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CORPORATE PARTICIPANTS

Chelsea Heffernan *Cirrus Logic, Inc. - Director of IR*

Jason P. Rhode *Cirrus Logic, Inc. - CEO & Director*

John M. Forsyth *Cirrus Logic, Inc. - President*

Thurman K. Case *Cirrus Logic, Inc. - VP of Finance, CFO & Principal Accounting Officer*

CONFERENCE CALL PARTICIPANTS

Blayne Peter Curtis *Barclays Bank PLC, Research Division - Director & Senior Research Analyst*

Charles Lowell Anderson *Colliers Securities LLC, Research Division - VP & Senior Research Analyst*

Christopher Adam Jackson Rolland *Susquehanna Financial Group, LLLP, Research Division - Senior Analyst*

Matthew D. Ramsay *Cowen and Company, LLC, Research Division - MD & Senior Technology Analyst*

Rajvindra S. Gill *Needham & Company, LLC, Research Division - Senior Analyst*

Tore Egil Svanberg *Stifel, Nicolaus & Company, Incorporated, Research Division - MD*

PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by. Welcome to the Cirrus Logic Second Quarter Fiscal Year 2021 Financial Results Q&A session. (Operator Instructions) As a reminder, this conference call is being recorded for replay purposes.

I would now like to turn the conference call over to Mr. Thurman Case, Chief Financial Officer. Mr. Case, you may begin.

Thurman K. Case - *Cirrus Logic, Inc. - VP of Finance, CFO & Principal Accounting Officer*

Thank you and good afternoon. Joining me on today's call is Jason Rhode, Cirrus Logic's Chief Executive Officer; John Forsyth, the company's President; and Chelsea Heffernan, our Director of Investor Relations.

Today, we announced our financial results for the second quarter fiscal year 2021 approximately 4:00 p.m. Eastern. The shareholder letter discussing our financial results, the earnings press release, including a reconciliation of non-GAAP financial information to the most important directly comparable GAAP information, along with the website of this Q&A session, are all available on the company's Investor Relations website at investor.cirrus.com. This call will feature questions from the analysts covering our company as well as questions submitted via email at investor.relations@cirrus.com.

Please note that during this session, we may make projections and other forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ materially from projections. By providing this information, the company expressly disclaims any obligation to update or revise any projections or forward-looking statements, whether as a result of new developments or otherwise. Please refer to the press release and shareholder letter issued today, which are available on the Cirrus Logic website, and the latest Form 10-K and 10-Q as well as other corporate filings made with the Securities and Exchange Commission for additional discussions of risk factors that could cause actual results to differ materially from current expectations.

On a personal note, Jason, it's been a heck of a ride, and I really enjoyed -- it's been a great time working with you.

And I guess, now for the last time, I'll turn the call over to Jason.

Jason P. Rhode - Cirrus Logic, Inc. - CEO & Director

Thank you, Thurman. I agree, it's been a pleasure. Before I start, I'll note that we are having significant technical difficulties with Leaderview. If you're an analyst covering us, you could do us a favor of maybe texting Chelsea a quick question. We're having a very hard time figuring this all out. But anyway, we'll at least try to be able to cover some of your thoughts. Anyway, thank you, Thurman.

Before we begin discussing our results, I'd like to make a few comments on today's announcement that I will be stepping down as CEO on January 1. I joined Cirrus Logic after completing school in 1995, and it's the only company I've ever worked for. It's been an incredible journey for me personally, and I'm proud of the company's transformation during my tenure.

We've developed strong relationships with some of the best customers in the world, delivered meaningful financial growth as a result and built an incredible corporate culture that fosters innovation, execution, integrity and camaraderie, while promoting a fun work environment. We're thrilled with our outlook going forward, and I'm confident that John's passion, strategic vision and leadership skills, making the right person to lead Cirrus Logic into a bright future. I'm excited to continue working with him in our new roles.

The company also announced that David Tupman will become Chairman of the Board of Directors on January 1, succeeding Al Schuele. I'd like to take this opportunity to thank Al for his outstanding stewardship as Chairman of the Board over the last 8 years. Al's experience and expertise has been incredibly valuable, and I'm thankful for the relationship we've built over the years.

A Member of the Board since 2015, David brings an extremely valuable and deep understanding of engineering and product design to our team. I believe his expertise will be extremely beneficial in his role as Chair to the management team and technical leadership. I look forward to his expanded role as our Chairman.

I will now turn the call over to John.

