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+++ presentation

Genevieve Cunningham^ Welcome, everyone, to the MPS Fourth 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.

In the course of today's conference call, we will make 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 Q4 earnings release and in our SEC filings, including our Form 10-K filed on February 28, 2020, and Form 10-Q filed on November 6, 2020, both of which are accessible through our website. 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 GAAP. 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 Q4 2019, Q3 2020 and Q4 2020 earnings releases as well as to the reconciling tables that are posted on our website.

I'd also like to remind you that today's conference call is being webcast live over the Internet and will be available for replay on our website for 1 year, along with the earnings release filed with the SEC earlier today.

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

Bernie Blegen^ Thanks, Gen. For the full year 2020, MPS achieved record revenue, \$844.5 million, growing 34.5% from prior year. This performance represented consistent execution against our strategies and being recognized by more first-tier companies for our superior technologies, product quality and excellent customer support. As we see more high-quality growth opportunities ahead of us, we continue to successfully invest in our infrastructure and capabilities that support that growth. Here are a few highlights which we achieved in 2020.

Brought online a new 12-inch fab 1 year ahead of schedule, allowing for qualified parts to be shipped in Q4 of this year. We will continue to invest in the capacity and diversity of our supply chain with plans to bring up a new 8-inch fab in 2021.

Began volume shipments of 48-volt QSMOD technology for AI applications, proving the commercial viability of our leading-edge system solutions in this critically important market.

Designed and integrated power management solution for autonomous driving vehicles. Shipments began to ramp in Q3 of 2020.

Launched our ESG website, aggregating all of our environmental, social and governance values, policies and practices into one easily accessed location. Customers, employees, shareholders are now able to fully appreciate MPS' commitment to sustainability, transparency of our business practices and our ongoing social responsibility.

While 2020 was very successful in terms of our financial performance, product development and new customer acquisition, supply chain capacity constraints [from that year] limited our ability to fulfill all of our customers' demand. This is a result of demand increases during the year and industry-wide capacity constraints. We can take some solace in having recognized this issue in 2019, which propelled us to bring up our second 12-inch fab. Maintaining our ability to meet strong demand while delivering high-quality products to our customers has represented an extraordinary challenge that continues into 2021. Despite these challenges, we will continue to execute on our strategic plan.

Turning back to full year 2020 revenue by market segment compared with 2019, communications revenue, up 67.9%; and consumer revenue, up 34.2%; computing and storage, up 33.8%; automotive, up 20.7%; and industrial, up 20.3%, demonstrating just how broad-based our revenue improvement was.

Communications revenue grew \$57.5 million to \$142.3 million. This improvement was primarily due to an infrastructure sales ramp. Communications revenue represented 16.9% of our 2020 revenue compared with 13.5% in 2019.

Consumer revenue grew \$56.2 million to \$220.4 million, reversing 2 consecutive years of sales declines. This growth reflected higher game console sales along with increased sales of wearables and home appliances. Consumer revenue represented 26.1% of MPS' full year 2020 revenue compared with 26.2% in 2019.

Full year 2020 computing and storage revenue grew \$64.0 million over the prior year to \$253.2 million. This 33.8% increase primarily resulted from strong sales growth for cloud computing and storage applications. Computing and storage revenue represented 30.0% of MPS' total revenue in 2020 compared with 30.1% in 2019.

Automotive revenue grew \$18.7 million to \$109.0 million in 2020. This growth primarily represented increased sales of infotainment, safety and connectivity application products. Automotive revenue represented 12.9% of MPS' full year 2020 revenue compared with 14.4% in 2019.

Industrial revenue grew \$20.2 million to \$119.6 million in 2020. This growth primarily reflected higher sales for applications in power sources. Industrial revenue represented 14.2% of MPS' full year 2020 revenue compared to 15.8% in 2019.

Switching to Q4. MPS had a record fourth quarter with revenue of \$233.0 million, 10.2% lower than revenue generated in the third quarter of 2020 but 39.8% higher than the comparable quarter of 2019. By market segment, revenue for consumer grew 69.7% year-over-year, automotive grew 63.1%, industrial grew 38.8%, communications grew 35.6%, and computing and storage grew 11.1%.

Fourth quarter 2020 GAAP gross margin was 55.3%, 20 basis points higher than both third quarter 2020 and the fourth quarter of 2019. Our GAAP operating income was \$40.0 million compared to \$60.0 million reported in the third quarter of 2020 and \$30.7 million reported in the fourth quarter of 2019. Fourth quarter 2020 non-GAAP gross margin was 55.7%, 20 basis points higher than both the third quarter of 2020 and the fourth quarter of 2019. Our non-GAAP operating income was \$66.3 million compared to \$84.9 million reported in the prior quarter and \$50.8 million reported in the fourth quarter 2019.

