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+++ presentation

Genevieve Cunningham^ Welcome, everyone, to the MPS second quarter 2020 Earnings Webinar. Please note that this webinar is being recorded and will be archived for 1 year on our Investor Relations page at www.monolithicpower.com.

My name is Genevieve Cunningham, and I will be the moderator for this webinar. Joining me today are Michael Hsing, CEO and Founder of MPS; and Bernie Blegen, VP and CFO.

During this webinar, we will discuss our Q2 2020 financial results and guidance for Q3 2020, followed by a Q&A session. Analysts, you are currently muted. If you wish to ask a question during the Q&A session, please click on the participants icon on the menu bar and then click the raise hand button.

In the course of today's webinar, we will be making forward-looking statements and projections that involve risk and uncertainty, which could cause results to differ materially from management's current views and expectations. Please refer to the safe harbor statement contained in the earnings release published today. Risks, uncertainties and other factors that could cause actual results to differ are identified in the safe harbor statements contained in the Q2 earnings release and in our SEC filings, including our Form 10-K filed on February 28, 2020, and our Form 10-Q filed on May 11, 2020, which are accessible through our website, www.monolithicpower.com.

MPS assumes no obligation to update the information provided on today's call. We will be discussing gross margin, operating expense, R&D and SG&A expense, operating income, interest and other income, net income and earnings on both a GAAP and a non-GAAP basis. These non-GAAP financial measures are not prepared in accordance with GAAP and should not be considered as a substitute for or superior to measures of financial performance prepared in accordance with that. A table that outlines the reconciliation between the non-GAAP financial measures to GAAP financial measures is included in our earnings release, which we have filed with the SEC. I would refer investors to the Q2 2019, Q1 2020 and Q2 2020 releases as well as to the reconciling tables that are posted on our website.

Now I'd like to turn the call over to Bernie Blegen.

Bernie Blegen^ Thanks, Gen. MPS achieved record second quarter revenue of \$186.2 million, 12.3% higher than the first quarter of 2020 and 23.3% higher than the comparable quarter in 2019. Second quarter revenue growth was broad-based, except for automotive. Our strong year-over-year revenue growth for 2020, in spite of the COVID-19 pandemic, was a result of our diversified growth strategy and our technological innovation. Maintaining this level of superior performance and realizing future growth opportunities requires us to step up investments in capacity, infrastructure, quality assurance and headcount. We are also expanding our operating capabilities outside of China.

Turning now to our second quarter 2020 revenue by market. Second quarter computing and storage revenue of \$64.1 million increased \$12.1 million or 23.3% from the first quarter of 2020. Computing and storage revenue represented 34.4% of MPS' second quarter revenue. The sequential revenue increase reflected strength in storage revenue along with increased notebook revenue. Second quarter server revenue maintained the elevated levels achieved in the first quarter of 2020 and server revenue was significantly higher than the second quarter of the prior year. Second quarter consumer revenue of \$47.7 million increased 27.4% from the first quarter of 2020 and represented 25.6% of our second quarter 2020 revenue. The sequential quarterly revenue increase reflected improved sales of products for home applications, IOT, gaming consoles and VOT, new acronym, which stands for a variety of things.

Second quarter 2020 communications revenue of \$30.1 million was up by 8.0% from the first quarter of 2020. Product sales for communications infrastructure, including 5G networking increased sequentially as did sales of legacy router and wireless applications. Communication sales represented 16.2% of our total second quarter 2020 revenue. Second quarter industrial revenue of \$26.6 million, increased 5.4% from the first quarter of 2020 as increased revenue for power sources more than offset a decrease in security based product sales. Industrial revenue represented 14.3% of our total second quarter 2020 revenue.

