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Let's meet India's guru of high tech

The world knows Charlie Sporck and Gordon Moore, chip engineers and shrewd business managers, as "founding fathers" of Silicon Valley, men whose vision and entrepreneurship helped create high-tech industries in what once were fruit orchards.

Well, Stanford-educated, Vinay Deshpande isn't quite as well known after more than 20 years in India's emerging high-technology business. But everyone here acknowledges his role as the father of India's "Silicon Plateau."

"People sometimes joke and say 'You are the culprit, you started it,'" Deshpande says modestly, from behind his wire-rim glasses and gentle smile. "But even two years ago, we couldn't have imagined the name Bangalore has now. We're getting a lot of publicity these days."

Deshpande is the man who proved it could be done in India: Since 1973 he has been building technology the world market wants by forging links to Silicon Valley.

Now after laboring for years in relative obscurity -- at least in comparison to his California peers -- Deshpande may soon get his recognition on American shores. For his company is perhaps the first Indian firm to develop an enticing new personal computer product it expects to sell in the United States later this year, competing against some of the biggest players in the industry.

These days, as more valley companies become entranced with the Indian software story -- Oracle, Novell and Tandem are all three busily writing software applications here -- they are essentially carrying forward a business model first executed by Deshpande after he got his graduate engineering degree from Stanford in 1973.

Returning to India, Deshpande went into business helping schoolmates he met at Stanford build a system to monitor the quality of telex lines and report problems before customers detected them. "The idea was that we'll do it in India and cut the cost" of development. Deshpande said.

At the time, the idea was revolutionary. It met skepticism from all quarters. India's Ministry of Electronics, which had to approve the export-only business, didn't know what a floppy disk was, Deshpande remembers. Even Deshpande's family and friends were dubious.

But Deshpande persisted, and succeeded despite some early tactical mistakes. "We sold the (telex) product to our American clients without taking a royalty," Deshpande said. "So even years later, this same product was being sold in Latin America and Africa where they were still using telex lines, and we never got a dime for it."

Still, he persisted. His next company, PSI Data Systems, founded in 1976 became one of India's largest producers of PC-compatible computers before merging with the French company, Groupe Bull.

While he still has a minor stake in that firm. Deshpande mostly works these days in a small research-and-development firm housed in cramped low-rise office building here. He named the company Ncore, to be the follow-up to PSI, and has deliberately kept the firm small. "Maybe 99 percent of the people don't think an R&D firm can make money, but I think that's wrong," he explains.

Today his company is working on leading-edge designs for speech compression, video conferencing and multimedia, Bangalore, he says, used to be known for doing code conversion and translating commercial applications developed by U.S. firms. Now companies here are beginning to develop a 4-pound palmtop computers, about the size of a Hewlett-Packard Omnibook, which will not only contain a hard drive, VGA screen and full-size keyboard, but will also boast a built-in CD-Rom drive. In addition, the machine will fold in such a way that it can also be used with a stylus as a pen-based computer.

He expects the machine will be "the most lightweight and smallest notebook with all the features" to be sold in America and says it will prove "that India can not only produce first-class software, but also top-quality computer hardware. We can definitely compete with Taiwan," he says.

Ncore's first entry into the cutthroat American market will be for use on a specific, narrow applications. Deshpande expects to be manufacturing the machines for a major Japanese brand by the end of the year.

"At first the Japanese didn't want to meet with us. They were skeptical, too," he said. "Now some of them are asking whether they can put their names on our machine."

That deal isn't done yet. But Deshpande is once again convincing skeptics about the possibilities Indian computer scientists offer to develop world-class products.

"Sure, you're going to see more multinationals set up office here," he predicts "But you are also going to see more products developed here that will be sold around the world."