

# Front-End Fab Equipment Spending to Grow 17 Percent in 2013

SEMI

**SAN JOSE, Calif. — September 5, 2012 —** SEMI today released an update to its World Fab Forecast database, which indicates that total fab spending for equipment needed to ramp fabs, upgrade technology nodes, and expand or change wafer size could increase 16.7 percent in 2013 to reach a new record high of \$42.7 billion. The estimate includes new equipment, used equipment, or in-house equipment but excludes test assembly and packaging equipment.

The latest edition of the SEMI World Fab Forecast lists over 1,150 facilities (including 300 Opto/LED facilities), with 76 facilities starting production this year and in the near future. The database tracks projected spending on equipment and construction. Since the previous fab database publication in May 2012, SEMI analysts have made over 296 updates to more than 230 facilities (including 52 Opto/LED fabs) in the database.

Semiconductor manufacturing foundries were significant drivers of fab equipment spending in 2012 with over \$10 billion combined investment. Their dominance is expected to continue with approximately \$10 billion additional equipment spending in 2013.

In 2012, the Americas had the largest percentage of fab construction. From 2010 to 2012, over \$6 billion will be spent in the Americas on fab construction projects led by Intel, Globalfoundries, Samsung, and Micron. Most of these construction projects will be completed by the end of 2012. No immediate new fab projects in the Americas are anticipated, resulting in projected investment for 2013 construction to drop below \$500 million from almost \$3 billion in 2012.

In 2013, most of the fab construction in will occur in Taiwan, China, and Korea. Samsung has begun an aggressive conversion of up to four existing Memory lines to System LSI. A transition from Flash to System LSI is difficult; some drop in capacity in Memory is expected, but the company is expected to compensate by building a new fab for Memory, in Xian, China, with a massive investment of \$7 billion. The fab is expected to begin construction mid-September 2012.

The SEMI World Fab Forecast provides additional detail about the phases for ramping this leading-edge Flash fab with huge potential capacity. Other increases in fab construction investment will come from SMIC's new fab in Beijing, and TSMC and UMC fab projects in Taiwan.

## Front-End Fab Equipment Spending to Grow 17 Percent in 2013

Published on Electronic Component News (<http://www.ecnmag.com>)

---

The SEMI World Fab Forecast uses a bottom-up methodology for evaluating capex for construction projects, fab equipping, technology levels, and products. It provides high-level summaries and graphs; and in-depth analyses of capital expenditures, capacities, technology and products by fab. Additionally, the database provides forecasts for the next 18 months by quarter. These tools aid understanding of how semiconductor manufacturing will look in 2012 and 2013.

The World Fab Forecast is distinct from SEMI's Worldwide Semiconductor Equipment Market Subscription (WWSEMS), which tracks only new equipment for fabs and test and assembly and packaging houses. Learn more about the SEMI fab databases at: [www.semi.org/MarketInfo/FabDatabase](http://www.semi.org/MarketInfo/FabDatabase) [1] and [www.youtube.com/user/SEMIImktstats](http://www.youtube.com/user/SEMIImktstats) [2]

### About SEMI

SEMI is the global industry association serving the nano- and microelectronics manufacturing supply chains. Our 2,000 member companies are the engine of the future, enabling smarter, faster and more economical products that improve our lives. Since 1970, SEMI has been committed to helping members grow more profitably, create new markets and meet common industry challenges. SEMI maintains offices in Beijing, Bengaluru, Berlin, Brussels, Grenoble, Hsinchu, Moscow, San Jose, Seoul, Shanghai, Singapore, Tokyo, and Washington, D.C. For more information, visit [www.semi.org](http://www.semi.org) [3]

### Association Contacts

Deborah Geiger/SEMI  
Tel: 1.408.943.7988  
Email: [dgeiger@semi.org](mailto:dgeiger@semi.org) [4]

Dan Tracy/SEMI  
Tel: 1.408.943.7987  
Email: [dtracy@semi.org](mailto:dtracy@semi.org) [5]

# # #

### Source URL (retrieved on 04/21/2015 - 5:53am):

<http://www.ecnmag.com/news/2012/09/front-end-fab-equipment-spending-grow-17-percent-2013>

### Links:

[1] <http://www.semi.org/MarketInfo/FabDatabase>

## Front-End Fab Equipment Spending to Grow 17 Percent in 2013

Published on Electronic Component News (<http://www.ecnmag.com>)

---

[2] <http://www.youtube.com/user/SEMImktstats>

[3] <http://www.semi.org/>

[4] <http://www.semi.org/en/node/mailto:dgeiger@semi.org>

[5] <http://www.semi.org/en/node/mailto:dtracy@semi.org>