Second quarter automotive revenue of \$17.8 million fell 23.7% from the first quarter of 2020 as the number of automotive OEMs shut down production for most of the quarter in response to the COVID-19 pandemic. The range of applications MPS encompasses now includes infotainment,

smart lighting, ADAS and autonomous driving. Again, we believe MPS is well positioned to accelerate growth in automotive when the market returns. Automotive revenue was 9.5% of MPS' total second quarter 2020 revenue.

I should point out that despite the past 4 months of COVID-related travel restrictions, our design activities remain largely unimpacted by the pandemic and have exceeded our expectations across the board. We have seen solid engagement, particularly with top tier customers. These new and continuing customer relationships position MPS for long-term success in these critical markets. GAAP gross margin was 55.1%, 10 basis points lower than the first quarter of 2020 and flat compared with the second quarter of 2019. Our GAAP operating income was \$28.0 million compared to \$31.0 million reported in the first quarter of 2020, and \$20.1 million reported in the second quarter of 2019. Non-GAAP gross margin for the second quarter of 2020 was 55.7%, up 20 basis points from the gross margin reported in the first quarter of 2020 and 10 basis points higher than the second quarter from a year ago.

Our non-GAAP operating income was \$53.0 million compared to \$45.9 million reported in the prior quarter and \$43.7 million reported in the second quarter of 2019.

Let's review our operating expenses. Our GAAP operating expenses were \$74.6 million in the second quarter of 2020 compared with \$60.5 million in the first quarter of 2020 and \$63.1 million in the second quarter of 2019. Non-GAAP second quarter 2020 operating expenses were \$50.7 million, up from the \$46.1 million we spent in the first quarter of 2020, and up from the \$40.3 million reported in the second quarter of 2019. The differences between non-GAAP operating expenses and GAAP operating expenses for the quarters discussed here are stock compensation expense and income or loss from an unfunded deferred compensation plan. For the second quarter of 2020, total stock compensation expense, including approximately \$642,000 charged to cost of goods sold was \$21.0 million compared with the \$18.6 million recorded in the first quarter of 2020.

Switching to the bottom line. Second quarter 2020 GAAP net income was \$30.2 million or \$0.64 per fully diluted share compared with \$35.8 million or \$0.77 per share in the first quarter of 2020 and \$20.7 million or \$0.45 per share in the second quarter of 2019. Q2 non-GAAP net income was \$50.6 million or \$1.08 per fully diluted share compared with \$44.3 million or \$0.95 per share in the first quarter of 2020 and \$41.9 million or \$0.92 per share in the second quarter of 2019. Fully diluted shares outstanding at the end of Q2 2020 were \$46.8 million.

Now let's look at the balance sheet. Cash, cash equivalents and investments were \$515.4 million at the end of second quarter of 2020 compared to \$492 million at the end of the first quarter of 2020. For the quarter, MPS generated operating cash flow of about \$59.3 million compared with Q1 2020 operating cash flow of \$51.4 million.

Second quarter 2020 capital spending totaled \$14.6 million. Accounts receivable ended the second quarter of 2020 at \$55.1 million, representing 27 days of sales outstanding, which was 3 days lower than

the 30 days reported at the end of the first quarter of 2020 and 6 days lower than the 33 days in the second quarter of 2019. Our internal inventories at the end of the second quarter of 2020 were \$152.1 million up from the \$131.5 million at the end of the first quarter of 2020. Days of inventory of 166 days at the end of the second quarter of 2020 were 5 days higher than at the end of the first quarter of 2020.

I would now like to turn to our outlook for the third quarter of 2020. As we are still in the midst of the COVID pandemic, demand visibility for the remainder of the year is not as crisp as we usually see at this point in the year. We are forecasting Q3 revenue in the range of \$200 million to \$210 million. We also expect the following; GAAP gross margin in the range of 55.2% to 55.8%, non-GAAP gross margin in the range of 55.5% to 56.1%, total stock-based compensation expense of \$21.2 million to \$23.2 million, including approximately \$700,000 that would be charged to cost of goods sold. GAAP R&D and SG&A expenses should be between \$70.7 million and \$74.7 million, Non-GAAP R&D and SG&A expenses should be in the range of \$50.2 million to \$52.2 million. Litigation expense should range between \$1.8 million and \$2.2 million. Interest income is expected to range from \$1.5 million to \$1.7 million, and fully diluted shares to be in the range of 46.5 million to 47.5 million shares.

