



Friday January 8, 2016

INFORMATION ABOUT VERMONT ENTERPRISE FUND AWARD TO GLOBALFOUNDRIES

GBIC appreciates the leadership and actions of Governor Shumlin and of the Emergency Board to award \$1 million of the Vermont Enterprise Fund to GLOBALFOUNDRIES. The funding helps to support GLOBALFOUNDRIES' investments in the Essex Junction/Williston VT campus, and shows a strong commitment from the State as a partner moving forward.

About GLOBALFOUNDRIES:

Launched in March 2009 through a partnership between AMD and the Advanced Technology Investment Company (ATIC), now Mubadala Technology, GLOBALFOUNDRIES provides a unique combination of advanced technology, manufacturing excellence and global operations.

GLOBALFOUNDRIES is based in Silicon Valley with manufacturing operations in Dresden, Germany; Malta and East Fishkill New York, Essex Junction Vermont and Singapore. These sites are supported by a global network of R&D, design enablement, and customer support operations in Singapore, China, Taiwan, Japan, the United States, Germany, India and the Netherlands.

GLOBALFOUNDRIES is a world leader in semiconductor foundry operations, having a global manufacturing network, leading edge innovation and technology development for a number of existing and developing markets.

- GLOBALFOUNDRIES acquired IBM's Microelectronics Division in July 2015.
- GLOBALFOUNDRIES' Vermont assets includes the land, buildings, infrastructure and equipment used to support photomask development and manufacturing, wafer testing, and other support missions for semiconductor production
- The acquisition of the IBM division enabled GLOBALFOUNDRIES to expand existing capacity, as well as adding new differentiated Application Specific Integrated Circuit (ASIC) and Radio Frequency (RF) capabilities:
 - o RF technologies and expertise has helped GLOBALFOUNDRIES become a leader in wireless front-end module solutions
 - o ASIC technologies and expertise has helped GLOBALFOUNDRIES become a leader in wired communications.
 - The VT campus is the center of GLOBALFOUNDRIES' ASIC operations and is the headquarters of design capabilities and intellectual property development for these products
- The Vermont campus is part of the Northeast Technology Corridor, which runs from East Fishkill through Albany and Malta New York to Burlington Vermont.

GBIC – Greater Burlington Industrial Corporation

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About GLOBALFOUNDRIES' Investments and Economic Impact in Vermont:

GLOBALFOUNDRIES has targeted its Vermont campus for \$72 million in investments to make it more globally competitive with other GLOBALFOUNDRIES sites and with its competitors, adding new manufacturing equipment and infrastructure to improve capability to support current and future technologies

- GLOBALFOUNDRIES takes IBM's position as the State's largest private employer
 - o The advanced manufacturing done on site provides high-skill opportunities for professional jobs, technicians, and production across technologies and products for around 3,000 Vermonters
 - GLOBALFOUNDRIES employs Vermonters from 97 Vermont towns and 13 Vermont Counties
 - In addition to direct employment, there are several hundred contractors on site
 - GBIC estimates that each direct job has multiplier effects of up to 2.5 additional jobs in the community
- The scale of the facility and operational power usage can be leveraged to spread out the fixed capital costs associated with capital intensive power transmission, reducing prices to other users
 - o Essex Junction and Williston campus uses over 34% of CSWD water
 - o Essex Junction and Williston campus uses between 4-6% of VELCO transmission
 - This long-term and stable usage allows spreading of the high capital costs associated with transmission; other users benefit from the quality of the transmission while their costs for the infrastructure are reduced



The Use of **Vermont Enterprise Funds:**

Vermont Enterprise Funds *will be used to sustain jobs on campus and to improve the reliability of the site's infrastructure.*

- Semiconductor manufacturing requires steady, reliable, and precise control of the entire manufacturing environment (materials, production, testing, etc.) at all times, all year.
 - o Temperatures of 68°F +/- 2*
 - o Humidity of 42* +/- 3*
 - o Extensive particle and contaminant control from air handlers moving 1,000,000 cu. ft. air per minute at 55°F and a 42* dew point
 - o 2.3 million gallons per day of Reverse Osmosis water

Specific Upgrades to include:

- Improvements to the High Temperature hot water system
- Improvements to the chilled water system
- Refurbishment of infrastructure for the supply and return of utilities, raw materials, and waste across the manufacturing site
- Upgrades and reliability improvements to the site's power grid and electrical distribution system
- Upgrades and reliability improvements to the Reverse Osmosis water system

Site and facility upgrades will help the campus to continue to provide a competitive scale and be technically and economically viable. Continued investment is required to better ensure the facility can provide the leading edge technologies required to sustain the manufacturing operation.

- GLOBALFOUNDRIES make capital investments of \$72 million over two phases (2015 – 2016) in semiconductor manufacturing equipment, photomask equipment, and campus facilities
- GLOBALFOUNDRIES will convert 100 supplemental employees to permanent employees with benefits to include medical, dental, life insurance, paid sick leave, and 401(k) with employer match



About GBIC:

The Greater Burlington Industrial Corporation (GBIC) is the certified nonprofit economic development corporation serving Chittenden County, Vermont. GBIC was incorporated by 50 municipal officials and civic leaders from the Greater Burlington area and was created in 1954 by an Act of the Vermont Legislature. The founders were citizens interested in creating sustainable economic opportunities for future generations.

GBIC is a key partner in Vermont's overall economic development. Serving the largest and most economically and demographically diverse county in Vermont, GBIC is one of Vermont's twelve Certified Regional Economic Development Corporations. GBIC works closely with the Governor, the Vermont Department of Economic Development, the Vermont Agency of Commerce and Community Development, state officials and others to help sustain a positive economic climate in areas such as labor and housing markets; business financing; education; export assistance; growth planning and development issues; workforce education, development, and training; entrepreneurship and innovation; and environmental concerns.

The primary goal of GBIC is the creation and retention of value-added jobs that will strengthen the region's economy and improve the quality of life for area residents. The primary economic market focus of GBIC is the region's value-added industry sectors and the region's economy-driving businesses.

To achieve these goals, GBIC annually conducts visits to our region's municipalities and continually interacts with our region's key employers. Additionally, GBIC has developed seven industrial parks and operates a Foreign-Trade Zone in the Chittenden County area. For more than 50 years, GBIC has played an important role assisting in the creation and retention of thousands of new jobs in the value-added industry sectors, which have paved the way for additional support jobs in the wholesale, retail, and service trades.

GBIC partners with many organizations that affect economic and community development in the area, such as the Lake Champlain Regional Chamber of Commerce, Chittenden County Regional Planning Commission, the University of Vermont, Vermont Technology Council, the Vermont Center for Emerging Technologies, Champlain College, the Vermont State Colleges, United Way of Chittenden County, Lake Champlain Regional Workforce Investment Board, and many others.