

EXECUTIVE SUMMARY

This page
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TOP STORIES

The Justice Department filed an antitrust suit against Irvine chipmaker **Microsemi Corp.** claiming the company's \$25 million buy of Costa Mesa-based **Semicoa Semiconductors Inc.** in July created a monopoly on certain types of chips. The complaint focuses on small signal transistors, chips that amplify electrical signals. The government said Microsemi dropped customer service and raised prices "significantly" after the deal and that government customers can't find substitutes. The government is seeking to undo the deal and sell off the assets that Microsemi bought from Semicoa, which included millions of dollars of equipment at its 47,000-square-foot Costa Mesa chip plant. Microsemi said it "intends to aggressively defend its position."

TECHNOLOGY

Newport Beach chipmaker **Conexant Systems Inc.** lowered its sales outlook for the quarter through December to \$83 million to \$88 million, down from a prior forecast of \$103 million to \$108 million. Conexant is expecting to report a loss of \$2.5 million to \$4.5 million, versus a prior forecast of \$4.5 million to \$6 million in profits. Wall Street analysts, on average, had been expecting profits of \$5 million on sales of \$112 million.

Santa Ana's **STEC Inc.**, a maker of flash memory drives for industrial uses, said an undisclosed customer canceled a \$20 million order, sending its shares down last week. For the current quarter, STEC lowered its sales outlook to \$55 million to \$59 million, down from its prior forecast of \$69 million to \$72 million.

Lake Forest's **Western Digital Corp.** is set to slash some 2,500 jobs and cut executive pay in a bid to offset slumping demand for its disk drives. The company also lowered its sales outlook for the December quarter to

tors searched a service center and six of its nursing homes as part of a Medicare billing probe. The probe focuses on what Ensign called "an investigation of claims submitted to the Medicare program for rehabilitation services." The company's own billing review found no systemic patterns and practices of fraudulent or intentional misconduct, according to Ensign.

REAL ESTATE

Orange County's **median home price** fell another \$20,000 to \$400,000 in November, the lowest price the area's seen in more than five years, according to La Jolla-based DataQuick Information Systems, a unit of Canada's MacDonald Dettwiler and Associates Ltd. The median price here is down about 30% from a year earlier and is off 38% from its all-time high in June 2007. Prices in the county haven't been this low since May 2003. Foreclosures helped push sales up 39% from a year earlier, but they were down 23% from October.

Irvine-based homebuilder **Standard Pacific Corp.** named Ken Campbell president and chief executive, the third chief executive the company's had this year. Campbell is a partner of New York-based private equity firm MatlinPatterson Global Advisors LLC. MatlinPatterson became Standard Pacific's largest shareholder in June, after announcing a \$530 million financing deal with the company. Campbell replaced Jeffrey Peterson, who stepped down as chairman, chief executive and president and remains a director.

Irvine-based **Advantage Sales and Marketing LLC** is moving its headquarters after signing a 48,468-square-foot lease for Irvine Company's new 18100 Von Karman

office tower. The company will be taking the top two floors of the 10-story and move early next year. Terms of the seven-year lease were not disclosed.

look to replace board members successfully.

San Clemente **National Bank** primary approval from the governor's stock as part of Capital Purchase approval of shares on it during a

After years of Commerce Department Coastal Commission **Foothill South** connecting the San Diego (Irvine) Commerce foot tent with the County which aims to resources. Budget action to challenge

The largest Irvine-based buying the self Diamond Capital fund and private has received acquire Hines. August, blaming downturn, high poor weather from customer

ECON

↓ DOW
County
in November