John M. Forsyth - Cirrus Logic, Inc. - President

Thank you, Jason. Before I comment on the results, I would like to take a moment to thank Jason for everything he has done in his role as CEO of the company. Under Jason's leadership, Cirrus Logic has enjoyed exceptional business growth and has developed an outstanding corporate culture. I count myself personally fortunate to have been able to call Jason a leader and friend over the last 6 years, and I look forward to our relationship continuing in our new roles.

I'd also like to say how excited and honored I am to become the next CEO of Cirrus Logic. We have a tremendously talented team across the company, a proven track record of execution in advanced mixed-signal products and a culture of delivering outstanding service to customers who create the world's most innovative products. And assuming this role, my focus will continue to be on driving the strategic initiatives that will support our customers, strengthen our leadership position in audio and expand our reach to new technology areas.

With a focus on engineering excellence, creating a great place to work for our employees and creating more value for our customers and shareholders, I believe the company is well positioned to drive growth and profitability in the coming years. I'm looking forward to working closely with my leadership team, our employees, the Cirrus Logic Board and with our customers as we continue to fulfill our vision of being the first choice in signal processing.

Turning now to the results. Cirrus Logic delivered Q2 FY '21 revenue of \$347.3 million as stronger-than-anticipated orders for components shipping into smartphones and, to a lesser extent, tablets and truly wireless headsets drove sales significantly above our expectations.

During the quarter, we made excellent progress in both our customer engagements and development activities. The number of smartphones, wearables and tablets in which our products ship grew, and we were particularly excited to see new content featured in several recently launched high-volume products.

Additionally, despite the majority of our employees continuing to work remotely and the challenges that this situation presents both for them, all those individuals and for us collectively as a team, in the September quarter, we made significant progress on several key development programs and completed the tape-outs of multiple products that we expect to begin sampling to customers in the coming months. With outstanding customer relationships, increased product diversification and continued design innovation that broadens our addressable market, we are excited to leverage both near-term and long-term opportunities to create greater shareholder value.

Before we begin the Q&A, I'd also like to note that while we understand this intense interest related to our largest customer, in accordance with our policy, we do not discuss specifics about our business relationship.

Operator, we're now ready to take questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And your first question comes from Tore Svanberg.

Tore Egil Svanberg - *Stifel, Nicolaus & Company, Incorporated, Research Division - MD*

Great quarter. And congratulations to John, and Jason, congratulations to you as well on your next move. And we're going to miss your great humor and cynicism. First question is on the codec for wearables -- sorry for wireless headsets. My understanding is up until now, your exposure to premium truly wireless headsets has been on the -- more on the amplifier side. So is it safe to say that this is completely new content for you?

John M. Forsyth - *Cirrus Logic, Inc. - President*

Actually, this is our first -- thank you, Tore. I should have said that. Thank you very much for the best wishes there. Yes, this is our first specific smart codec designed to target truly wireless headsets. We did actually have smart codec shipping in truly wireless headsets previously. Those were parts which were originally designed for a variety of applications. They happen to get picked up for truly wireless headsets.

So now, what we've sampled to our customers and what we're expecting to see launch in the coming months are products that incorporate our first specifically focused truly wireless smart codec. So that's new content from that perspective, but it's very much building on the headway we've made with stuff from our existing catalog.

It does make significant improvements, in particular, bringing hybrid ANC to that product category at extremely low power consumption. One point to note, of course, almost by definition, when we're talking in this much detail about products for our customers, we are not talking about custom products for our largest customer.

Jason P. Rhode - *Cirrus Logic, Inc. - CEO & Director*

And Tore, just to follow-up, I'd like to think of it as sarcasm rather than cynicism, and I look forward to seeing you again soon. I really am not actually going anywhere. So I look forward to seeing you, and you've been an absolute class act, and we appreciate it.

Tore Egil Svanberg - *Stifel, Nicolaus & Company, Incorporated, Research Division - MD*

All right. And as my follow-up question, on the next-generation haptics, it looks like you're just -- you're taping out now the second-generation there with some enhanced capabilities. So just wondering if you could elaborate on what that means from a content perspective, whether it's for smartphones or even for wearables.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Yes. We talked about the haptics, the new haptics part in there, which is targeting smartphones primarily, although we believe it may well find its use in other areas. Haptics is something where we see interest across the portable and nonportable space. The content addition there, that's really an update to something we talked a little bit more about earlier in the year where we're incorporating an analogue front end in so that you have a dedicated haptics part that does the front end data conversion as well as the driving of the actuator, whereas traditionally, haptics drivers were separate from those parts. So it reduces the part count, reduces the board space required.