Let's review our operating expenses. Our GAAP operating expenses were \$88.9 million in the fourth quarter compared with \$83.1 million in the third quarter of 2020 and \$61.2 million in the fourth quarter of 2019. Our non-GAAP fourth quarter 2020 operating expenses were \$63.6 million, up from the \$59.1 million we spent in the third quarter of 2020 and up from the \$41.8 million reported in the fourth quarter of 2019. On both a GAAP and a non-GAAP basis, fourth quarter 2020 litigation expenses were \$1.5 million compared with a \$1.8 million expense in Q3 2020 and a \$991,000 expense in Q4 2019.

The differences between GAAP and non-GAAP operating expenses for the quarters discussed here are stock compensation and income or loss from an unfunded deferred compensation plan. Fourth quarter 2020 stock compensation expense, including \$686,000 charged to cost of goods sold was \$23.0 million compared with \$23.0 million recorded in the third quarter of 2020.

Switching to the bottom line. Fourth quarter 2020 GAAP net income was \$42.9 million or \$0.90 per fully diluted share compared with \$1.18 per share in the third quarter of 2020 and \$0.70 per share in the fourth quarter of 2019. Q4 2020 non-GAAP net income was \$62.5 million or \$1.31 per fully diluted share compared with \$1.69 per share in the third quarter of 2020 and \$1.04 per share in the fourth quarter of 2019. Fully diluted shares outstanding at the end of Q4 2020 were 47.6 million.

Now let's look at the balance sheet. As of December 31, 2020, cash, cash equivalents and investments totaled \$598.0 million compared with \$554.5 million at the end of the third quarter of 2020. For the quarter, MPS generated operating cash flow of about \$79.6 million compared with Q3 2020 operating cash flow of \$77.4 million. Fourth quarter 2020 capital spending totaled \$11.5 million.

Accounts receivable ended the fourth quarter of 2020 at \$66.8 million or 26 days of sales outstanding compared with the \$93.5 million or 33 days reported at the end of the third quarter of 2020, and the

\$52.7 million or 29 days reported in the fourth quarter of 2019. Our internal inventories at the end of the fourth quarter of 2020 were \$157.1 million, up from \$148.1 million at the end of the third quarter of 2020.

Calculated on a basis consistent with our past practice and as you can see from the webinar video, days of inventory rose to 137 days at the end of Q4 2020 from the 116 days at the end of the third quarter of 2020. Historically, we've calculated days of inventory on hand as a function of the current quarter revenue. We believe comparing current inventory levels with the following quarter's revenue provides a better economic match. On this basis, again, you can see days of inventory increased to 132 days at the end of the fourth quarter of 2020 from 129 days at the end of the third quarter of 2020.

I would like to turn to our Q1 2021 outlook. We are forecasting Q1 2021 revenue in the range of \$236 million to \$248 million. We also expect the following: GAAP gross margin in the range of 55.1% to 55.7%; non-GAAP gross margin in the range of 55.4% to 56.0%; total stock-based compensation expense of \$27.0 million to \$29.0 million, including approximately \$800,000 that would be charged to cost of goods sold; GAAP R&D and SG&A expenses between \$89.0 million and \$93.0 million; non-GAAP R&D and SG&A expenses to be in the range of \$62.8 million to \$64.8 million. This estimate excludes stock compensation and litigation expenses; litigation expenses to be in the range of \$2.3 million to \$2.7 million. Interest income is expected to range from \$1.4 million to \$1.8 million before foreign exchange gains or losses; fully diluted shares to be in the range of 47.3 million to 48.3 million shares. Finally, we are pleased to announce a 20% increase in our quarterly dividend to \$0.60 per share from \$0.50 per share for shareholders of record as of March 31, 2021.

In conclusion, our performance in 2020 validated our strategy to grow through diversification and sustainability. We will continue to execute this strategy and invest in our future.

I will now open the phone lines for questions.

+++ q-and-a

Genevieve Cunningham^ Thank you, Bernie. Analysts, I would now like to begin our Q&A session. (Operator Instructions) Our first question is from Matt Ramsay from Cowen.

