Cahners
MICROPROCESSOR REPORT
www.MPRonline.com
THE INSIDER'S GUIDE TO MICROPROCESSOR HARDWARE

MOTO BUYS HYUNDAI FAB

By Keith Diefendorff {5/8/00-04}

On April 20, Motorola announced plans for a major expansion of its semiconductor manufacturing capability in Europe. The company is purchasing from Hyundai a 150-acre, one-million-square-foot manufacturing facility in Dunfermline (Scotland), adding to its existing three U.K. plants in East Kilbride, South Queensferry, and Easter Inch.

Apparently, the new facility's previous owner finished construction on the site three or four years ago but stopped short of outfitting the 100,000-square-foot clean room; it then abandoned plans to put the fab into production because of a downturn in demand. Motorola, on the other hand, is currently operating all its facilities at full tilt and needs extra capacity. In fact, the company is contemplating increasing the Dunfermline clean room to 150,000 square feet before it goes into full operation in 12 to 18 months. Although Motorola has declined to reveal the fab's ultimate capacity, such a large facility could easily pump out more than 5,000 wafers per week, adding significantly to Motorola's worldwide fab capacity. The purchase of this new facility seems to run counter to Motorola's stated plans of outsourcing more of its embedded-processor manufacturing (see *MPR 1/25/99-02*, "Integration, Diversification Key in 1998").

Motorola hasn't made a final decision on which semiconductor process to install first at Dunfermline, saying only that it will be a deep-submicron process based on 200mm (8-inch) wafers. We believe the decision is between the company's 0.18-micron copper HIP6 process—which Motorola is currently using to produce PowerPC G4s, and which process-development partner AMD is now installing for Athlon at its new Fab 30 in Dresden (Germany)—and its next-generation HIP7 process. Once the Dunfermline fab is fully equipped, Motorola expects its total outlay to approach $2 billion.