And so content-wise, for us, the traditional haptics driver sits at about -- it's very close to being an amplifier. So the ASP is very amplifier-esque. This part would be up in the \$0.70, \$0.75 kind of range. It's worth pointing out that it's not -- different architectures will look for different solutions. So we are very happy with that. It fills out the product portfolio, it gives people a really nice high-performance integrated solution. There'll still be a role for the haptics drivers without the integrated front end as well.

Operator

And your next question comes from Matt Cowen -- Matt Ramsay with Cowen.

Matthew D. Ramsay - *Cowen and Company, LLC, Research Division - MD & Senior Technology Analyst*

John, obviously, congratulations on the new role. And Jason, I would just say that it's been awesome to see you build the engineering and the people culture at Cirrus over time. So congratulations on the next role.

For me, my first question, it looks like from the outlook in the December quarter that -- potentially the content for the closed-loop controller, either in number of units per phone or just ASP for the part, might be a decent amount higher than a lot of us externally had modeled. And now that the devices are launched, maybe you could talk a little bit more, John, if -- maybe -- I understand the sensitivity about the exact functionality. But if you could give us anything more about how that device is being used, just the functionality of it, units or ASPs per phone, that would be really helpful. And then I have a follow-up.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Yes. Thanks for the nice words, Matt. When we talked about that products previously, we've given the general guidance that you should think about that as being amplifier-esque in -- on average as a run rate, per phones sold. That obviously is averaged across a bunch of different SKUs and designs. So there'll be -- there may be a different attach rate across that -- across the different SKUs.

But given that -- firstly, that's our customers' products, and we don't want to get into the details of talking about those to you. But also, we don't know how many people are going to buy which SKU. We're -- I would just reiterate that. Think about it as roughly an amplifier phone that we expect to see in terms of additional content value.

Yes, we're -- again, that's a custom product. We don't like to say a lot about what our customers are doing with custom products, but we're extremely excited about the opportunity in that space. I think having a first win in that kind of product, in particular, is just absolutely phenomenal in a part of the phone, which is a key competitive differentiator, and to be starting on a kind of new journey and new road map for us there is extremely exciting. So as we've said, it's enabling various imaging-related functions. I'm sure we can continue to grow and add value to that over time as well.

Jason P. Rhode - *Cirrus Logic, Inc. - CEO & Director*

And I just -- yes, thanks again, Matt, for the kind words. And also, I'd note, I mean it's fine detective work by various folks to note patent filings from things that the chip do, but I will point out, patents aren't data sheets, and it's always possible for chips to do things that aren't for a complete product. It's a chip that do things that are additional to what is in the patent.

Matthew D. Ramsay - *Cowen and Company, LLC, Research Division - MD & Senior Technology Analyst*

Got it. No, I appreciate the sensitivity around that. For a follow-up, I think lots of us have been doing work in the smartphone arena, noting the challenges that Huawei is facing right now and procuring their own chips and what that might mean for the industry in terms of share shifts to the advantage of potentially your largest customer. And obviously, other folks in China, I noted in the shareholder letter some new content and wins with Xiaomi.

I wonder, John, if you might talk about -- so Oppo, Vivo and where your business might go with those folks if they potentially are unit beneficiaries of some of the challenges Huawei is facing.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Yes. I guess, as always, we don't know how many people are going to turn up and buy which kind of phone. But we are focused as ever on winning all the sockets that we believe matter in the Android space that is chiefly around the boosted amplifiers. As you know, we had been building some good momentum with Huawei. It still represented a relatively small amount of our revenue. But the trajectory was great. I think we continue to supply certain components to Huawei where we have a license.

But we are obviously also making a lot of headway since the kind of reawakening the Android market. It kind of stalled earlier in the year with COVID, but we've certainly seen, to some degree, an uptick in demand from other smartphone customers, including Xiaomi, who we mentioned in the letter, that somewhat offsets that headwind with Huawei.

Operator

And your next question comes from Charlie Anderson with Colliers Securities.

Charles Lowell Anderson - *Colliers Securities LLC, Research Division - VP & Senior Research Analyst*

Congrats, Jason, on really a tremendous run, and congrats, John, on the appointment. For my first question, I wanted to ask about haptics. You guys have really fully flushed out the portfolio here with a number of products. So I guess I'm curious if you maybe just could step back and give us a bird's eye view of how you view penetration of haptics onto the end devices, how wide it spans in terms of types of end markets you could cover with these products? And then I've got a follow-up.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Sure. Yes. Well, as you know, haptics history began with our largest customer, and we've, as you say, built out a pretty impressive portfolio of haptics-focused devices targeting the general market, along with -- although we talked less about this, but it's a key part of enabling the haptics business, is a whole tool chain and a suite of algorithms and so on that simulate various touch experiences to the end user.