In conclusion, we continue to grow year-over-year. We are excited about our design activities in the pipeline and expanding our reach in the new frontiers.

I will now open the webinar for questions.

+++ q-and-a

Genevieve Cunningham^ (Operator Instructions) Our first question comes from Tore Svanberg from Stifel.

Tore Egil Svanberg^ Michael and Bernie, congratulations on another very strong quarter. Before I get into the sort of near-term stuff, you did mention something at the beginning there that you are exploring some operations outside of China. I'm not talking about design centers here but are you working on something else on the manufacturing side outside of China at this point?

Michael R. Hsing^ Yes. We try to expand in another fab and we're exploring another 12-inch fabs, okay, as well as a 8-inch fab outside of China.

Tore Egil Svanberg^ Okay. Very good. And as we look at the September quarter, and congratulations on getting to \$200 million in quarterly revenue. Could you maybe talk a little bit about some of the end markets that's going to drive that growth? I mean I'm sure the storage and server business is going to continue to remain strong. But maybe give us the puts and takes on each end market going into the September quarter?

Michael R. Hsing^ Yes. Tore, you know our product is a very fundamental, these are blocks, okay? And we supply all these power -- to the power management for all electronic devices and including automotives. And now

there's one segment clearly in this pandemic area -- and everybody knows the infrastructures for telecommunications and data centers. And as well as IoTs and the PCs, they all grow. And MPS just supply these are building blocks for all these segments. And as Bernie said earlier, other than automotive, all segments are doing well.

Bernie Blegen^ Very broad based.

Tore Egil Svanberg^ Very good. Just one last question. The DSO is pretty low now, Bernie. And I mean I assume that's just purely linearity. Anything else going on there?

Bernie Blegen^ No. I think we've always had a very good track record with credit and collections, and the 27 days in the quarter really is a reflection of how front-loaded the initial sales were in Q2.

Genevieve Cunningham^ Our next question comes from Quinn Bolton from Needham.

Quinn Bolton^ Let me echo my congratulations. I guess, Bernie, you made some comments about visibility being a little bit less clear today than in years past, obviously, COVID, it's understandable with the COVID outbreak. But I guess you guys have had a very strong sort of first 3 quarters of the year, including guidance for September. Just wondering, can you talk to us about your thoughts on the sustainability of this demand. Or are there certain factors perhaps the game console ramp that may be leading to some particular strength in the September quarter that may soften seasonally as we look out beyond the September quarter? And then I've got a follow-up.

Bernie Blegen^ Sure. I think that just given the nature of the current macro environment, where we did benefit from accelerated ordering patterns, particularly in -- at the end of Q1 that we don't want to become complacent because we have seen falloffs in demand after we've had a big run-up like we just experienced. So it isn't that we're seeing anything specifically in the market that causes us concern, but just past experience tells us that it's something that we have to monitor.

Michael R. Hsing^ Yes. The Bernie's comment was very similar to our statement in the Q1 and Q2, okay? We didn't -- we expected at the time that all segment will grow and -- including automotive. And so what is the magnitude of the growth is to our surprise. And even during the first couple of quarters, we -- first quarter, we mentioned, okay, we have more order than we can ship. And so now we're going to second half of this years, the macro conditions to us -- that can be some -- very much -- it's unsettled. And so we will prepare to change quickly. And -- but overall, orders are still very good.

Bernie Blegen^ And one last thing just to follow-up on Michael's comment there is that in the beginning of the year, we did have concerns about supply chain capacity. And we've lowered that risk, but that's still an issue that is requiring ongoing management.

