

Thursday, March 22, 2007

Interview with Safi Qureshey, CEO of Quartics



Safi Qureshey is CEO and founder of Irvine-based Quartics, Inc. (www.quartics.com), a semiconductor startup developing systems-on-a-chip for wireless video transmission. Safi is also well known as the founder of PC maker AST Research. socalTECH's Ben Kuo sat down with Safi and Perry LaForge, Chief Marketing Officer of Quartics, the other day and talked with them about the new firm and why they decided to start a new company.

How far is the company now, and are your products available?

Safi Qureshey: We have products in the PC to projector space already, for business applications, for school applications--and those products are already on the market, from D-Link, from Viewsonic, and Acer has a projector and an external adapter. We also have a new product, which we are getting ready to launch later this month through our partners, which is the first product to provide for wireless, 30 frames per second, full motion from your PC to your display.

So you're showing me a box, you design the chips inside it?

Safi Qureshey: We're a chip company, but at this early stage we have to enable our partners. We won't see our name on the box. We are getting ready to ship this product later this year, and as the year goes on you'll see more and more people with this solution in different forms.

Why did you decide to tackle the chip market--an area that has been out of favor with investors, and which most people have decided is pretty tough with a lot of incumbent players?

Safi Qureshey: There was nothing out there, and there was an opportunity. Big chip companies are busy, and we saw a huge opportunity to connect user generated media, subscription media, and video to the PC. There is YouTube, CinemaNow, there is MovieLink, and this is the first device that can play anything that you can also play on your PC--YouTube, ABC, anything you can see on your PC--we can push that all out via wireless.

Perry LaForge: We are not an “execution play”; we are all about our unique architecture. There are some very unique architectural aspects of our chips. This is all based on our patents. We have two main product areas, one we call Media Extension and the other is called Media Coprocessing.

Under Media Extension, we have three products already shipping today. We have a chip that allows you to send video from your PC to your TV. Any content you can see on your PC/laptop you can send to your TV screen. No one else can do that. We also have a chip for wireless projection systems. It allows you to connect your laptop wirelessly to an office projector. Acer, for example, is shipping that chip in their projectors. The third product under the Media Extension is called the USB monitor/docking station. This chip goes into a docking station or monitor and allows you to connect your display from your PC/laptop using a USB cable. You can add monitors to your PC without having to add additional graphics cards.

Our other product area is Media Coprocessing. We have developed a chip that allows PCs and laptops to process video in ways never before possible. Our chip is the first realtime fully programmable HD encode, decode and transcoding engine for video. It can do things that will take hundreds of Pentium cores to do, and we can deliver this at a consumer price point. In the near term this will solve the PC manufacturer’s pain points with processing HD video. We reduce battery drain by doing all the video processing in our chip and we require only a basic CPU. We can do a whole lot more with the chip, including realtime transcoding.

Why did you decide to do it again? You've obviously had some success in the past, why come out of retirement?

Safi Qureshey: There are two or three reasons. We have the finest team. This team, and the technology--that was the attraction for me. Equally important, or maybe more important, is the market. You can have a great team, and great technology, but if there's no market, you can pour in \$50M, you can pour in \$100M, and you still won't be successful without a market. We've got a great team, and we've got great technology, and we've got a big patent portfolio--probably 30-35 patents by next year--because if you have technology, it has to be defensible against the 800 pound gorillas in the market. We're not competing in the standards space, we are not using ultrawideband or other areas where other guys can beat us up. We are focused on supporting various codecs, whether that's VC-1, or AVS, or iTunes, which is AVS with its own DRM. An area where most of the people have no clue, is what do you use when you download content from ABC.com? Or when you use Youtube? Because with a PC, you have such a flexible platform it just works. That's where we come in. We've designed a silicon platform that is programmable.

So you can support any new codecs or standards that come out?

Safi Qureshey: Yes, and in the field. As new codecs appear, you can download them. We're the only company with that flexibility.

Do you think that the fact that you have a number of executives with a track record makes a difference in getting the wins you have?

Safi Qureshey: Yes, but I think there has to be a need. The interesting thing is, if you look at all the content, 250 million PCs will be sold this year, out of that, 85 million are laptops, today's PC is more than a word processing and spreadsheet machine. My wife, your family, will connect their digital camera, or iPod. However, if you look at a dual core, 3 GHz very top of the line laptop, it can barely do HD, Blu Ray decode. We can enable that.

So you really see your chip technology being embedded into PCs?

Safi Qureshey: Absolutely. The second thing will be television. We see that you will be able to buy a \$5000 television, a \$1000 television, or a \$200 television, and they will all have our devices in it. We'll be on both ends, the PC and on the television.