

Briefing Notes for Scenario Planning

John Dickey - New Technology Theme Area Coordinator

Microsoft to Move Corporate Headquarters to Hobart

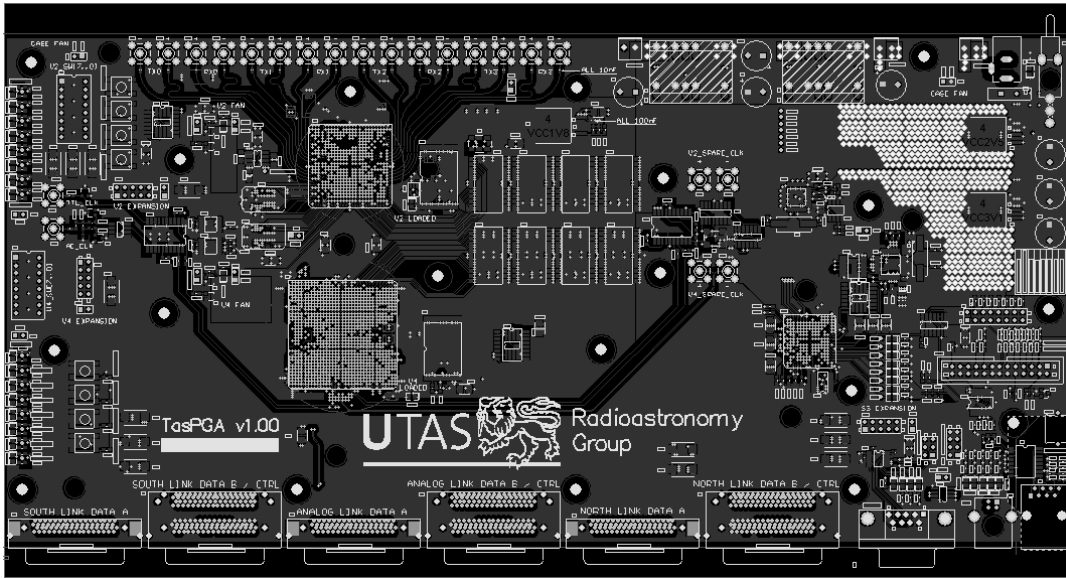
Announcement Follows IBM's Relocation to Launceston Last Year

(Redmond, Wash., 15 February 2011, Reuters) Microsoft CEO Bill Gates announced today that his corporation will be moving its world headquarters to Tasmania effective immediately. Microsoft will be the latest of many multinational corporations in the knowledge industry to choose Tasmania for their research and management centres. Last year's move by IBM was until now the largest, but a host of smaller companies in the fast growing area of digital processing and artificial intelligence have already made the same move. Gates cited Tasmania's winning combination of "an educated workforce, governmental support for the knowledge industry, and a supportive relationship between the University of Tasmania and local high-tech corporations" as reasons for his decision. "With the decline of the US position in the world financial community in this decade, we were forced to look for a new host country", Gates continued. "Australia is convenient to our new customers in India and China without forcing us to choose between them. As we move away from the paradigm of the Von Neumann Machine, we will be working with the Warren Architecture exclusively in the future." Gates was

referring to a new computer design pioneered by high-tech visionary David Warren, co-founder of Altium, Ltd. and a graduate of the University of Tasmania. “Tasmania was the logical choice if we want to capitalize on this sea-change in the computer industry” Gates concluded.

Analysts point to savvy decisions made by former University of Tasmania Vice-Chancellor Daryl Le Grew in the period from 2006-2008 as beginning the trend that has led to this rush of high-tech industry to the State. The Tasmania Premier commented: “Le Grew’s vision in setting up the original Technology Seedbed cooperative venture definitely turned around the situation for the knowledge industry in this state.” The Tasmania Science Minister agreed, saying “The University has supported start-up companies in a wide range of research areas, from Aquaculture to Zentel. Research has brought more jobs to the state than any other industry over the past decade. All Tasmanians benefit from the University through its corporate research park known as the Technology Seedbed. In the end, the Intelligent Island initiative has paid very high dividends on a relatively small investment.”

The Technology Seedbed began in 2005 when a University of Tasmania research group began working with Altium, Ltd. to develop signal processing equipment based on Field Programmable Gate Array chips, known as FPGA’s. The hardware and software developed for radio astronomy research at the University soon found other applications in a wide variety of industries. Working with the Tasmania Department of Economic Development, this model of joint ventures between local industries and research groups at the University was repeated under an initiative known as the Intelligent Island. With some support from the State and Federal governments, corporations found that they could set up research divisions here at a fraction of the cost needed in Sydney or Melbourne. Most important, Tasmania had a population of programmers trained to work with the new FPGA technology that is replacing microprocessors as the compute-engine in high-end artificial intelligence and supercomputer devices.



The Little Engine that Could

The TasPGA board, developed at the University of Tasmania in 2005, became the standard platform for programming FPGA chips for the signal processing industry. On this board, and its follow-on versions, an entire generation of programmers learned the tricks of developing software to run on FPGA's instead of computers.

Gates referred to the home-grown pool of FPGA programmers in Tasmania in his announcement, saying, “We found that we cannot induce Tasmanians to leave their Island to come work for us in Redmond, so I guess we’ll have to come to them.” Microsoft and other large companies in the knowledge industry have been rapidly changing their focus from microprocessor platforms (traditional computers) to the new world of programmable array logic devices. The University of Tasmania trained many of the people who now make up the community of FPGA programmers on the Island, using the TasPGA board developed for radio astronomy in 2005. By 2007 the board had been programmed for many other applications in signal processing, geodesy, and oceanography. Several small companies sprang up to service the devices and to do custom programming. There are now a total of 29 commercial ventures employing some 300 people in this field in Hobart alone.