In terms of penetration, it's still in -- the Android space is still kind of selectively found in the high end. The market, it's not saturating the high end, the flagship devices as yet. I think over time, it would be a reasonable expectation that it does and that we see some trickle down into the mid-tier.

I would say, in general, on haptics in the smartphones, you have to really care about the details of the user experience, which obviously, the kind of customers that we generally focus on, they do, but it's not going to be in every device.

That said, I think haptics is one of the categories where we see meaningful interest from OEMs and customers working on other kinds of devices. So we've mentioned it in relation to wearables. We've had some notable wearable launches, deploying our haptic technology in recent months. We see exploration of haptic drivers for use in automotive and laptops and other kinds of devices. So we think there's certainly a breadth to the reach of haptics, which should provide us good leverage on that IP downstream.

Charles Lowell Anderson - *Colliers Securities LLC, Research Division - VP & Senior Research Analyst*

Great. And then for my follow-up, you did mention in the shareholder letter that you've now taped out the first-generation power conversion and control IC. I wonder, similar to how you've sort of given us a view on the closed-loop controller ASP, if you'd be willing to entertain us on that one. And maybe just sort of thinking broadly about number per device as well, sort of just to kind of -- similar question the way Matt asked it about closed-loop.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Yes. I think we're going to shy away from talking about ASP, though. We did -- we have said previously that -- I'd reiterate this, but we think it has the potential to be meaningfully bigger than the closed-loop controller, content gain for us. It's still a long way between now and where that actually comes to market. As I've said previously, we're targeting the back end of calendar '21 for that. There's a whole lot of work to be done between now and then. And I -- to be relatively new in the gig, so I'm not going to jinx it by saying too much about it. But we're extremely excited about what that category of device can mean for us.

Operator

And your next question comes from Christopher Rolland with Susquehanna.

Christopher Adam Jackson Rolland - *Susquehanna Financial Group, LLLP, Research Division - Senior Analyst*

Congrats on the fantastic quarter. Jason, I will definitely miss my time on the road with you. Congrats. And John, congrats as well. A long way for all the Scotsmen. So congratulations, indeed. First question is I know you guys don't guide 2 quarters in advance, and I'm not looking for that, but many of your peers have suggested that March would be ahead of typical seasonality, just given the late launch this year. So I was wondering if you guys could maybe talk out loud as to how you're thinking about March in terms of typical seasonality?

John M. Forsyth - *Cirrus Logic, Inc. - President*

Yes, sure. And thanks for the nice words there. I appreciate it as well my countrymen back in Scotland. Yes, so as you know, we just provide guidance for one quarter. There are a whole bunch of things that could come to bear and impact our Q4 given the uncertainty and volatility around the COVID-19 situation and a kind of associated global economic disruption, as well as timing of shipments, it's not easy to read across from what we are doing and what we're shipping to what's happening with our customers' products in terms of sell-through. So I'd express some caution around that.

So it is clear that certain new products look like they're after a pretty incredible start. And on the back of that, we're obviously feeling bullish. But if you take all of those factors into consideration, I'd encourage people to be conservative on that.

Jason P. Rhode - Cirrus Logic, Inc. - CEO & Director

Yes. Just to follow-up on that and say I, too, am very bullish on that sentiment. But again, it's complicated. We tend to be more conservative than our peers. We don't know anything different than what our peers do at this point. So it's always work in progress this time of the year. You kind of never really know yet, but it's certainly, as John said, it feels like an out-of-the-park home run so far. But if we were dialing up, we would -- in our world for our fiscal Q4, if we woke up in the morning and consensus stayed where it was, that would feel great because it's conservative and that is kind of always where we want to be on the side of things. But they're your model, so do what you like for them?

Christopher Adam Jackson Rolland - Susquehanna Financial Group, LLLP, Research Division - Senior Analyst

Understood. And then perhaps you guys can talk about Cirrus' opportunity for the closed-loop controller into Android in '21, and the PMIC perhaps into Android in '22. Do you expect more traction there? Are you guys kind of unique and market-leading there? And do you think it will cross over into the Android space?