Matthew D. Ramsay^ My first question is around the supply that you guys are bringing online. You talked about a couple of different efforts and -- you have done over the last few quarters to add supply. And I guess, Michael, I wonder if you might characterize it as -- anyway, one, how much supply can you bring online in, say, the immediate term versus over the next couple of years to support what revenue

levels? And two, do you feel like there's now a situation where your own supply is expanding to support your share gains where the rest of the industry might be tightening a bit? And how does that play into your thoughts about revenue growth? And then I have a follow-up.

Michael R. Hsing^ Well, we said that in a couple of quarters ago, we're building a capacity to \$2 billion capability. And so that's our long-term strategy. We will do that anyway. Like I mean -- just a reason -- from last year, we're pulling a little faster. Like we can anticipate this goes up and down, okay, and as we plan for our long-term futures and -- but in recent years, obviously, with pulling in and increased capacities, okay, as we started in early last year. And we're a little bit ahead of the game -- ahead of the market demands. And from looking near future, we'll continue to do so and we're still facing delinquent.

Matthew D. Ramsay^ Got it. No. That makes sense in the long term. I guess for my follow-up question, it's a more near-term-oriented one. Bernie, if you might give some color as how you're expecting -- I mean the guidance was well above consensus for the March quarter. Maybe you could talk about it by segment, what you're expecting the trends to be as you move from December into March.

Bernie Blegen^ Sure. I think that we saw in 2020 that revenue in both automotive and industrial were probably most heavily impacted because of the COVID pandemic. So what we saw in the second half of the year is that both of those 2 markets showed marked improvement and have significant momentum as we go into 2021. But really, we're broad-based. So a lot of the trends that we saw that we benefited from in 2020 will continue on. Possibly, the only exception is communications, which had a strong 3 quarters that will be difficult to compare against.

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

Tore Egil Svanberg^ Congratulations on the execution. So far, I think you're the only company that I've seen actually increasing your inventory days. So congratulations on that, too. Last quarter, you talked about the size of the delinquencies you had in '19. Could you give us a ballpark for where they stand right now?

Michael R. Hsing^ I think we -- last quarter -- we talked about in the last couple of quarters, we have continued facing delinquencies. And this quarter and the last quarter were relatively similar. And 2 quarters ago, we're facing quite a bit more.

Bernie Blegen^ Yes. And I think that that's a reflection of continued strong demand in the face of industry-wide capacity constraints. So we've actually had to manage at this level now for about the last 3 to 4 quarters. And I'm not saying that we're getting good at it, but we certainly believe we have it as

well under control as possible, a good handle on it so that we're escalating shipments only based on the needs of the end user as opposed to anyone building inventory in either the channel or on customer shelves.

Michael R. Hsing^ The reason we can meet most of our customers' demand is due to -- we added capacity at the beginning of last year. And now we can fulfill most of it.

Tore Egil Svanberg^ Very good. And as my follow-up on capacity, you talked about the second 12-inch, also new 8-inch. I know you typically don't name your foundries on these calls, but could you at least talk about sort of the geographical aspect to where your foundry partners are at this point?

Michael R. Hsing^ Now we try to diversify outside of China, as we're speaking. In these fabs, okay, what could be -- we're still exploring and at the beginning of engagement with both fab -- with the fab within China and outside of China.

Genevieve Cunningham^ Our next question is from Ross Seymore from Deutsche Bank.

Ross Clark Seymore^ Guys, can you hear me?

Michael R. Hsing^ Yes, loud and clear.

Ross Clark Seymore^ So congratulations on the growth, especially impressive, not only relative to the analog group but the diversity of it. As you look at 2020 as a whole, other than the year-over-year in comps, which I know is difficult, you talked a little bit about you expect it to be diverse. But if you just said what some of the idiosyncratic drivers, company-specific things in 2020 would be just kind of by end market, obviously not customer-specific.

Bernie Blegen^ Sure. I think that in the computing, we had seen in 2018 and 2019 a run-up in notebooks. And really in 2020, it was increased demand in the data center both in terms of powering servers as well as storage. In the consumer market, we benefited from the "once every 3 year" refresh of the gaming console. And also, we saw a nice uptick both in home appliances as well as wearables or mobility. And then when we look at industrial and automotive, as I said earlier, both of those seem to be handicapped at the beginning of the year, where we have design wins but we can't guarantee what the market circumstance is going to be. So the unit sales on some of the new products we're introducing were a little limited but certainly showed a lot of strength in the second half of the year.

Ross Clark Seymore^ And actually, Bernie, forgive me if I misspoke. I was actually talking more about 2021, what those -- similar sort of story but '21, more looking forward than back?

