

“How to make an American job”

July 1st, 2010

FUNDED BY ABU DHABI

When chipmaker Advanced Micro Devices ([AMD](#)) announced it was getting out of the manufacturing business in 2007, people in Malta, N.Y.—a town of 13,000 that is 20 miles from Albany—worried about the fate of the massive plant AMD was planning to build there. Help came from an unexpected source: the government of Abu Dhabi.

The \$6.6 billion, 300,000-square-foot factory project has been taken over by Globalfoundries, the company created when Abu Dhabi's Advanced Technology Investment bought AMD's plants in Dresden, Germany, and took over the Malta project. As in Michigan, subsidies were essential. New York State committed up to \$1.2 billion in tax breaks and other incentives, depending on how many jobs the Malta facility creates. According to the Semiconductor Industry Assn., building a chip plant in the U.S. adds \$1 billion in costs over its lifetime.

With both a state-funded nanotechnology research center and IBM's ([IBM](#)) headquarters nearby, Malta has a healthy population of top engineers who are suited to this highly skilled work—which is part of the appeal for the company. (You try depositing a layer of chemicals that is one atom thick on a chip.) The jobs will pay well for the 1,300 people who will work there when the Malta factory opens in 2012. Dennis Mullen, chairman of the Empire State Development Corp., says his agency expects the project to create three or four times as many jobs outside the plant. –

Ian King, Bloomberg