

TEXAS SEMICONDUCTOR INDUSTRY

Texas Economic Development & Tourism | Office of Governor Greg Abbott

Texas is leading the nation and the world towards the future of semiconductors. As the birthplace of the integrated circuit, invented by Jack Kilby at Dallas-based Texas Instruments, the Lone Star State is now #1 in semiconductor manufacturing and home to major operations and corporate facilities for some of the world's largest semiconductor companies.

With 15 existing or announced semiconductor fabs and semiconductor component manufacturing facilities, supported by a robust supplier ecosystem, Texas has experienced significant growth in this sector. In the last five years, there has been a 44% increase in firms across the state. This is thanks to a strategic central geographic location, lower business operating costs, a diverse and highly skilled talent pool and an emphasis on research, education and innovation, as well as supply chain, infrastructure and logistical advantages.

Leveraging the power of the "Made in Texas" brand, the Lone Star State has led the U.S. in semiconductor exports for the last 12 years in a row. In 2022, Texas exported more semiconductors and other electronic components than California, Arizona and New York combined.

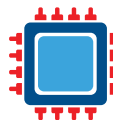
Texas is proud to be home to the headquarters of Texas Instruments (TI) in Dallas, as well as manufacturing and design facilities in Dallas, Richardson and Sherman. Notably, TI opened the world's first 300-millimeter (mm) analog wafer fab in Richardson in 2009, RFAB1, followed by initial production at a second 300-mm wafer fab in Richardson, RFAB2, in September 2022. Choosing Texas for continued expansion, TI announced the potential of up to four additional fabs at the company's site in Sherman. This landmark investment, which broke ground in May 2022, has the potential to create thousands of new jobs and up to \$30 billion in capital investment over the coming decades.



Governor Greg Abbott participated in the groundbreaking ceremony for TI's new 300-mm semiconductor wafer fabrication facilities in Sherman, Texas.



Texas has been the #1 exporter of semiconductors and other electronic components for 12 consecutive years.



Texas leads the nation with the largest theoretical wafer manufacturing capacity, representing approximately 36% of the total U.S. theoretical capacity, according to industry estimates in 2022.



Texas ranks #2 in the U.S. for semiconductor manufacturing firms.



Texas has the second-largest semiconductor workforce in the nation.



Texas ranks as the #1 state for semiconductors in Business Facilities' 2023 State Rankings Report.



In June 2023, Governor Greg Abbott signed into law the Texas CHIPS Act (House Bill 5174), which will leverage Texas' investments in the semiconductor industry, encourage semiconductor-related companies to expand in the state, leverage the expertise and capacity at Texas higher education institutions and maintain Texas' position as the nation's leader in semiconductor manufacturing.

Samsung has had a strong presence in Texas for more than 25 years, dating back to 1996 when the company began construction on its first fabrication plant in Austin, Fab 1. The company's presence has since grown to include a second plant, Fab 2, built in 2007. Now with a new \$17 billion fab underway in Taylor, and plans to increase their historic investment in Texas to include 11 additional semiconductor manufacturing facilities in Taylor and Austin, Samsung has fostered a remarkable legacy of innovation in Texas. Other top semiconductor companies in Texas include NXP, X-Fab, Tower Semiconductor, Qorvo, SecureFoundry, Infineon Technologies and more.

These major operations have opened the door for other semiconductor supply chain companies to locate in Texas. GlobiTech, Inc., a subsidiary of Taiwan-based GlobalWafers Co., announced a multibillion dollar investment in a 300-millimeter silicon wafer manufacturing facility in Sherman—the largest facility of its kind in the U.S. and among the largest in the world. Thanks to companies like Applied Materials, Tokyo Electron and others, critical semiconductor manufacturing equipment is also made right here in Texas.

Today, more than 43,000 Texans work in the semiconductor industry, and with the second-largest workforce in the nation, Texas is prepared to meet the growing demands of this industry. With more new tech

jobs than any other state, coupled with the fastest-growing population in the country for the last 17 years, Texas is a magnet for drawing tech talent.

Education and R&D is another draw for both companies and talent. Universities like Texas A&M University, the University of Texas, Rice University, Texas State University and Texas Tech University all have programs dedicated to semiconductor research. These institutions help ensure the next generation of researchers and workers in this field are well equipped to meet the needs of employers.

Thanks to a powerful history in semiconductors and continued advancements in innovation, as well as incentives and initiatives leveraged through the Texas CHIPS Act, Texas will continue to strengthen the domestic semiconductor supply chain while building the technologies of tomorrow.



Samsung Austin Semiconductor is one of the most advanced fabrication facilities in the world.

Semiconductor State Export Comparison (2022)

Texas	\$21 billion
California	\$11.3 billion
Arizona	\$4.4 billion
New York	\$2.3 billion

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OFFICE OF THE GOVERNOR TEXAS ECONOMIC DEVELOPMENT & TOURISM

The Texas Economic Development & Tourism Office (EDT) serves as the state's leading economic development organization marketing Texas as the world's premier business investment destination. The office pursues business expansion and relocation prospects, with the goal of developing job creation and export opportunities for the Texas business community.

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