

US to award chipmaker Texas Instruments up to \$1.6 bn

August 16 2024



The US government says it has signed a preliminary agreements with Texas Instruments to give the company up to \$1.6 billion in support of new facilities in the country.

The US government said Friday it has signed a preliminary agreement with semiconductor manufacturer Texas Instruments to give the

company up to \$1.6 billion to help fund new facilities in the country.

The proposed direct funding comes under the CHIPS and Science Act, a package of incentives passed by Congress in 2022 to boost [research](#) and US semiconductor production.

The money would give a boost to TI's planned investment of more than \$18 billion through the end of the decade to build three new facilities, the Commerce Department said in a statement.

Two of them will be in Texas and one in Utah, and they are expected to generate more than 2,000 manufacturing jobs, the department added.

The United States has been seeking to reduce reliance on China when it comes to older-generation semiconductors, amid national security concerns and as competition with Beijing intensifies.

"During the pandemic, shortages of current-generation and mature-node chips fueled inflation and made our country less safe," Commerce Secretary Gina Raimondo said in a statement.

And Texas Instruments specializes in making such chips, which go into nearly all [electronic systems](#).

The company's planned projects "would meaningfully support the increasing needs for economic and national security applications," the Commerce Department added.

The three new facilities are set to significantly boost the firm's domestic production capacity of foundational chips.

Texas Instruments chief executive Haviv Ilan said the company plans to grow its in-house production to more than 95 percent by 2030, saying it

is "building geopolitically dependable" capacity at scale.

The latest preliminary memorandum of terms also includes \$10 million in proposed [funding](#) to help develop the company's semiconductor and construction workforce, the Commerce Department said.

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Citation: US to award chipmaker Texas Instruments up to \$1.6 bn (2024, August 16) retrieved 17 August 2024 from <https://techxplore.com/news/2024-08-award-chipmaker-texas-instruments-bn.html>

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