Michael R. Hsing^ I think it's a repeat of same between '20 to '21.

Bernie Blegen^ I'd say the only thing in the first half that gives us a little pause aside from the communications comparable is that there's probably going to be some softness in the first half of the year related to computing on the -- at the data center. But outside of that, Michael is exactly right.

Ross Clark Seymore^ Well, maybe that's a good...

Michael R. Hsing^ The softness, it's not going down and I'd say -- but still going not as strong, okay? But the demand is still slightly more than we expected, yes?

Ross Clark Seymore^ Got it. And then I guess as my real follow-up. A lot of companies are questioning the sustainability of this demand. And I know crystal balls are always foggy. But you guys would grow, if I just annualize your first quarter guidance, 15%. I know seasonality might not be the best framework, but there seems to be an active debate amongst investors on is -- are things just too hot and there's got to be a stumble because there's excess ordering, inventory is going to build, et cetera, et cetera. How are you guys viewing that kind of supply versus demand balance and the trust in the quality of the orders?

Michael R. Hsing^ Well, if you look at it in the past 3 or 4 years, okay, I mean we grow something like in - - from 17% to 25% in the levels. And 2019, right, we grow only 8%, like I mean -- and -- but our design in all these opportunities is still there. Like I mean -- and we just shifted to -- from '19 to '20. And so again, automotive, industrial in the first half of the year wasn't there, but the catch-up in the second half of the year. And in the computing communications -- and what else am I missing?

Bernie Blegen^ Consumer.

Michael R. Hsing^ Yes. Consumers, okay, in the beginning, okay, is stronger than -- a little bit stronger than normal. And I would say that it's probably even out from 2019. And this year, we can see that we never forecast a macroeconomic condition but we do see the product. And we're facing shortages on Amazons, on these Best Buys and we believe -- and these all are real.

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

Richard Ewing Schafer^ Let me add my congratulations on the execution, guys. I'm sure it wasn't easy out there this quarter especially. A couple of questions. Just -- I guess I'd like to ask about a couple of your growth pillars, maybe start with auto. I think it grew about 50% last year, with SAAR down about 15%. So just optically, it looks like you guys could do something around 50% growth this year. I mean maybe you could talk about what leads that growth? I mean is it ADAS, body control? Do you -- does BMS kick in at all and kind of add -- give a little more wind to the sales this year?

And I guess second part of that question, I'm just curious -- are you worried at all about indirect supply constraints potentially limiting your upside here?

Michael R. Hsing^ All right. Let me talk about your second part first. And again -- and growth overall for MPS is limited by our capacities and utilization of total capacity. As you know, we have a few thousand, 4,000 parts. And it's inconceivable we can utilize entire capacities.

For the auto growth, yes, okay, we -- as Bernie said earlier, we have ADAS and start to ramp, like I mean in the last quarter or so. And we have more customer start to ramp that can -- these are the very high-end product, and we are very pleased with other products in autos and like I mean -- and we talk about it in the past, like from lighting to liftgates to -- what are these...

Bernie Blegen^ Pulse...

Michael R. Hsing^ Yes. All the other pulse power modules and then we end up in auto. And now -- and we see start to ramp. We -- just at the beginning, we see all these products start to ramp and -- but these are still at the beginning.

Bernie Blegen^ And Rick, just one more point is that I think we've read that the auto industry is suffering from its own capacity issues or being able to have a stable supply chain. As I look at our Q1 numbers, that is not directly impacting our demand or our ability to ship.

Michael R. Hsing^ Yes. We are so small in a market presence in auto industry, but all these initial ramp and -- it changes the needles in a revenue stream.

Richard Ewing Schafer^ Okay. And that's kind of what I was asking about. I'm just worried if those secondary supply constraints could end up hurt if somebody else can't ship.

Maybe my second question, Michael, just on cloud server, if you could talk about how that data center ramp looks like for QSMOD this year. I mean is Ice Lake still a needle mover? Or is it really more Sapphire Rapids later this year where you kind of maybe potentially see a step function in revenues as that starts to pick up?

Michael R. Hsing^ Yes. I can't relate those acronyms. These are names with that. I know the 13.5. Like I mean...

Bernie Blegen^ VR14.

Michael R. Hsing^ Yes. VR13.5 in the start -- is mostly -- is ramping now, okay, as we see the revenue growth. The VR14s, I think that, that will be a next year story.

Genevieve Cunningham^ Our next question is from Alex Vecchi from William Blair.

