

Semiconductor Chip Design Company

Strategic Review and Orderly Liquidation



The Company

A publicly held company, with a Japanese firm as its major shareholder, made clone chips for Sun processors and had reached a financial crisis. The board invited Bridgepoint and another senior executive to evaluate the company's prospects and make recommendations.

The Situation

The good news was that we were able to restructure the company to gain profitability within one quarter. The bad news was that the company was significantly behind the technology curve and would, in effect, have to leap three generations of computer chip designs to become competitive.

The Solution

We put together a plan to achieve that goal and presented it to the board and to the senior management of the Japanese firm. They decided that the combination of capital required and risk was beyond their drive and asked that Bridgepoint liquidate the company. Bridgepoint managed the orderly liquidation of the company – selling the company's assets, including the intellectual property.