John M. Forsyth - Cirrus Logic, Inc. - President

Well, let me start with the last bit of that, which is we're not getting into the PMIC space. We have talked about our custom product we're working on in relation to power conversion. I think on the last call, we also kind of outlined that while it's -- there isn't really something that exists like that today. What we're working on is part of what makes it incredibly exciting, but it also means that we're not going to give a whole lot of detail on what it is that it's doing.

We have -- I would say, across that and the closed-loop controller space, we have our arms full of stuff to be doing. So when we talk about SAM, for example, the way to think about that is that we're modeling what we can currently see ourselves being able to invest and to access.

So we haven't really got a detailed plan for how we would go in tilt at the Android market for those products as yet. That's entirely a reflection of the fact that we have, as I said, our arms full of work to do just serving the opportunities in front of us today. And we'll -- given that those have an incredibly high direct -- percentage hit rate of shipping and doing really well. That remains where our focus is for now.

Operator

And your next question comes from Blayne Curtis with Barclays.

Blayne Peter Curtis - Barclays Bank PLC, Research Division - Director & Senior Research Analyst

Congrats, John and Jason, I'll miss you as well. Maybe see you when we can travel one of these states. Maybe just on the first question, just on the Android side. I think I've done a decent amount of beating you up on how low it's gotten, but it actually kind of popped up. So just some color on that. I know you lost some content at Samsung, but it looks like it's up. And then any comment into December for Android as well just directionally.

John M. Forsyth - Cirrus Logic, Inc. - President

I don't think we're going to break out any commentary on Android for December. I feel that -- to your point about beating us up on it, Blayne, I mean our feeling on Android this year was that there were at least kind of 3 thing going on, which counted as headwinds. One was COVID, obviously, one was the Huawei situation, and one was our second largest customer having a product launch, which was not one of their stellar years. All of which did create headwinds. But from the perspective of our underlying business, we've continued to win the sockets. And we have more stuff and design now than I think we ever have had in the Android space, principally, as I said, centered around the boosted amplifiers.

There's certainly -- it's certainly been the case with -- if you step back from it, it looks like there are a bunch of people kind of eyeing Huawei's market share if -- and building to -- or at least planning to go take some portion of that and being aggressive on the back of it and wanting to produce devices that lead in one area and another. We're benefiting, obviously, from audio being one of the things that they're investing in to focus on there.

Blayne Peter Curtis - Barclays Bank PLC, Research Division - Director & Senior Research Analyst

And then I just want to go to gross margin. You kind of -- you have a history of kind of beating the high of the range and probably want to keep it that way. But just kind of curious into December, if there is anything influencing the mix with [fits one at the point]?

Jason P. Rhode - Cirrus Logic, Inc. - CEO & Director

No. I mean nothing structurally has changed in the business over the past year. So gross margin is going to move around. I mean there's a lot of stuff that can affect it, supply chain efficiency, product cycles, product mix, all of that stuff. So even though we guided that range for Q3 and Q4, on a longer-term basis, nothing has really changed on how we view it. We think that it's sustainable at 50%, and we'll continue to try to maximize it. And based on current visibility of -- as we look into FY '22, we believe we can see a tick up in margins again.

Operator

And your next question comes from Raji Gill with Needham & Company.

Rajvindra S. Gill - Needham & Company, LLC, Research Division - Senior Analyst

Congrats, John, as well, and good luck to you, Jason. Just a question on the truly -- the true wireless momentum that you've been seeing. What do you think is the kind of the next leg of growth in that market? What's going to be the next kind of product catalyst to drive attach rates in that market?

John M. Forsyth - Cirrus Logic, Inc. - President

Thank you, Raji. I appreciate it. That's certainly been an incredibly exciting category for us. And I would say it's, for sure, exceeding our expectations over the past year or 2. We are -- as I mentioned earlier, we're just really on the precipice of launching out the first device for the general market that we have designed specifically for truly wireless headsets. And we have a road map that extends beyond that, obviously, as well.

But that, for sure, is introducing a lot more in the way of smart processing for that product category. It seems pretty clear to me that features like, not just the noise cancellation but hearing augmentation, the kind of personal sound amplification features that we talked about and that kind of smart environmental listening so it can be attenuating noise, but then identifying if there's some acoustic feature of the environment you should be aware of.

And so all of that stuff means packing more processing in close to the analogue to digital boundaries. Obviously, we like that. But it -- for sure, it feels like the clock rate on that product category as a whole is really high just now. Customers have a lot of ideas, a lot of stuff they want to talk to us about, a lot -- a very aggressive schedule of iterating on those products with new innovations. So I think we'll continue to see that growth of processing in the way that I talked about, and hopefully, we can serve some meaningful part of that.

