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Sent: Tuesday, December 2, 2014 9:31 PM MST
To: Stefan Saenger - M21164; Keith Barber - C11768; David Sroka - C16440; Dave Carpenter - C09265; Kevin Lipovsky - C07568; Kurt Ebert - C12116; Chris Behal - C12678; Brigham Steele - C21902; Marc Edwards - C15964; Greg Destexhe - X15625; Ray Kamps - C12940
Subject: Microchip position for the Thursday Chrysler Meeting

Team,

The position we will take into Chrysler on Thursday is discussed below. This is based on all of the things the team has talked about. We have reviewed a lot of technical possibilities. Today we had a review meeting with Keith, Dave Carpenter, Kevin Lipovsky, Kurt Ebert, Marc Edwards, and Dave Sroka.

Our position:

Upper Management involvement:

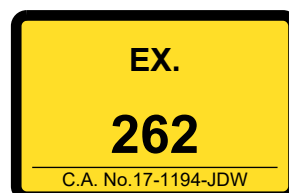
- Upper Management is aware of the market, the requirements, and all solutions proposed. More information is needed for them to make any directional changes and this will take time. A business case providing revenue commitments/estimates would have to justify investment.

Short-term:

- We looked at developing a solution for 1 upstream lane, persistent USB data and we don't have a solution. We wish we could provide a solution but we don't have it.
- We cannot use a PIC32-based solution (we can discuss more detail as to why but basically it is that the part is not ready, does not have 2 USB ports, cost etc. I did look at the Ethernet interface but the LAN89530 USB-to-Ethernet bridge does not do isochronous transfers)
- We cannot turn around any integrated chip solution that fast
- We could provide limited support a Tier 1 like Tecvox. This means we support them on the use of our products such as hubs, switches, or PHYs. If they decide to use a micro from another company, we cannot support writing software, etc for that micro. If they decide to use an FPGA, we could provide some guidance on USB functionality.
- We still believe that our USB84604 solution is the best solution. We think the performance of the system, speed of data through the hub, integrity of data through the hub, compliance to USB, and providing what Apple is really looking for in CarPlay, outweigh the risks associated with a system providing the additional functionality of USB connectivity to the Head Unit during CarPlay. We don't see a high value for the added benefit.
- We can serve as a backup plan if issues come up with the Unwired solution

Long-term:

- We have Sparta in the product pipeline and will continue on that path. This is the solution that works with 2 upstream lanes and integrates switches and hubs
- We will consider a solution for 1 upstream lane with persistent USB data but do not have a commitment for that now. (We can ask Dave Diovardi here – Is the Unwired solution certified with Apple?) Certification of this system would help make the case to Upper Management to put this solution in the pipeline. Note the time for silicon from authorization to proceed would be about 2 years.



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- We are also looking at long term direction of the personal device functionality in vehicles when it comes to changes that may occur in the marketplace due to the type C connector, WiFi, etc.

This is just an outline for us to talk from and we will word things differently. If anyone has any comments/edits please let me know.

Best Regards,

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