Alessandra Maria Elena Vecchi^ Congratulations on the impressive quarter from me as well. Maybe, Bernie, just on a more housekeeping question. Your guidance for gross margin at the midpoint is looking flat quarter-over-quarter. Is that due to end market mix? Or are you seeing any increasing manufacturing costs weighing on margins? And then how should we think about sort of that resumption back to the 10 to 20 basis points going forward?

Michael R. Hsing^ Yes. Okay. We -- obviously, now you see the consumer segment growth, too, and we have some -- which -- and slightly or even with the lower gross margin. On the other hand, yes, the manufacturing cost is going up.

Alessandra Maria Elena Vecchi^ Okay. That's helpful. And then just on your inventory days, you guys have talked in the past about the 180, 200 a day target. You've made some improvements this quarter. How do we think about getting back to an ideal inventory level in terms of timing?

Michael R. Hsing^ Well, it's -- the demand keep coming as is now, like -- it would be difficult, okay? I mean we think it's about the end of the year we hope we can go back to 180 to 200 days of inventory.

Bernie Blegen^ Yes. I think if you look at whether it's the inventory that we hold on our books or particularly in the channel, it's very lean right now. And then we've already discussed delinquencies. So we have a lot of catch-up to do before we really can get the model to the 180- to 200-day goal.

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

Quinn Bolton^ I offer my congratulations as well. Just wanted to follow up on Alex' question on the delinquencies and your ability to catch up with some of those delinquencies. I mean how much of the ability to meet those delinquencies is going to come from the new 12-inch fab that you brought online in the fourth quarter of last year? Are you able to qualify more parts and other high-volume runners on that fab? Or just kind of curious your ability to actually get -- to secure more wafer capacity from your 5 foundry partners in this very tight environment. I guess a lot of companies are saying that they think supply constraints -- supply is going to remain constrained all year, which makes it sound like being able to get back to 180 to 200 days delinquencies is a pretty tall order in calendar '21.

Bernie Blegen^ Yes. It's a great question, and thanks for allowing us the opportunity to give a little more context here. With the new fab, I mean we were very pleased to report as one of our highlights that we were able to qualify parts and be able to inventory and ship them but that process of qualifying more parts so that it can be meaningful as far as both deliveries and addressing our delinquencies is ongoing, and it's going to require an investment both in the 12-inch capability as well as this new fab that we're bringing up in 2021. So just because we've qualified a few parts and we've got the process started, it still takes about 9 to 12 months before you have the full capability up.

Michael R. Hsing^ Yes. We -- in 2020, we increased our capacity by 25 -- it's [probably about far more] here. My rough calculation is about 20% to 25% increase last year.

Quinn Bolton^ And I guess my follow-up question was just on the comm space. Obviously, you had 3 very strong quarters in 2020. And then one of your large customers was -- you were no longer able to ship. I believe you may now have a license to resume shipments to that customer. And I'm just wondering if that's the case, do you have now perhaps a better outlook than you might have 90 days ago for the comms business in 2021?

Michael R. Hsing^ Absolutely. We have a more clear -- and customer start to place -- are placing orders now.

Bernie Blegen^ Yes. And I think there's 2 forms. There's -- you identified one customer in particular. And I think we might see that begin to ramp in the second half of this year. But I think more broadly, other opportunities are starting to come on not just with the top tier but some of the second-tier customers in the 5G and infrastructure area.

Genevieve Cunningham^ Our next question is from William Stein from Truist.

William Stein^ Michael, I'm wondering if you can update us on the longer-term transition to selling more modules. I know that's something that is, from a long-term perspective, potentially very accretive to growth and margin. I think we're still pretty early in that process. But any movement in the quarter that you'd like to highlight?

Michael R. Hsing^ I think that the results are very good in the middle of this high demand. And actually, Bernie can tell you what is the ramps. Like what is the increase? I mean and...

Bernie Blegen^ Yes. We had revenue doubled in 2020. And we exited the year where it continued to increase sequentially each quarter. And it's interesting because we thought that it would have more narrow applications particularly in industrial, but in fact, it's proven to be very broad-based and also is sustainable. What I mean by that last point is that we thought that if people want unit volumes, they might be more likely to go to components and just buy silicon. And in fact, we're seeing a lot of people that are going into volume shipments with the modules as well.

Michael R. Hsing^ Yes. It's all across our product line. So that's why I don't have total numbers for the modules that are -- roughly, it's like \$30 million, \$40 million now. So like I mean compared a year ago and like -- as Bernie said, it's half of that.

