
azcentral.

TECH

US Commerce Secretary visits TSMC complex in Phoenix as work on third fab starts

**Russ Wiles**

Arizona Republic

April 30, 2025 | Updated May 1, 2025, 7:51 p.m. MT

A top Trump Administration official visited the Taiwan Semiconductor Manufacturing complex in north Phoenix on April 29 to help the company break ground on its third factory or “fab” at the site.

The visit by Commerce Secretary Howard Lutnick was the latest in a string of landmark developments in recent months for the advanced-technology hub. [TSMC late last year began commercial production of chips at its first fab](#), then finished its second Phoenix fab earlier this month.

Commerce officials said the groundbreaking for the third fab highlights the Trump Administration’s renewed commitment to strengthening and expanding American manufacturing.

In early March, at a White House ceremony, [Trump and C.C. Wei](#), TSMC’s CEO, announced the company would [expand its commitment in Phoenix to \\$165 billion](#), up from \$65 billion previously.

The latest fab expansion will result in the production of increasingly small, cutting-edge chips used in most modern electronic products, from smartphones and computers to medical equipment, with special emphasis on items using artificial intelligence.

Need a break? [Play the USA TODAY Daily Crossword Puzzle.](#)

TSMC’s additional \$100 billion investment is expected to create 40,000 construction jobs over the next four years, along with tens of thousands of well-paying tech jobs, while driving more than \$200 billion in indirect output across Arizona in the coming decades, according to the Commerce Department. The expansion underscores the critical role of public-private partnerships, the department said.

“We are at TSMC Arizona to celebrate the return of American manufacturing,” Lutnick said at the groundbreaking ceremony, which was off limits to most media. “President Trump’s bold leadership and clear direction are driving companies and jobs back to this country at a record pace.”

Wei noted that the TSMC commitment of \$165 billion is the largest single foreign direct investment in U.S. history and showcases the progress being made at the company’s Phoenix operation. The new third fab “will introduce more advanced semiconductor capacity to the United States,” he said.

Tim Cook, Apple’s CEO, also commented on the development but did not attend the groundbreaking ceremony.

“As TSMC Arizona’s first and largest customer, we’re excited for the future of American innovation and the incredible opportunities it will create,” Cook said.

Another TSMC customer is artificial-intelligence leader Nvidia.

“AI is revolutionizing every aspect of the technology stack, and Nvidia AI supercomputers are at the foundation,” said Jensen Huang, the company’s CEO and founder, who also didn’t attend the ceremony.

“We’re proud to produce our technology in Arizona, bringing AI infrastructure manufacturing back to America, he added. “The administration’s support for U.S. manufacturing makes this possible — and vital— for the next industrial revolution.”

Like TSMC, Apple has [announced a major, multiyear investment in recent weeks that will involve Arizona](#), and Nvidia has revealed that it too is now having chips made at the TSMC site.

Reach the writer at russ.wiles@arizonarepublic.com.