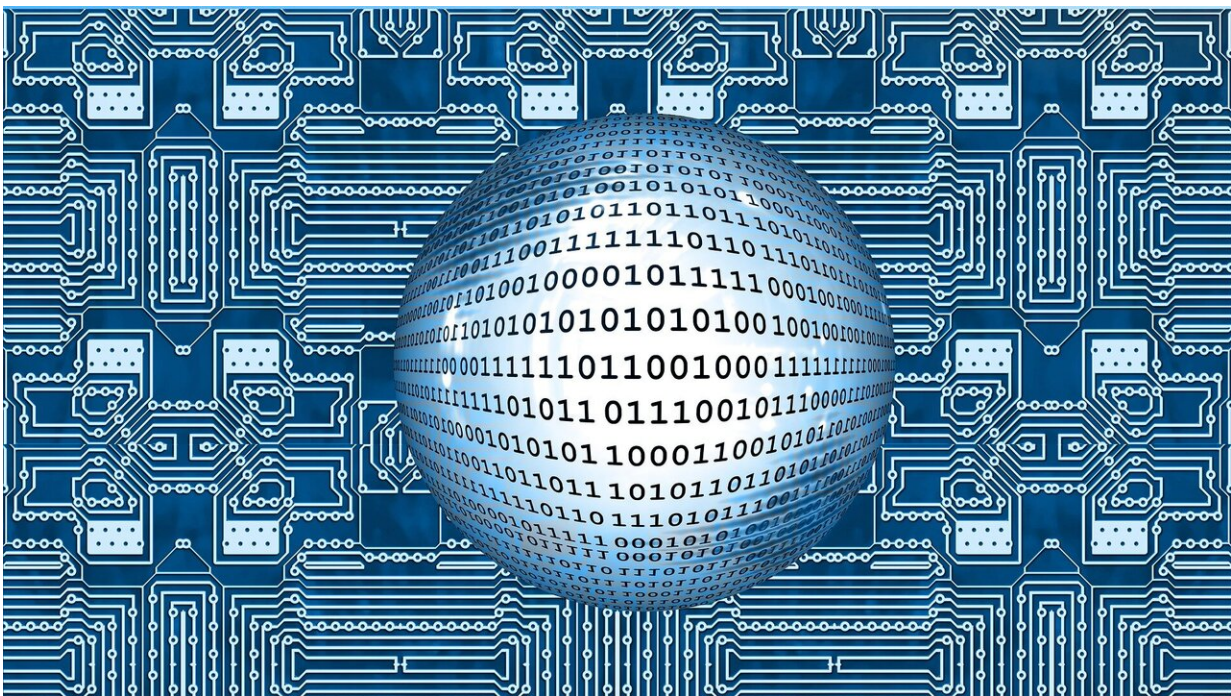


# Texas Instruments to buy semiconductor factory in \$900 million deal

July 1 2021, by Marin Wolf

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Dallas-based Texas Instruments Inc. will acquire Micron Technology Inc.'s semiconductor factory in a \$900 million cash transaction, the company announced Wednesday.

The factory, in Lehi, Utah, will be the fourth 300-millimeter wafer facility for the [semiconductor company](#). It will also be used for

65-nanometer and 45-nm production for analog and embedded processing products.

"This investment continues to strengthen our [competitive advantage](#) in manufacturing and technology and is part of our long-term capacity planning," said Rich Templeton, TI chairman, president and chief executive.

The acquisition comes amid a semiconductor chip shortage over supply issues. During the company's second-[quarter sales](#) forecast in April, Dave Pahl, TI vice president and head of investor relations, said inventory levels were lower than the company had anticipated.

TI said the purchase will give the company greater control of the supply chain.

The purchase of the new facility will have no impact on the expansion of TI's site in Richardson, where equipment installation will begin in the first half of 2022 and chip production will begin in the second half.

TI has more than 100,000 customers and makes products for several industries, including automotive, personal electronics and communications equipment.

Micron, which is based in Boise, Idaho, and specializes in memory and [storage technologies](#), expects an [economic value](#) of \$1.5 billion from the sale, with \$900 million in cash from TI and about \$600 million from select tools and other assets.

Micron, which announced its intent to sell the facility in March, has already sold some of the assets and will retain the rest for its other manufacturing sites or to sell to other buyers.

Getting the factory to full capacity will take some time, the TI press release said. The company expects to spend about \$75 million per quarter in 2022 until the plant begins to generate revenue in the first quarter of 2023.

The companies say they plan to complete the sale by the end of the year.

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Citation: Texas Instruments to buy semiconductor factory in \$900 million deal (2021, July 1)  
retrieved 16 April 2024 from

<https://techxplore.com/news/2021-07-texas-instruments-semiconductor-factory-million.html>

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