

# Intel investing \$20 billion on chip manufacturing hub in Ohio

Article

**The news:** Intel announced it is investing **\$20 billion** on a massive chip manufacturing site near Columbus, Ohio, that will involve two chip factories slated to open in 2025. Intel plans to manufacture its most advanced technologies here and can increase America's share of the global chip supply.

**What this means:** Intel is aggressively striving to regain its leadership position in chipmaking and semiconductors, [per](#) Bloomberg. After [announcing](#) a \$7 billion chip facility in Malaysia and hiring away Apple's lead [silicon engineer](#), it's setting its sights closer to home.

- Intel is breaking ground on a **1,000-acre location that will employ 3,000 people** and “tens of thousands” more by extension across suppliers and partners.
- **Intel CEO Pat Gelsinger** said Intel plans to evolve the site into “the largest silicon manufacturing location on the planet” and has plans to expand to 2,000 acres with eight fabs.
- Gelsinger added that the site could become “the Silicon Heartland” and that \$100 billion in investments are planned for the site for the next decade.

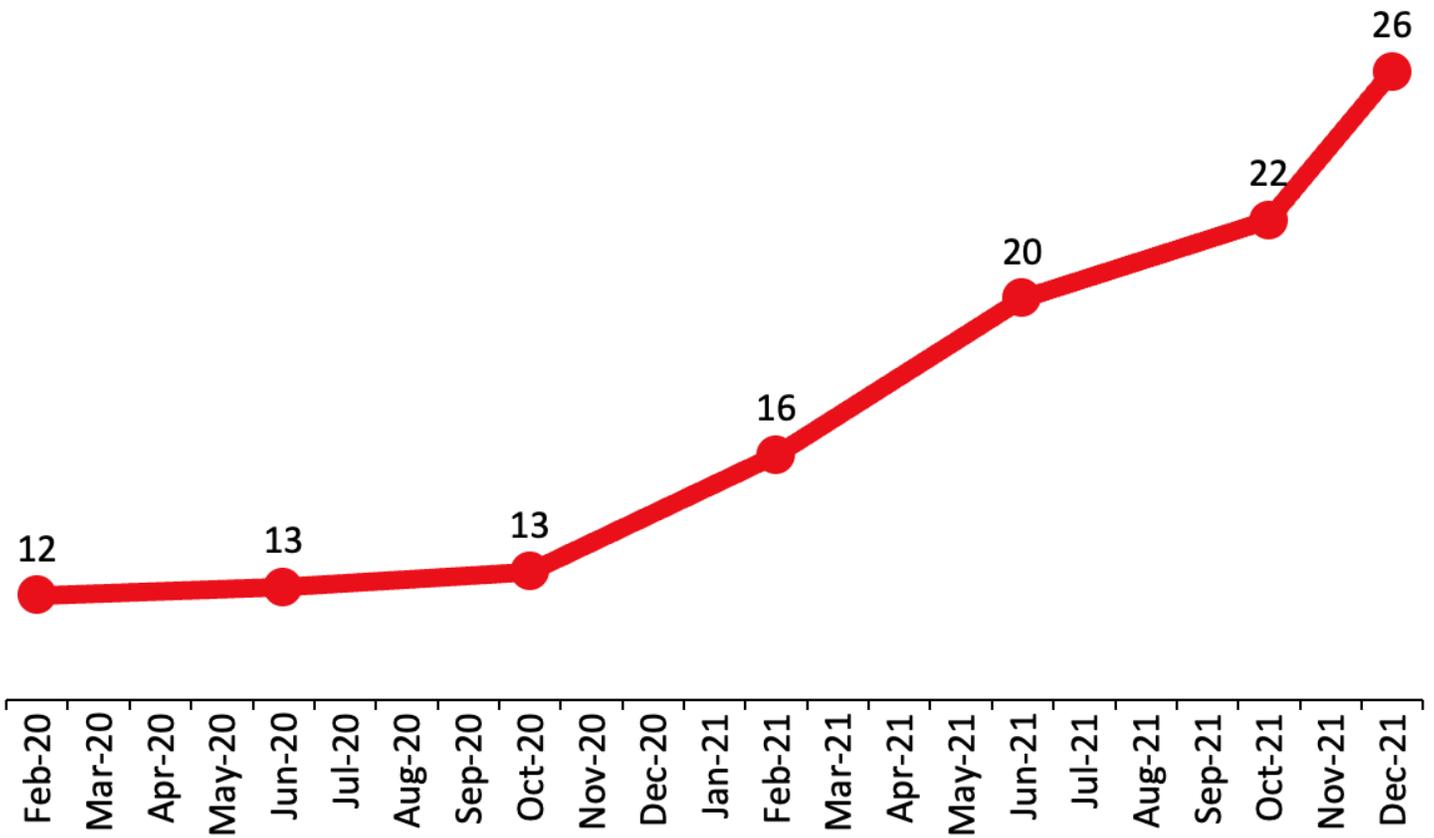
**The opportunity:** Ohio will house Intel's first new manufacturing location in a different US state in over 40 years. The company has fabs in Oregon, New Mexico, and Arizona.

- Intel, which is also investing \$20 billion to expand its Arizona hub, seems to be jumping on a trend of investments in US locations for future chip fabs—Samsung [announced](#) a \$17 billion plant in Texas, slated to open in 2024 and create around 1,800 jobs.
- 2022 will be an uphill climb for the entire chip industry. Delivery times for chips increased to 25.8 weeks in December, the longest wait time on record, [per](#) the Susquehanna Financial Group.

**The takeaway:** 2025 will be a big year for US-based chip manufacturing, and more companies could take advantage of cheap land and [incentives](#) to set up fabs.

- In context, the US Senate passed a bill to provide chip makers with **\$52 billion in subsidies** last year, Washington's biggest industrial policy investment in decades.
- The only possible downside is a glut of chips due to overproduction once the global chip crisis ends.

# Gap Between Ordering a Chip and Delivery (In weeks)



Source: Susquehanna Financial Group, 2022

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