



18 June 2008

Mr. Nick Deeble  
Account Director, Canada and North Central US  
Cadence Design Systems - ON  
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Dear Nick

This is in response to your request for some thoughts and messages on the occasion of Cadence's 20<sup>th</sup> anniversary. I have very fond memories of our dealings with you at that time.

I recall how Cadence introduced its technology to BNR/Nortel, which, I think, was the first large sale to a company that had previously developed all its own CAD tools. (We had purchased some SDA tools for our bipolar design group previously, but that was a relatively small deal). I remember the final negotiations were with Joe Costello in the American Airlines lounge at O'Hare airport in Chicago. The sticking point was that the Cadence business model was a per seat license, while we needed 'unlimited' access and so had to monitor and then pay. I think we slowly morphed into a mutually agreeable deal, not without some pain, but this turned out to be very liberating for BNR and a foot in the door for Cadence. I believe that it helped you to gain a market leadership position with all the major players. Overall it was a great success for all concerned (it also led us to SUN workstations and away from IBM mainframes). It turned out that the strategy that Cadence was following, of providing ever more complete solutions was exactly the right one, and you have been the leader in the field ever since.

Congratulations on your 20<sup>th</sup> anniversary, and we look forward to a strong continued relationship with you.

Best regards

Ian

A handwritten signature in blue ink that reads "I. McWalter".

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