tax credit on R&D, automation and human resources development</p> <p>Low interest loan</p> <p>Rental discount program "00-66-88"</p> <p>Zero rent for the first two years; 40% discount for the 3rd and 4th years; 20% for the 5th and 6th years.</p>
	Website: www.sipa.gov.tw	Website: www.epza.gov.tw	Website: www.moeaidb.gov.tw



VI. Future Prospects

◎ 2005 Global Economic Forecast (Global Insight)



◎ 2005 Taiwan Economic Prospects

- Economic growth: 4.5%
- Private investment growth: 9.3%
- Unemployment rate: 4.0%

VII. Concluding Remarks

- (I) Taiwan has become an active player in global high-tech communities.
- (II) Being the springboard to China market, Taiwan has huge opportunities.
- (III) International cooperation is essential for success.



Thank you!

<http://www.moeaidb.gov.tw>