Quinn Bolton^ Understood. And then longer term, you mentioned you're positively surprised by the strength of the design activity, particularly with Tier 1s. I'm sure you're not going to name customers, but are there a couple of applications you might be able to highlight for us that you're really excited about over the next year or 2?

Michael R. Hsing^ It's a -- a couple of them clearly is 48 volts and as we talk about it. In other words, in the data centers business. And also, as Bernie mentioned earlier, in automotive, we engaged heavily in a lot of activity in ADAS.

Bernie Blegen^ And I think to keep in mind that in a lot of the markets that Michael just listed is that we are relatively small players. So we have a lot of upside greenfield opportunities that should continue to drive our growth for the next 2 to 3 years, at least.

Genevieve Cunningham^ Our next question comes from Joshua Buchalter from Cowen.

Joshua Louis Buchalter^ Congrats on the results. I wanted to begin -- just storage and computing a bit. Given the size of the upside, I was a bit surprised to see server not called out as a driver of sequential growth. Could you maybe provide some granularity on was this a function of in 1Q with just such a high watermark, or was there anything else going on within that market that allowed it to grow less than the other ones?

Michael R. Hsing^ Yes. Server growth is not a surprise to us. And we talked about it in the past quarters. And we expected a growth from, you may say, from a year ago. And this year, we will grow substantially from last year. So there is no surprises. And so our product is, as I remind everybody, okay, it's still a power supply, and we're powering up the CPUs and powering up all the electronics. Electronic devices use -- that's used in a server.

Bernie Blegen^ Yes. And I think we tried to add some color to that in the prepared comments by saying that we enjoyed a noteworthy step up between Q1 and Q2 -- or Q4 and Q1 and we maintain that same high level in Q2. So when you look at the year-over-year, server is one of our largest year-over-year growth drivers.

Genevieve Cunningham^ Our next question comes from William Stein from SunTrust.

William Stein^ Congrats on these very strong results. I'm wondering if, Bernie, you can talk to us about backlog versus turns expectations. I think last quarter we had this sort of special situation where you essentially guided for negative net turns, maybe you can confirm my recollection and clarify what guidance implies in that regard for Q3?

Bernie Blegen^ I think that the term that we referred to at the end of Q1 was the toilet paper effect that there was an outsized ordering pattern in the last 4 weeks of March, and so we had to take Q2 to more closely understand what that represented. And after we went customer-by-customer

and geography-to-geography, we found out that there were a couple of drivers, well, 3. The first was that there was a increase, stepped up increase in demand, and particularly as it relates to work from home applications. And so that included storage and 5G and notebooks. And then as I said earlier, continued strong ordering within automotive. But there was also an acceleration of demand where the distributors and customers wanted to get in line to make sure that they were not. So what we've had to do is a very close evaluation to make sure that we don't let the channel inventories rise too much because of overenthusiasm. But at this point, we enter this quarter, again, with a similar backlog profile as we had last quarter meaning that there's low, no reliance on turns business in order to meet our expectations.

Michael R. Hsing^ Yes, our assumption, the toilet paper effect wasn't quite right. There is very little, okay? And so the -- after we dive in deeper into our customers, our distributors, and we found that these growths are real growth. And somewhat, it's very sustainable.

William Stein^ Okay. Got it. So the elevated orders last quarter were not a sort of a trick, they were for real, and it sounds like you're seeing elevated backlog this quarter as well. So maybe the other side of this, of course, is supply. And so that's my second question. Bernie, through the quarter, you talked about how supply was -- the company was more able to deliver. We certainly saw that in the quarter. I think you talked about increased supply at 1 foundry, kind of think a doubling of capacity that's sort of real-time and then another expectation for a ramp in Q4 at maybe a new foundry from one of your existing partners. I think together, it sounded like that was 40% additional capacity, which suggests maybe up to 2 years of sort of runway. Maybe you could clarify, I think you -- on the call earlier, you talked about 2 fabs that are ramping now. Maybe you can just clarify for us where we are and where you expect capacity to go over the next few quarters?

