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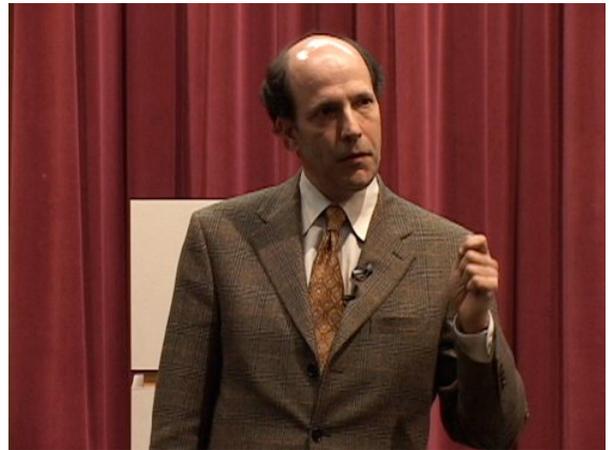
Silicon Valley: Changing with the times

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Roos talks about how the industry in Silicon Valley keeps changing. From the 1970s, the era of the brick and mortar technology industry, the Valley has seen a boom in semiconductor companies and computer companies, followed by the era of information technology and the Internet in the 90s. In this transition, the Valley has become global, he adds.



Transcript

The one thing that seems to constantly change is the industry itself. And the types of things that we're working on. And that's why if you decide to go into the high tech industry, you're going to find things constantly, constantly changing. The 1970's when I was here at Stanford, that was probably the era of what people call some of the bricks and mortar of the technology industry. That was the time when semiconductors, some of these great semiconductors companies started to be formed. Companies like Intel who we did not represent. But LSI Logic, Monolithic Memories, Cypress semiconductor, some of the great semiconductor companies of the 1970's. And everyone thought when that boom happened and everything, well what was next for the valley? And then I came in in the 1980's. And what happened in the 1980's was the era of computers. Now I came in right before the huge boom of the late 80's.

But I will tell you that with respect to what happened there in the 80's was you had the Apple computers. You have many companies like that. The Sun Microsystems with Scott McNealy coming out of Stanford and starting it. I remember right after the boom I picked up Time magazine and this was shortly after I'd come up here. And the cover of Time magazine said, "Has the Silicon Valley gone bust?" I remember calling my friend and gone, "Oh God! Here I thought I made this brilliant move in coming to the Silicon Valley." It looked like it's going to be interesting and how we've seen the best days behind us. Because the best computing days were those public offerings had taken place and everything. But then of course came the 1990's and the 1990's were the era of information technology and the internet. And I can't even begin to describe to you what went on in the 1990's. It was the most unbelievable boom. I will tell you some of the lessons learned from that boom when I was in the middle of that.

I thought I was in the middle of the most amazing change in world history And that was the way we felt around here. We talked about the industrial revolution. We were in the middle of the information revolution. And these companies were coming up with phenomenal ideas and were changing the world and everything. But we also learned a lot of lessons during that time. People were throwing plans together, getting funded. No one was worried about future revenues. The building blocks of management put into place. You know a firm management structure. All that was out the window in the 90's.

And we all did very well and then got very burnt. But we did learn a lot of lessons. But the one thing that we also learned was that was just a cycle and things would once again change. And so here we are in the 2000 era. And I'm not sure in the end what this era would be called. I will tell you that Carly Fiorina, who was the former CEO of Hewlett Packard and Hewlett Packard's a client of our firm, described this era as a digital, mobile, personal and virtual era. And I think she's probably right

with respect to that description. Digital to the extent that everything is compact in this stage of the game. And you know all the data is compressed. Mobile probably, I'm impressed that none of you are checking emails as we speak.

Maybe plenty of people online are but mobile because the minute I walk outside this room I will pick up my BlackBerry. And see what's been going on in the office. Personal because we all have come up with our own personal plans. And it's just everything is more personal out there in this day and age. And virtual to the extent that infrastructure doesn't matter. Geography doesn't matter. Everything's all over the world.