Rajvindra S. Gill - *Needham & Company, LLC, Research Division - Senior Analyst*

And just for my follow-up, if we look into March, and I know you guys are hesitant about -- talking about future quarters. But obviously, seasonality in March is typically down pretty significantly, historically speaking. Any color in terms of whether that is going to be different this time around? Is there going to be any change in patterns, given the delay in the product at your top customer? Any kind of questions -- or color around inventory positioning ahead of that? Any thoughts there would be helpful.

John M. Forsyth - *Cirrus Logic, Inc. - President*

Well, we'll certainly give a lot of color on that in January when we report. As you know, we don't guide ahead. So I appreciate -- it would be useful to you, perhaps, if we did. But in all honesty, I mean, what I said earlier, I mean sincerely, that there are a whole bunch of things -- a whole bunch of factors in terms of the global economic volatility and the various products still being relatively early in their cycle, which means that it would kind of be crazy to speak confidently about what's going to happen in that space, even if we did.

So as I said, like, it really looks like those new recently launched products are off to a great start. They're certainly incredibly compelling devices to use, and that seems to be the reaction, generally. So that certainly makes us feel very bullish about the potential around the new products, but we'll update you on January about how we're feeling that quarter. And hopefully, that's going to be solid as well.

Operator

(Operator Instructions) And your next question comes from Tore Svanberg with Stifel.

Tore Egil Svanberg - *Stifel, Nicolaus & Company, Incorporated, Research Division - MD*

Yes. Just as a follow-up, and excuse my ignorance on the technical side, but what exactly is hybrid active noise cancellation?

John M. Forsyth - *Cirrus Logic, Inc. - President*

So -- yes, sure. Thank you, Tore. So there are -- you can have something called feedforward noise cancellation, where you got a microphone outside, the -- facing the world outside the ear canal and then calculating the anti-noise that you generate on the back of that. There is what's called feedback noise cancellation, where you have a microphone in the ear canal listening to what's going on in there and the effect of the -- the anti-noise that you're generating.

There are plenty of devices out there and implementations of ANC, which are being either one or the other. It takes a lot more processing to do both, but that is what hybrid is doing. There are pros and cons to each of those approaches. The best performance, overall, you will unsurprisingly find is a hybrid approach, which makes use of both paths.

Tore Egil Svanberg - *Stifel, Nicolaus & Company, Incorporated, Research Division - MD*

Great. And then on the smart home, in your investor presentation, you talked about being a supplier to the top 2 smart home OEMs. Not exactly sure what that means, if it's the 2 of the highest share or what have you. But could you talk a little bit more about your content there? Is it primarily on the amp side? Or do you have some smart codec exposure there as well?

John M. Forsyth - Cirrus Logic, Inc. - President

Yes. So I think the -- on the smart home side, the volumes are still pretty small. We have a mixture of content that's shipping in those devices. Historically, because we have low-power -- our codecs feature low-power voice wake capability, that's been an attractive feature for smart home devices. And there are various smart home devices from those leading OEMs, which incorporate our smart codecs.

But the -- when you think about it from the point of view of our strategic focus, we don't put a huge emphasis on that market because if something is mains-powered, it's plugged into a wall and can make a lot of use of the cloud for signal processing, then that's just not quite -- not a sweet spot. We can leverage our expertise to create more value elsewhere in a battery-centric device, which is doing more processing at the edge. So it's certainly a business we like, but it's not a major strategic focus.

Operator

(Operator Instructions) And there are no further questions. Chelsea, please go ahead.

Chelsea Heffernan - Cirrus Logic, Inc. - Director of IR

Thank you, operator. There are no additional questions. So I'll now turn the call back over to John.

John M. Forsyth - Cirrus Logic, Inc. - President

Okay. Thank you. So in summary, we are pleased with our results in the September quarter as we experienced broad-based demand for components across our portfolio, particularly those shipping and smartphones, which resulted in revenue significantly above our initial expectations. With a solid pipeline of products coming to market over the next several years, a deep commitment to investing in innovative technology and a proven track record of execution, we believe Cirrus Logic is well positioned for growth in audio, voice and other adjacent product domains.

I would also like to note that we will be participating in the Barclays Global Technology, Media and Telecommunications Conference on December 10. Please check our investor website for the details.

If you have any questions that were not addressed on the call, you can submit them to us via the Ask the CEO section of our investor website. I'd like to thank everyone for participating today. Goodbye.

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