Bernie Blegen^ Yes. I think that to give full credit, the -- our operations capabilities were put to the test in the early part of this year. And I think that we responded as well as one could have expected. And most of the numbers that you cited as far as the capacity expansion are pretty close to the mark. I'm not going to confirm or reject them, but you're in the ballpark. And I think that it remains an issue because as we look ahead, our growth prospects for the next 3 to 5 years, certainly, are significant. And so what we're trying to do is get both capacity but then also get geographically distributed. So that's going to require a continuing level of investment as we look ahead here for the next few years.

Genevieve Cunningham^ Our next question is from Chris Caso from Raymond James.

Christopher Caso^ Congratulations on the pioneering conference call format, which seems working very well. So my first question is just a follow-on from the other question. And with respect to capacity and the constraints that you're under right now, do you foresee a situation over the next few quarters where those capacity constraints could be an impediment to revenue? I guess from where we are right now, and actually,

we're seeing -- it appears that we're seeing some good upside, the toilet paper effect is not having the effect that we feared. Is there still sufficient headroom for revenue growth as we go through the next few quarters as you're putting these capacity plans in place?

Michael R. Hsing^ Yes. Our -- let's put that way, our production people and they are working at over 100%. And we still have more revenue that we can ship. I mean we can order than more than we can ship. And as we increased the capacities in the last 6 months, the issues are much better now.

Bernie Blegen^ And I would also probably just having learned from this recent experience that we're more likely to also increase our internal inventories, so we don't have to rely upon necessarily in-the-moment production excellence.

Christopher Caso^ Great. As a follow-up, with regard to the compute segment, we've heard from some others is that the market itself, I guess, there's some areas of the compute market, which look like they'll be slowing as you go into the second half. There was some of that work from home demand. And notebooks, for example, it looks like it was pulled forward to the first half. Intel had talked about some of the data centers -- cloud data center revenue, which maybe showing some decline after a very -- a number of strong quarters. I know you have a lot of content increase as well. And I guess the question is, if the market should slow, one, is that what you're seeing? And secondly, the extent of your content increases, are they greater than what's happening in the market?

Michael R. Hsing^ We are the new players, okay? We are a relatively small player in the market segment. We don't see -- and for our revenue growth, we don't see any slowdown. And as we become a much bigger percentage then we can answer your question better.

Genevieve Cunningham^ Our next question comes from David Williams from Loop Capital.

We'll move to the next question. This comes from Ross Seymore from Deutsche Bank.

Melissa Weathers^ This is Melissa on for Ross. Congratulations on a really strong quarter. I was hoping to get your opinion on the automotive end market specifically. Your larger peers were also impacted by the factory shutdowns around the world. As you're thinking about the recovery in the second half, how do you see this business recovering? And I know you don't guide more than 1 quarter out, but can you help us understand how sales into auto will resume?

Bernie Blegen^ Yes. I think that Q3, we're going to see a restabilization in the market. Interestingly, even though the manufacturing of the OEMs was shut down for 2 to 3 months, people still continue to buy cars. So there is some pent-up demand that they need to meet. But I think that the ramp may not be -- it won't necessarily snap back. I'm expecting to see some additional improvement in Q4 as they start to roll out the new model

year. But I don't see it being the stairstep growth that we've experienced in past years.

Genevieve Cunningham^ Our next question will come from David Williams from Loop Capital.

David Neil Williams^ Congrats on the quarter. I guess the first question is really around the gaming console. And maybe if you could provide any color around the benefit in the quarter from the gaming console and then maybe how that layers into the remainder of the year?

