

ESD Alliance Reports Electronic Design Automation Industry Revenue Growth for Q1 2020

PCB and Semiconductor IP Log Double-Digit Growth

MILPITAS, Calif. — July 13, 2020 —The Electronic System Design (ESD) Alliance Market Statistics Service (MSS) today announced that the Electronic Design Automation (EDA) industry revenue increased 3.5 percent in Q1 2020 to \$2,698 million, compared to \$2,606.4 million in Q1 2019. The four-quarter moving average, which compares the most recent four quarters to the prior four quarters, increased by 5.2 percent. ESD Alliance is a SEMI Technology Community.

“The EDA industry reported increased revenue in Q1 compared to Q1 2019, in part due to strong growth in the largest product category, Semiconductor Intellectual Property (SIP),” said Walden C. Rhines, CEO Emeritus of Mentor, a Siemens Business. “The Printed Circuit Board and Multi-Chip Module (PCB and MCM) category also reported double-digit gains in Q1. The four-quarter moving average continued to increase for the PCB and MCM, Computer Aided Engineering (CAE), IC Physical Design and Verification, and SIP categories, and in the Americas, EMEA, and Asia Pacific (APAC).”



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The companies tracked in the MSS report employed 45,938 in Q1 2020, a 5.6 percent increase over the Q1 2019 headcount of 43,500 and up 1.1 percent compared to Q4 2019.

The quarterly MSS report containing detailed revenue information with category and geographic breakdowns is available to ESD Alliance members.

Revenue by Product Category

- **CAE** generated revenue of \$854.9 million in Q1 2020, a 1.7 percent increase compared to Q1 2019. The four-quarter CAE moving average increased 2.4 percent.
- **IC Physical Design and Verification** revenue reached \$507.9 million in Q1 2020, an 8.9 percent decrease compared to Q1 2019. The four-quarter moving average for the category increased 2.4 percent.
- **PCB and MCM** revenue of \$250.9 million for Q1 2020 represents an increase of 12 percent compared to Q1 2019. The four-quarter moving average for PCB and MCM increased 14.1 percent.
- **SIP** revenue totaled \$985.6 million in Q1 2020, a 12.5 percent increase compared to Q1 2019. The four-quarter SIP moving average increased 9.6 percent.
- **Services** revenue totaled \$98.7 million in Q1 2020, an 8.6 percent decrease compared to Q1 2019. The four-quarter Services moving average decreased 12.1 percent.

Revenue by Region

- The **Americas**, the largest reporting region by revenue, purchased \$1,118.1 million of EDA products and services in Q1 2020, a 0.5 percent increase compared to Q1 2019. The four-quarter moving average for the Americas increased 0.5 percent.
- Revenue in **Europe, the Middle East, and Africa (EMEA)** increased 13.4 percent, to \$392.3 million, in Q1 2020 compared to Q1 2019. The EMEA four-quarter moving average increased 11.1 percent.
- First-quarter 2020 revenue for **Japan** increased 9.8 percent to \$268.6 million compared to Q1 2019. The four-quarter moving average for Japan decreased 3.9 percent.
- **APAC** revenue increased to \$918.9 million in Q1 2020, an increase of 1.8 percent compared to the first quarter of 2019. The four-quarter moving average increased 6.9 percent.

About the MSS Report

The ESD Alliance Market Statistics Service reports EDA, IP and services industry revenue data quarterly and is available to Alliance members. Both public and private companies contribute data to the report. Each quarterly report is published approximately three months after quarter close. MSS report data is segmented as follows: revenue type (product licenses and maintenance, services, and SIP), application (CAE, PCB/MCM Layout, and IC Physical Design & Verification), and region (the Americas, Europe Middle East and Africa, Japan, and Asia Pacific), with many subcategories of detail provided. The report also lists total employment of the tracked companies.

About the Electronic System Design Alliance

The [Electronic System Design \(ESD\) Alliance](http://esd-alliance.org), a SEMI Technology Community, is the central voice to communicate and promote the value of the semiconductor design ecosystem as a vital component of the global electronics industry. As an international association of companies providing goods and services throughout the semiconductor design ecosystem, it is a forum to address technical, marketing, economic and legislative issues affecting the entire industry. For more information about the ESD Alliance, visit <http://esd-alliance.org>.

About SEMI

SEMI® connects more than 2,400 member companies and 1.3 million professionals worldwide to advance the technology and business of electronics design and manufacturing. SEMI members are responsible for the innovations in materials, design, equipment, software, devices, and services that enable smarter, faster, more powerful, and more affordable electronic products. Electronic System Design Alliance (ESD Alliance), FlexTech, the Fab Owners Alliance (FOA) and the MEMS & Sensors Industry Group (MSIG) are SEMI Strategic Association Partners, defined communities within SEMI focused on specific technologies. Visit www.semi.org to learn more, contact one of our worldwide offices, and connect with SEMI on [LinkedIn](#) and [Twitter](#).

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