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Intel Breaks Ground on Two New Leading-Edge Chip Factories in Arizona

New \$20 billion capacity expansion will bring Intel's total Arizona investment to more than \$50 billion.

CHANDLER, Ariz.--(BUSINESS WIRE)-- **What's New:** Intel today broke ground on two new leading-edge chip factories at the company's Ocotillo campus in Chandler, Arizona. In a [groundbreaking ceremony](https://www.businesswire.com/news/home/20210924005514/en/) attended by senior government officials and community leaders, Intel CEO Pat Gelsinger celebrated the start of construction on the largest private investment in state history and reiterated the company's commitment to investing in U.S. semiconductor leadership.

This press release features multimedia. View the full release here:
<https://www.businesswire.com/news/home/20210924005514/en/>



"Today's celebration marks an important milestone as we work to boost capacity and meet the incredible demand for semiconductors: the foundational technology for the digitization of everything. We are ushering in a new era of innovation – for Intel, for Arizona and for the world. This \$20 billion expansion will bring our total investment in Arizona to more than \$50 billion since opening the site over 40 years ago. As the only U.S.-based leading-edge chipmaker, we are

Intel CEO Pat Gelsinger signals to the crowd from earth-moving equipment in Chandler, Arizona, on Friday, Sept. 24, 2021, for a groundbreaking ceremony to celebrate the largest private-sector investment in Arizona's history. The construction of two new computer chip factories is a \$20 billion project that will bolster U.S. semiconductor leadership and help bring geographical balance to the global supply chain. (Credit: Intel Corporation)

committed to building on this long-term investment and helping the United States regain semiconductor leadership."

–Pat Gelsinger, Intel CEO

Why It's Important: Advanced domestic chipmaking capacity and capabilities are critical for the sake of both economic and national security. The United States has lost ground in semiconductor manufacturing and is at risk of falling farther behind. With its new [IDM 2.0 strategy](#), Intel is doing its part to help rebuild U.S. leadership and bring more balance to the global supply chain. Intel is the only semiconductor manufacturer with leading-edge process and packaging research capabilities in the United States, and the company is investing in domestic capacity to support the surging worldwide demand for chips across multiple segments, from PCs to automobiles to the data center and more.

The two new fabs in Arizona will not only support growing demand for Intel's products, but will also provide committed capacity for the recently announced [Intel Foundry Services](#) (IFS). "With Intel Foundry Services, Intel is opening its fab doors wide to serve the needs of foundry customers around the globe – many of whom are looking for more geographical balance in the semiconductor supply chain," said IFS President [Randhir Thakur in a new editorial](#). "Customers are enthusiastic about these capabilities. And we have plans for continued investments in the United States, but we can't do it without government partnership to level the playing field. As Congress returns from recess, we urge both chambers to send a bipartisan bill to President Biden aimed at bolstering American competitiveness and investing in advanced semiconductor manufacturing and R&D."

How It Works: With the addition of the two new factories – to be named Fab 52 and Fab 62 – Intel's Ocotillo campus will house a total of six fabs. The new investment will create more than 3,000 high-tech, high-wage Intel jobs, 3,000 construction jobs, and support an estimated 15,000 additional indirect jobs in the local community. When fully operational in 2024, the new fabs will manufacture Intel's most advanced process technologies, including Intel 20A featuring the new RibbonFET and PowerVia innovations. (To learn more about the complexity and cost of building an advanced fab, see the [What Does it Take to Build a Fab? infographic](#).)

About Intel in Arizona: Arizona is Intel's U.S. manufacturing powerhouse. For more than 40 years, Arizona has been vital to Intel's ability to create world-changing technology. Intel is not only investing to advance the ecosystem of innovation, but the company is committed to protecting Arizona's natural resources through its [RISE](#) strategy and sustainability efforts. For example, Intel has set an ambitious goal to achieve net positive water use by 2030. In 2020, the Arizona site returned and restored approximately 95% of the freshwater used in manufacturing to the community and local watersheds through innovative water management practices and investments. (See the [Intel Arizona: Sustainability fact sheet](#) for more details on Intel's Arizona approach to sustainability.)

"Today's groundbreaking ushers in a new landscape for Arizona semiconductor production," said Arizona Gov. Doug Ducey. "For more than 40 years Intel has been at the center of Arizona's innovation economy. Intel's latest expansion promises to further that legacy for decades to come while creating thousands of jobs cementing Arizona's position as a global leader for semiconductor manufacturing. We are grateful for Intel's continued investment in Arizona and can't wait to see these factories up and running."

More Context: [It's Time to Build a More Geographically Diverse Supply Chain](#) (Randhir Thakur Editorial) | [Intel Builds in Arizona](#) (Press Kit) | [Intel Breaks Ground on Arizona Fabs](#) (Event Replay) | [Manufacturing in Arizona](#) (Fact Sheet) | [What Does It Take to Build a Fab?](#) (Infographic)

About Intel

Intel (Nasdaq: INTC) is an industry leader, creating world-changing technology that enables global progress and enriches lives. Inspired by Moore's Law, we continuously work to advance the design and manufacturing of semiconductors to help address our customers' greatest challenges. By embedding intelligence in the cloud, network, edge and every kind of computing device, we unleash the potential of data to transform business and society for the better. To learn more about Intel's innovations, go to newsroom.intel.com and intel.com.

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