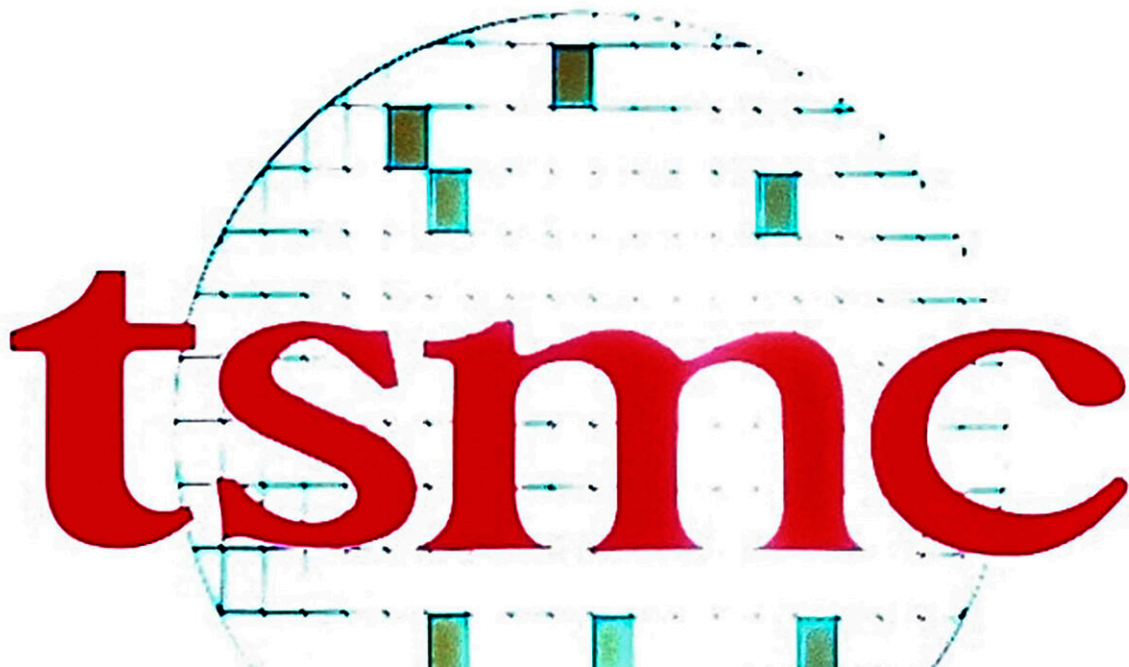


TSMC plans chip plant in Japan, says supply shortages easing

October 15 2021, by The Associated Press



In this Oct. 27, 2005, file photo, the logo of Taiwan Semiconductor Manufacturing Co. (TSMC) is displayed during a third quarter press conference in Taipei, Taiwan. Taiwan Semiconductor Manufacturing Corp. confirmed Friday, Oct. 15, 2021 it is planning to build a computer chip factory in Japan. Credit: AP Photo/Chiang Ying-ying, File

Taiwan Semiconductor Manufacturing Corp. has confirmed it is

planning to build a computer chip factory in Japan.

TSMC's CEO C.C. Wei said the company, the world's biggest contract producer of semiconductors, was expanding to better serve its customers and enhance its [competitive advantage](#).

"After conducting due diligence, we announce our intention to build a specialty technology fab plant in Japan, subject to our board of directors' approval," Wei said.

The project has a "strong commitment" from both TSMC's customers and the Japanese government, he said. Wei said details would be released later.

Wei said shortages of chips that have bedeviled automakers and other manufacturers were "greatly reduced" in the July-September quarter but they would have to "wait for a couple quarters to see the end."

Asked if he thought the chip industry might overextend its investments and end up with a glut, Wei said no.

"Not for TSMC. That's what I can let you know," he said.

TSMC has forecast that demand will be sustained by long-term trends like the introduction of next-generation telecommunications and high-performance computing. The coronavirus pandemic also revved up demand for electronic devices as the world is relying increasingly on digitalization.

Earlier this year, TSMC announced plans to invest \$100 billion in the next three years in expanding its manufacturing capacity and supporting research and development.

Unconfirmed news reports have said TSMC is building the plant in western Japan as a [joint venture](#) with Sony Corp.

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TSMC's shares rose 4.7% on Friday.

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