

Biden to review key supply chains after semiconductor crunch

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Ford has trimmed production of its best-selling F-150 truck due to the semiconductor shortage

President Joe Biden will order a review of critical US supply chains in the wake of a semiconductors shortage that has curtailed US auto

production, the White House announced Wednesday.

Under an executive order to be signed later Wednesday, Biden will order a 100-day review across [federal agencies](#) on semiconductors and three other key items: pharmaceuticals, critical minerals and large capacity batteries, according to White House fact sheet.

Biden also will commission a more in-depth one-year review on a broader set of sources for key inputs for additional industries to analyze risks to [critical infrastructure](#) and review steps to make supply chains more resilient.

"While we cannot predict what crisis will hit us, we should have the capacity to respond quickly in the face of challenges," the White House said.

"The United States must ensure that production shortages, trade disruptions, [natural disasters](#) and potential actions by foreign competitors and adversaries never leave the United States vulnerable again."

General Motors and Ford each have trimmed auto production at US plants due to the semiconductor shortage, which stems in part from outsized demand for personal electronics during the pandemic.

Leading business and technology groups have urged Biden to enact investment tax credits to encourage the building of more US semiconductor manufacturing plants, in a February 18 letter to the president signed by the US Chamber of Commerce, the Semiconductor Industry Association and the Alliance for Automotive Innovation, among others.

"While the governments of our global competitors have invested heavily to attract new semiconductor manufacturing and research facilities, the

absence of US incentives has made our country uncompetitive and America's share of global semiconductor manufacturing has steadily declined," the letter said.

"To be competitive and strengthen the resilience of critical supply chains, we believe the US needs to incentivize the construction of new and modernized semiconductor manufacturing facilities and invest in research capabilities."

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