

THE SCOTSMAN  
Thu 27 Jul 2006



Wolfson Microelectronics

Picture: Julie Bull

## Mastermind of Wolfson makes a sudden exit

JOHN BOWKER DEPUTY CITY EDITOR

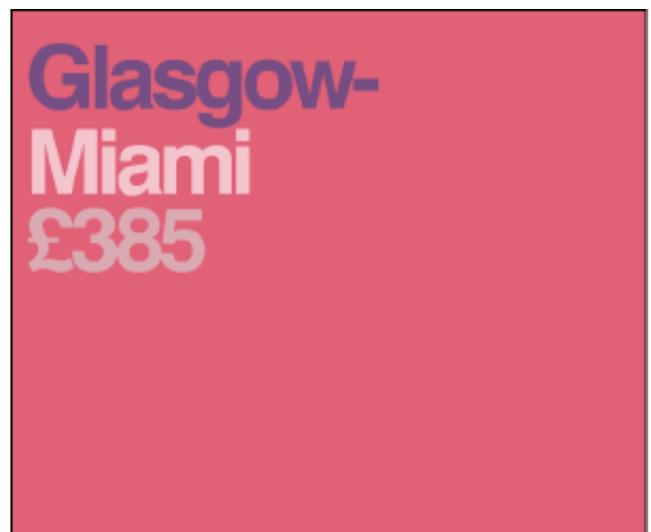
JIM Reid, co-founder and one of the masterminds behind the growth of Wolfson Microelectronics from a university spin-out into a FTSE 250 company, has abruptly quit the company to pursue "personal interests".

Reid - number two at the Edinburgh chip-maker and the group's chief technical officer - is believed to have told chief executive David Milne of his decision last week. He is understood not to have any immediate plans to take up a post elsewhere and may be taking time out to travel.

"After devoting 21 years of my career to the development of Wolfson, I feel it is time to pursue my personal interests," Reid said. "It has been a privilege to be part of building a truly world-class, global company. I thank all my colleagues, past and present."

The news came as Wolfson reported a healthy 141 per cent increase in first-half pre-tax profit to \$22 million (£11.9m), led by the seemingly unshakeable demand for portable electronic goods such as MP3 players and digital cameras. The shares climbed 2.4 per cent, or 10p, to 419p.

Milne said he would miss his long-term business partner, but insisted there had not been any kind of personal disagreement ahead of the shock decision. "There has been no split between us or anything like that," he said. However, he added that Reid's departure did not leave a gaping hole in the organisation, despite his status - partly due to the imminent arrival of Alistair Banham as senior



vice-president and head of sales. Banham is currently a high-flyer at Philips and joins on 14 August.

Reid had been asked to take on responsibility for sales following the departure of previous incumbent Mike Clancy - on top of his existing tasks in business development and as chief technical officer. But Milne said this apparent confusing of his core role at Wolfson was not the main reason for his departure. "He was happy doing sales, and wasn't upset about Banham's appointment - he was involved in the selection process," the chief executive said. "It was always the strategy to make the appointment."

Milne himself said that, in contrast, he was not tired of running Wolfson and that his appetite for the job had "never been stronger". Reid's chief technical officer position will be taken by Peter Frith - another 21-year veteran, with a decade in senior management.

Wolfson's shares have been erratic in recent weeks. Two weeks ago they tumbled more than 13 per cent in a day after flat-screen maker LG Philips reported a record quarterly loss.

Milne said that expectations for flat-screen television sales had been "overdone" as a result of the World Cup and that he expected the product to take off at a more gradual rate.

Wolfson's revenues increased by 43 per cent to \$93.6m (£50.6m), margin improved to 51.2 per cent - above the 50 per cent mark for the first time.

### **Go west, young Scots techs**

SCOTTISH micro-tech companies need to be better acquainted with business practices and attitudes of Silicon Valley, California-based Scots Ron Leckie and Ian Myles will tell a GlobalScot meeting at Sun Microsystems in Linlithgow today. They will be sharing insights into how Scottish start-ups can benefit from tapping into Scottish Development International's GlobalScot network.

"Scottish companies are too scared of failure; they tend to be introverted and they should reach out more and not regard internationalisation as a second phase," said Leckie, an independent analyst and consultant to the semiconductor industries.

### **Related topic**

- [Wolfson Microelectronics](http://business.scotsman.com/topics.cfm?tid=979)  
<http://business.scotsman.com/topics.cfm?tid=979>

**This article:** <http://business.scotsman.com/technology.cfm?id=1088342006>

**Last updated:** 27-Jul-06 01:11 BST

### **Comments**

---

**Ads by Google**

**[CEO](#)**

CEOs by Industry & Region 2 Million UK and Int'l listings --Free Trial  
[www.onesource.com](http://www.onesource.com)

**[Leadership Development](#)**

Ensuring Your Success. Claim Your Free Consultation Now!  
[www.FarsightLeadership.com](http://www.FarsightLeadership.com)

**[Business Solutions](#)**

Improve your business performance New skills & experience  
NXD's  
[www.managementkinetics.co.uk](http://www.managementkinetics.co.uk)

---