

Report: Apple's iPhone, iPad chip now made in Texas

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By **Stan Schroeder**, Mashable

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The A5 chip powers both Apple's iPhone 4S and its iPad tablet computer.

STORY HIGHLIGHTS

- Report: Apple's A5 chip is now made in a Texas factory
- Reuters says the factory, owned by Samsung, employs 1,100 people
- Most of Apple's products have been made in China and Korea

(CNN) -- Apple's A5 chip, which powers the iPhone 4S and the iPad 2, is now being produced in a Texas factory owned by **Samsung**, Reuters reports, citing sources familiar with the operation.

Until now, Apple has mainly relied on Korean and Chinese manufacturers that produced the chips for Apple's products on their soil.

Samsung's new \$3.6 billion plant in Austin is the size of nine football fields (1.6 million square feet), and it's almost solely dedicated to producing Apple chips.

The factory employs some 1,100 workers and it reached full productive capacity this month.

This is good news for the city of Austin, where Samsung already has a NAND flash memory factory. According to the Austin Chamber of Commerce, Samsung's factory is the largest foreign investment in Texas, worth about \$9 billion.

The 45 nm Apple A5 chip runs on either 800 MHz or 1 GHz clock speed, and it's twice as powerful -- according to Apple -- as its predecessor, the A4.

Interestingly enough, Samsung is producing chips for Apple, although the two companies still haven't resolved their patent war that has been raging on for months.

Both Samsung and Apple declined to comment on the deal.

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[via Reuters]

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Captiosus



One chip does not the iPad (or iPhone) make. The rest of the device is still made by sweatshop labor in China at Foxconn. And where do you good folks think the bulk of the profits from that Samsung Texas plant go? (Here's a hint: It's not the US.)

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chillwind

So you rather not have any foreign investment in US at all. At least by having a factory here, US gets jobs, and people working at the US plant gets paid. If Samsung decides to close this factory and build a cheaper plants in a 3rd world country, where labor is much cheaper, guess what? US gets N... [more](#)

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AlpaChino

This is the problem with the uneducated. You are all talk with no understanding. ALL cell phones are made overseas. Stop criticizing Apple for what everyone does.

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funkyjim

Not suprised Apple uses outdated tech in their chips. 45nm tech is old, Intel and AMD have been using 32nm for over a year! Apple = overpriced old technology!

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javierh

Hope the price of those items remain the same.....or maybe cheaper

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JennyTX

American jobs! Thanks, Apple and Samsung!

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bluejoey

Was about to buy Ipad2, now I think Galaxy is not so bad after all...

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kato3000

What about this article persuaded you to get a galaxy tab because this post made zero sense.

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africon

Samsung was already one of those "Korean and Chinese manufacturers" of the Apple chip. So Apple has nothing to do with that.

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djayed

Only if Samsung was an American company....must of the money they make will still go overseas! What a joke!

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chillwind

Are you that dense? If no foreign company open a factory here, then yes all the money goes overseas. By opening a factory here some money is retained, what? You think those jobs created by the foreign factory in US are so that Americans to work for free? What you propose? For Samsung to become ... [more](#)

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nelsond

Samsung's Galaxy tablet has the A5 chip with a different name. Any wonder it is almost like iPad?

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madass55

How many Americas are working there?

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kewlzter

the newspaper reads: "Texas Plant closes 100s lose their jobs, as Apple moves it's business abroad"? Apple has made no secrete that it's shopping around for a new Manufacturer of it's chips. Should Apple now pull the plug on Samsung, this will have a negative backlash against Apple, for Taking jobs... [more](#)

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illc75243

You obviously don't understand contracts. Do you really think Apple can just walk away from their contract commitments with no repercussions?

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native2010

and now because of those American workers demand \$30/hr for creating those chips. I will have to pay extra \$200 on my iPad. Which is why i love chinese brothers and sister. They make it easier on my pocket

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illc75243

You don't know much about the semiconductor industry and it shows. I work at a semiconductor manufacturer in Texas and our cost per pattern level is less that the foundries such as TSMC and UMC.

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madass55

You are going to pay more when the USA hits bottom,

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leoBr

You won't.

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Rickkk

\$30/hr. That's not a lot.

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ExLonghorn

I can assure you that, after working at Motorola Semiconductor and living in Austin for many years, the folks making those chips are bringing in nowhere near \$30/hr.

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XENOGears

What about having an American manufacturer of ICs?

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FillFill

@XENOGears I have a CpE degree and don't live too far from Silicon Forest. In fact around here (Oregon) we've been the world's largest producers of silicon wafers for years. Read up.

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