

NOVEMBER 11, 2010

Taiwan to Pass Japan as Largest Source of IC Wafer Fab Capacity

The Idea of Fabricating ICs for Others has Paid Off Handsomely for the Country

It was not long ago that Taiwan was considered just a provider of back-end (assembly and test) services for the semiconductor industry. However, over the past two decades the country has molded itself to be a primary source of advanced front-end chip manufacturing services. In fact, an increasing number of IC suppliers are putting their IC fabrication needs entirely in the hands of Taiwanese companies like TSMC, UMC, and WIN Semiconductors. When it comes to IC fabrication, Taiwan is no longer considered merely a second-source for capacity. It is now the *only* source of fab capacity for many companies.

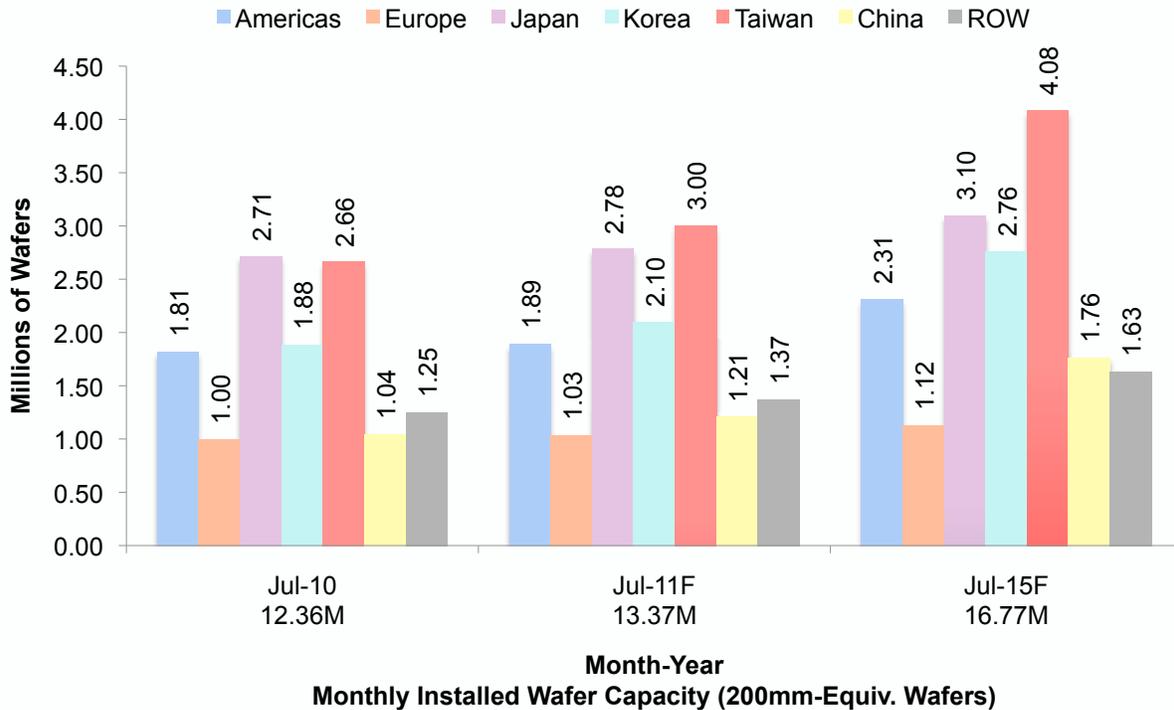
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In IC Insights' newly released *Global Wafer Capacity 2010-11* report, it is shown that by mid-2011, Taiwan will surpass Japan as the industry's largest source of IC fab capacity (Figure 1). As of mid-2010, there was virtually no gap between the fab capacity levels in Taiwan and Japan. For comparison, in 2006, Japan's industry-leading share of capacity was about 25% greater than that of Taiwan. The new report shows that over the next five years, Taiwan is expected to gain more marketshare with regard to IC fab capacity than any other major country/region. By 2015, Taiwan is predicted to be home to nearly 25% of the world's IC fabrication capacity, with Japan coming in second at about 18%.

The new *Global Wafer Capacity 2010-11* report also shows that Taiwan already has the industry's largest share of capacity for the biggest wafer size (i.e., 300mm). The country also holds the industry's largest share of "not quite leading edge" capacity consisting of 90nm and 65nm process technology "nodes." This is to be expected, given Taiwan's focus on providing foundry services to a large variety of fabless IC suppliers, "fab-lite" IDMs, and electronic system producers.

Forecast for Monthly Installed Capacity by Geographic Region



Source: IC Insights

Figure 1

Report Details

Published in October 2010, the *Global Wafer Capacity 2010-11* report features 78 pages and 55 charts/tables of IC wafer capacity analyses and forecasts along with two addendums: a 56-page addendum of 300mm wafer manufacturer profiles; and a 22-page addendum of detailed IC fab specifications. Individual subscribers receive a full-color hard-copy and CD-ROM for \$4,185. For those interested in providing the data to multiple users within a company, a multi-user company-wide use license is available for \$6,990.

About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs.

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