

The Columbus Dispatch

Greater Columbus believed to be in running for massive computer chip factory



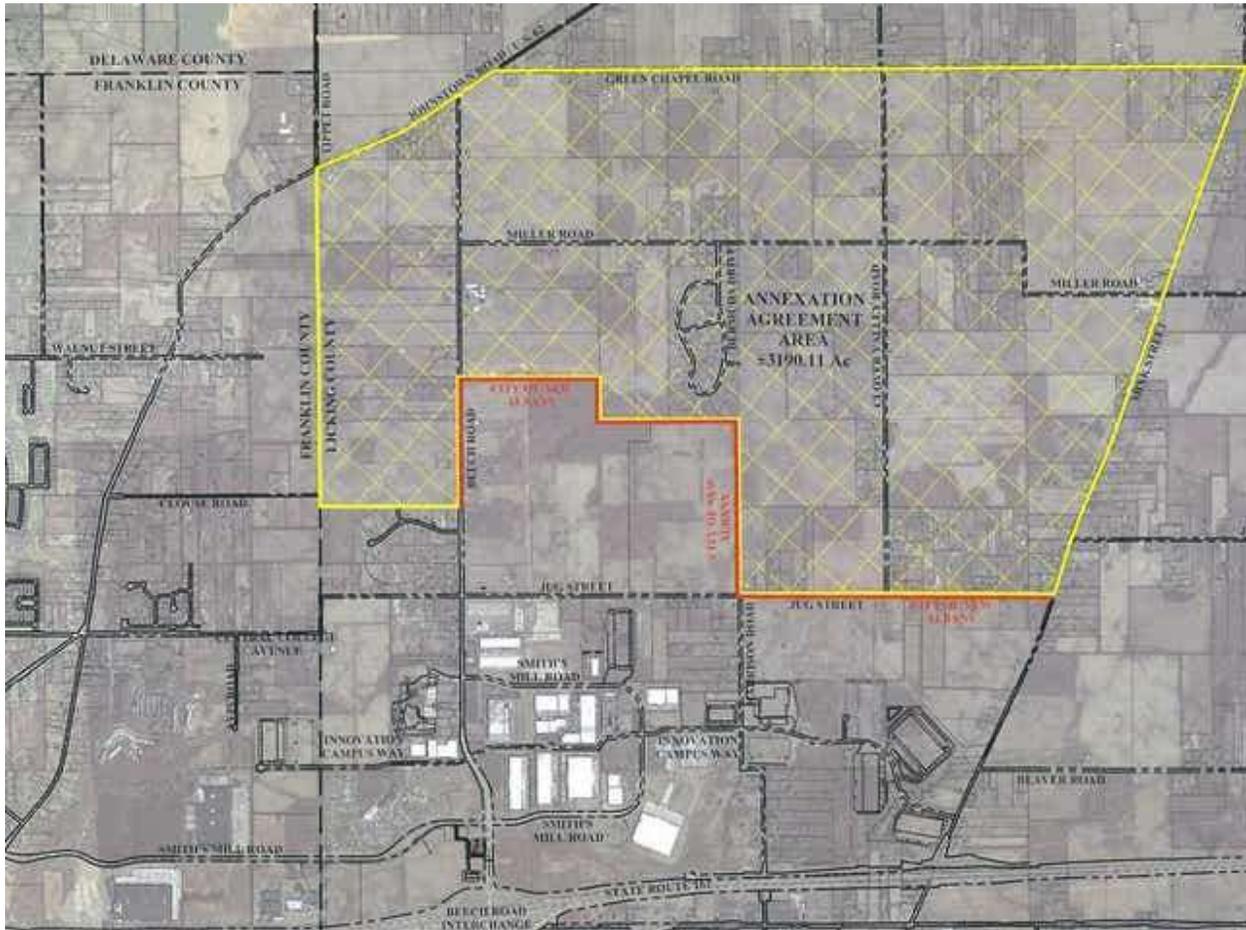
A technician examines semiconductors at a factory. Locations in Greater Columbus are reportedly being considered for a new, multibillion-dollar semiconductor factory. Getty ImagesMark Williams |

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Ohio is believed to be in the running for what would be its biggest economic development prize of all time: a major computer chip-making operation with a potential total investment of tens of billions of dollars.

State and local officials along with those from JobsOhio have officially declined to comment, but rumors have been rampant for months of a massive economic development project potentially coming to the region that could include a computer-chip factory.

At the same time, the city of New Albany is preparing to annex 3,190 acres from Jersey Township in western Licking County.



The city of New Albany has started the process of annexing as much as 3,190 acres from Jersey Township in Licking County. City of New Albany

That Greater Columbus would be in the running for such an operation comes as no surprise to John Boyd, principal of the Boyd Co., based in Princeton, New Jersey, which provides site-selection services to some of the nation's biggest companies.

Boyd cited the skill set of the region's workforce, low energy costs and the private sector's ties to institutions such as Ohio State University as reasons why the region is attractive.

"Hundreds of billions of dollars in chipmaking operations are coming to the U.S.," he said. "The Columbus market fits nicely into this narrative."

Amid supply-chain issues, greater interest in U.S. semiconductor manufacturing

Global supply-chain problems have led to massive shortage of the chips, creating long delays for consumers to be able to buy everything from cars to appliances.

Currently, only 12% of the world's chips are made in the U.S., down from 37% in the 1990s, according to industry officials. About 80% are made in Asia.

Chips are an integrated circuit or small wafer of semiconductor material embedded with integrated circuitry. They are used in thousands of products such as cars, cell phones, appliances, gaming consoles and medical devices.

As a result, semiconductor companies have started the long, laborious process of developing new U.S. sources of chips. The process figures to take several years before the plants would be up and running.

Samsung has announced a \$17 billion chip factory in Austin, Texas, and semiconductor company Intel has broken ground on two factories, called fabs, in Arizona, a \$20 billion investment.

A chip company also is said to be scouting locations in North Carolina's Research Triangle Region for a \$40 billion investment, the Triangle Business Journal reported last week.

Beyond the Arizona investment, Intel CEO Pat Gelsinger has said the company wants to create a mini-city that could be a total investment approaching \$100 billion.

"We're looking broadly across the U.S. We're saying come one, come all for proposals. This would be a very large site, so six to eight fab modules, and at each of those fab modules, between 10- and \$15 billion. It's a project over the next decade on the order of \$100 billion of capital, 10,000 direct jobs. 100,000 jobs are created as a result of those 10,000, by our experience. So, essentially, we want to build a little city," he told The Washington Post last August.

Government incentives could speed U.S. computer chip production

How quickly such a development could occur depends in part on Congress, which is debating a legislation that would provide incentives to bring chip-making back to the U.S.

The Senate passed U.S. Innovation and Competition Act in June that provides \$52 billion in federal investments for research, design and manufacturing. The legislation is pending in the House.

New Albany already has landed several high-tech companies, including data centers that have been built by Amazon, Facebook and Google.

New Albany's council on Jan. 4 voted 6-0 to enter into an annexation agreement with Jersey Township for the property, which is bounded by the Franklin-Licking County line, Green Chapel Road, Mink Street and Jug Street.

Officials have stated publicly that no use for the property has been identified, but the land would become part of the burgeoning New Albany International Business Park.