Bernie Blegen^ I think that the gaming console is a very -- a somewhat predictable business as far as there's almost a bell-shaped curve that occurs over 5 months beginning in June and ending in October. So that is pretty heavily weighted towards Q3 for what we sell into. And right now, the visibility will not be crisp is the word we used before, probably until late August or early September. Though right now, we seem to be tracking very well against our expectations.

David Neil Williams^ Okay. So you'd characterize that as maybe stable to towards your expectations?

Bernie Blegen^ Yes. Stable is not a word I normally assign gaming consoles because it does create this bubble, which has certain of its own management challenges. But yes, I would say that the demand is meeting our expectations, and we have adequate supply chain to handle it.

David Neil Williams^ Great. And then maybe thinking about the data center and maybe from the computing. How much of this do you think is maybe pull ahead versus more cycle related? Do you think this is sustainable? I realize you're a smaller player, but do you think you're seeing any pull ahead here? Or do you think all of this is maybe natural demand that would have come through pandemic or not?

Bernie Blegen^ No. I think the work from home phenomena is real, and at some level, we are able to quantify it. But I do think that it is a more front-end loaded cycle as we sort of offered an earlier response. And the only thing to really add is that we're such a small player and this is sort of our first opportunity to really experience accelerated revenue growth. Again, our visibility and predictability is a little bit low for us right now.

Genevieve Cunningham^ Our next question comes from Rick Schafer from Oppenheimer.

Richard Ewing Schafer^ Congratulations. Nice job, guys. I guess my first question, nobody talked about or asked about 5G yet. So maybe -- I don't know if you could give a sort of an update on your progress on the 5G reentry. You guys -- how are things for the largest customer there? I know there's been some uncertainty. I know the government (inaudible) from has been trying new, different ways to (inaudible) with that customer. And then I didn't know if you can talk about how many (inaudible) beginning your shipping now? Or do you just (inaudible). And then I have a follow-up.

Michael R. Hsing^ Rick, your question is barely audible and barely interpretable. We can try it, okay, try to answer your questions. And 5G is our biggest, one of the biggest opportunities and very highly concentrated customers. And as you know, where the 4G, we were not in the -- we don't have any revenues, okay, very little revenues. And now we became a significant player in there. And that's because our technologies. And as far as where to grow and which regions? Clearly, China is emphasized. And the Huawei is the biggest players now. So all the other regions, we engage with them deeply. And -- but I have to say they're much slower. And what is the impact for our future business, okay? I believe it's a matter of time. The longer the times and -- the longer time give us, it will be -- actually it's better for MPS. And all the other players familiar with MPS, familiar with MPS technologies. And the time is -- actually is on our side, but it may affect the revenues. And -- but in China, we see it keep growing in the 5G network.

Genevieve Cunningham^ Our next question comes from Kamil Mielczarek from William Blair.

Kamil Mielczarek^ First is I just want to follow-up on 5G. Can you provide some detail on how to think about the content you have and specifically the potential SAM given your POL products can be used in transceivers, base stations, fiber optic networks and back-end data centers? And I assume there's a potential for QSMOD as well.

Michael R. Hsing^ Yes, you're absolutely right, okay? Our opportunity, we don't have a clear picture because, again, our product is very fundamental in supplying powers and doing power management for each component. And it's really a rough calculation, it's more than \$40, \$50 per station.

Kamil Mielczarek^ That's great. And just a quick follow-up. How should we think about your entrance into the HPA market? I believe you are initially targeting medical and communication applications. And what's your differentiation versus competitors like TI? And lastly, is this a 2021 revenue event?

Bernie Blegen^ The primary competition is really with ADI, and this is the advanced analog. And you're exactly correct that the first opportunity that we are pursuing is actually with a customer, and they've provided us their spec and we would expect to be able to have a product that can be prototyped by the end of this year and have initial revenue after that. As far as the longer-term road map, we talked about communications because it is the next targeted market that were high-performance analog...

Michael R. Hsing^ Data converters. I missed the first part of the question. Okay. Go ahead.