William Stein^ Great. And then one other thing I'd like to ask about is your MPS NOW service. Did you see any change in that in the quarter? I know that's something that seemed to come online sort of just in time for the work-from-home, COVID situation that I think was very helpful for you. Any change in that? And any anticipated change if we hopefully are able to return to offices in the next quarter or 2?

Michael R. Hsing^ Yes. Okay. This is -- it's a great help. Again, we set it up, okay, just at the beginning -- just right before pandemic. Like I mean all these softwares, videos, everything with -- and also the banks, okay, the working banks, we just set it up. We turned along when the pandemic happened and it received enormous praise from our customers. And in terms of how many new customers, that's we're

really, really careful about. We increased a few thousand percent from the videos or from the virtual bench.

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

Kevin Garrigan^ Congrats on the quarter. Just a quick one from me. You alluded a little to this earlier, but in your automotive segment, you've expanded into several other features of the automobile side, kind of infotainment, right? Can you give us -- or can you talk a little bit about some of your design wins there? Are you kind of seeing more design wins? And the ones you already have, how are kind of those progressing?

Michael R. Hsing^ Well -- okay. I think it's -- I should answer Rick Schafer's question more precisely. The battery -- BMS is not -- we don't have a clear design win in the auto side, okay? And -- but to answer your question, there's a -- we have pretty much across the board and -- from the body controls to ADAS and to lightings and to LIDARs and also to all the sensors. And we have pretty much across the board. But our content, we expanded from \$150, \$140 and essentially doubled it and -- but everything is at the beginning. But MPS revenue is so small. So we just -- but you see the -- a net change.

Bernie Blegen^ Yes. On the dollar content -- I just want to go back to that because it's an important part, is this is not just unit sales but some of the new applications that we're bringing on. We go from having \$10 of available content to upwards of \$40 or \$50 for a complete system. So we're getting both the unit as well as the ASP expansion.

Michael R. Hsing^ Yes. When I'm talking about revenue small, it's compared to the market opportunity. As we said, we addressed the \$6 billion market segment. And now all MPS' product became -- it's a total -- that's a total spend. And we only have over \$100-some million in revenues.

Bernie Blegen^ \$110 million, yes.

Michael R. Hsing^ Yes, \$110 million. And most of the new products and ramping store from last year, second half of the year.

Bernie Blegen^ Yes.

Genevieve Cunningham^ Our next question is from Ross Seymore from Deutsche Bank.

Ross Clark Seymore^ A couple of quick follow-ups. Just 2 quick ones. First, you mentioned in answering a prior question about your ability to ship to the formerly banned product -- or banned customer. Is that just in the comm space? Or is that ban some of why your computing and storage segment also went down sequentially in the fourth quarter?

Bernie Blegen^ So again, we don't generally talk about individual customers, but since this one has gotten so much visibility, we actually have 3 primary lines of business with them. One is in the consumer, one is in the data center and the other is in infrastructure.

Ross Clark Seymore^ Infrastructure meaning comms, right?

Bernie Blegen^ Yes.

Ross Clark Seymore^ Got you. Okay. And is there any difference in what you're able to ship going forward out of those 3 things? Are you able to ship all of them? Or is it just not the 5G stuff but the other 2?

Michael R. Hsing^ Well, in our products -- again, the building blocks, it came in -- particularly came in -- these are from a comm business and also -- what's the...

Bernie Blegen^ Data center?

Michael R. Hsing^ The data centers, okay, and the shared same product. And we don't know exactly what they -- how they divide it. But consumer device, consumer device more in the chargers and in the - that we know -- so okay, that is pretty much -- it continues, yes.

Ross Clark Seymore^ Got you. And then the last question, a little bit more housekeeping-wise. Bernie, what are you thinking about tax rate for 2021?

Bernie Blegen^ Yes. So on a non-GAAP basis, we've historically used 7.5%, and now we've moved to 10%, which represents that there is certain stock comp that is not as deductible as it was in prior years.

And then looking ahead, we're not going to try to outguess what the Biden administration is going to do, but I think that we need to be sensitive of the fact that there may be increases both in the domestic rate as well as a higher tax rate on any international profit.

Michael R. Hsing^ Yes. We don't know at this point.

Bernie Blegen^ Yes.

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

Bernie Blegen^ Great. Thank you, everybody. Appreciate you joining us for this conference call and look forward to talking to you again in the first quarter of 2021, which should likely be in the April time frame. Thanks again, and have a nice day.