

Executive Summary: Oregon CHIPS Biannual Report #2

This report provides an update on the Oregon CHIPS Program covering July–December 2024. It highlights progress on semiconductor industry investments supported by Senate Bill 4 and the Oregon CHIPS Fund, which allocated \$195.3 million across 11 projects over the course of the 2023-2025 Biennium. The Oregon CHIPS Fund aims to secure Oregon’s competitiveness in the semiconductor sector, attract federal resources, and expand high-wage employment opportunities in the state.

Key Metrics

Project Capital Expenditures	>\$3.18 billion
Jobs Created from CHIPS Projects	509*
Oregon Suppliers Engaged	622 (131 small businesses)
Funds Allocated	\$195.3 million
Funds Reverted (2025)	\$29.6 million

Key Takeaways

- **Program Scale & Investment:** Oregon CHIPS has leveraged \$195 million in state support to drive over \$3.18 billion in private capital investment. These investments include facility expansions, modernization, and research and development initiatives across multiple Oregon companies.
- **Economic Impact:** Projects supported by Oregon CHIPS have created 509 jobs to date, with more expected as expansions progress. More than 622 Oregon businesses – including 131 small businesses – have benefited as suppliers.
- **Federal Alignment:** Oregon companies secured nearly \$2 billion in federal CHIPS Act awards, including \$1.86 billion for Intel, \$80 million for Analog Devices, and \$53 million for HP. These awards bolster Oregon’s role as a national leader in semiconductor innovation and advanced manufacturing.
- **Return on Investment Requirements:** Contracts require grantees to generate positive public benefits via the creation of new jobs or increase state and local tax revenues.
- **Workforce & Education:** Oregon CHIPS recipients are deeply engaged in workforce development, supporting apprenticeships, internships, and K-12 STEM initiatives. These partnerships are critical to ensuring a pipeline of skilled workers for Oregon’s semiconductor industry.
- **Challenges & Opportunities:** While Intel and other firms faced workforce reductions in 2024, long-term forecasts project significant semiconductor demand growth driven largely by investments in artificial intelligence. Oregon’s ecosystem is well-positioned to capture these opportunities

Conclusion

The Oregon CHIPS Program has helped lay a foundation for Oregon’s continued growth and resilience in the semiconductor industry. Continued state support and policy alignment will be critical to retaining high-value manufacturing, securing federal resources, and ensuring that Oregon workers and communities share in the benefits of this global industry transformation.

* Business Oregon recognizes that Intel Corporation has reduced employee headcount in Oregon during the reporting period. However, per ORS 2025, Chapter 23, Section 1.(4)(e)(A)(i,ii) and ORS 2025, Chapter 23, Section 4.(1)(b), Oregon CHIPS agreements track new positions created by each company’s CHIPS project, rather than recording the net increase of company employment counts in the state.

Oregon CHIPS At-A-Glance

Company	Contract Start Date	Project Summary	Oregon CHIPS Award	Capital Expenditures to date	Jobs Created To date	Federal CHIPS & Science Act Award
Microchip Technology, Inc.	January 5, 2024	Modernization and expansion project to triple production at its 140-acre facility in Gresham.	\$11,000,000	\$162 million	0	Awarded \$72 million, did not reach agreement w/Fed CHIPS
Intel Corporation	January 5, 2024	Expansion of Intel's DIX wafer fabrication facility at the company's center for global R&D in Hillsboro.	\$115,000,000	Confidential	424*	\$1.86 billion
HP, Inc.	January 5, 2024	Modernization and expansion to advance development and manufacturability of microfluidics technology in Corvallis.	\$9,500,000	\$51.7 million	Confidential	\$53 million
Analog Devices, Inc.	May 7, 2024	Expansion, infrastructure improvements, and new equipment at the company's largest site in Beaverton.	\$12,000,000	\$698.8 million	Confidential	Awarded \$80 million for PNW project
Siltronic Corporation	May 16, 2024	Tools & equipment to modernize metrology capabilities at the company's Portland production facility.	\$1,500,000	Confidential	0	
Lam Research Corporation	May 29, 2024	Expansion, construction of new advanced R&D center at its Tualatin campus.	\$22,000,000	\$45 million	1 direct +38 consultants	
Stratacache, Inc.	July 2, 2024	Construction of GaNSi MicroLED foundry through reuse of semiconductor production facility in Eugene.	\$19,000,000	\$6 million	1	
ATI Specialty Alloys & Components, LLC.	October 15, 2024	Upgrade and expansion of the company's materials production for the semiconductor industry at its facilities in Millersburg.	\$1,600,000	\$18.5 million	25	
AGC Electronic America	January 6, 2025	Expansion and modernization of existing Hillsboro manufacturing facility. AGCEA is a subsidiary of AGC Inc., a Japanese company with over 25 years of operations in Oregon.	\$500,000	Will commence reporting in May 2025		
Valliscor, LLC	March 11, 2025	Construction of a new facility in Albany to support the expansion of existing Oregon-based operations.	\$345,000	Will commence reporting in May 2025		
Tokyo Ohka Kogyo America (TOKA)	June 30, 2025	Expansion of existing manufacturing facility in Hillsboro. TOKA is a Japanese company with a long history of operations in Oregon.	\$2,900,000	Will commence reporting in May 2025		
TOTALS			\$195,345,000	\$3,184,800,000	509	\$1,993,000,000