Bernie Blegen^ Yes. So just I'm finishing up that where the need for high-frequency and high-precision. And as I said, there's only 1 or 2 other players out there. It's a very difficult market to penetrate. But

here again, we believe we're very well positioned to move into it over the course of the next 3 to 5 years.

Genevieve Cunningham^ Our next question comes from Tore Svanberg from Stifel.

Tore Egil Svanberg^ Yes. Just a follow-up. And Michael, I'm asking this question because I really respect your view and if you look at and Maxim, Linear, ADI, they've been competitors of yours for many years, whether for business or for engineers. They're now all going to be under 1 umbrella. What do you think that means for the analog space and perhaps for Monolithic Power specifically?

Michael R. Hsing^ Well, thanks for saying you respect me. Yes, I think it's the same, okay, the Maxim and the Linear Technologies, they are very proven companies and they competed us in the past. Competed with them -- and MPS has a little bit agile and in terms of technology development and the product development. So our growth is faster. And I think in a -- going to futures, MPS now has become meaningful players. And we are -- and if you look at the Linear technologies with \$1.7 billion, MPS is very close to it. And so our customers were looking for a second or multiple suppliers. And with the superior technologies, I think that will give us more opportunities.

Genevieve Cunningham^ Our next question comes from Kevin Garrigan from Rosenblatt.

Kevin Garrigan^ Congrats on a great quarter. Just a quick one for me. Can you give us a little color on your e-commerce business? I know with everything kind of virtual now and your recent agreement with Farnell Electronics, can you kind of talk about what's going on there?

Michael R. Hsing^ Yes. Okay. That's the e-commerce. Glad that you still remember that. And I have to say, it's very slow, okay, and -- but I really believe that, I firmly believe that. We see some initial result. And after -- if you follow our website and our website's changed, it keep evolving. And up to a point, now we know how do we double or triple the subscribers. And it's actually more than tripled and -- but small start with small members. And so we're still doing a lot of surveys. And now I think the website is good enough and that we can work with our partners and online partners and distribute the message more -- much more clearly. And I will see in the next few months, and we'll see -- I hope to see a lot more result. And -- but overall, we still believe it. And we much believe it in the plug and play solution, it will happen and online distribution, online sales, online configurations, that will be the future. And so for MPS opportunities, instead of sell \$1 dollar, sub dollar parts, now we're selling \$4, \$5 or beyond for each component. So the opportunities still remain, and we are still learning.

Genevieve Cunningham^ Our next question comes from Quinn Bolton from Needham.

Quinn Bolton^ Michael, you said some of the applications you're most excited about are -- center around the data center as well as 48 volt. So

just a couple of follow-on questions. With NVIDIA's latest 7-nanometer generation of GPUs going into the data center, wondering if you're able to comment whether you're supplying any power management devices for that new A100 GPU, either in a 12-volt or 48-volt SKU? And then longer term, as we look forward to the new Intel VR14 spec, do you have a sense how much of that market might be 12-volt versus 48-volt?

Michael R. Hsing^ All right. Okay. Obviously, we don't mention customers names and customers projects names. And let's put that away. So all the 48-volt product that we have a product in it. And in terms of the VR14 spec, we have a reference design in that. And MPS will be with -- compare VR13, and we're also a small part of it. And I think the opportunity for MPS -- and it became a significant play -- as a main player in the VR14 in the next few years.

Bernie Blegen^ Both in the 12-volt as well as 48 volt.

Michael R. Hsing^ Yes, for the 12 volts and the 48 volts, okay, my belief is mostly still 12 volts. And 48 volts, the application is still limited.

Genevieve Cunningham^ (Operator Instructions) As there are no further questions, I would now like to turn the webinar back over to Bernie.

Bernie Blegen^ Great. I'd like to thank you all for joining us through this webinar. And look forward to talking to you again during our third quarter webinar, which will likely be at the end of October. Thank you, and have a great day.