



BUILD ELECTRONICS BETTER

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May 30, 2023

The Honorable Kay Granger
Chairwoman
House Appropriations Committee
H-307 The Capitol
Washington, DC 20515

The Honorable Rosa L. DeLauro
Ranking Member
House Appropriations Committee
1036 Longworth House Office Building
Washington, DC 20515

The Honorable Ken Calvert
Chairman
Subcommittee on Defense
House Appropriations Committee
H-405 The Capitol
Washington, DC 20515

The Honorable Susan Collins
Ranking Member
Subcommittee on Defense
House Appropriations Committee
1036 Longworth House Office Building
Washington, DC 20515

Dear Chairs and Ranking Members,

As leaders in the electronics manufacturing industry, we write to urge Congress to allocate the appropriate resources to support robust implementation of the presidential determination on printed circuit boards (PCBs) and semiconductor advanced packaging. An FY 2024 appropriation of \$100 million from the Defense Production Act account would represent a meaningful first step in addressing the industrial base vulnerabilities related to PCB fabrication and semiconductor packaging. Making these investments is critical to the technological edge that is the hallmark of the U.S. defense industrial base.

PCBs are the critical foundation of all electronics, and as such, they are integrated into a wide array of defense technologies from avionics and satellites to tanks and munitions. The United States once boasted state-of-the-art PCB capabilities and more than 30% of global production. Now it lacks cutting-edge capabilities and accounts for only 3% of global production. The erosion of the PCB industry was highlighted in the [2022 Review of the ICT Supply Chain](#) produced by the Departments of Homeland Security and Commerce.

The U.S. manufacturing base for integrated circuit (IC) substrates is equally alarming. IC substrates are critical in semiconductor packaging, and packaging today is driving innovation. Packaging is what delivers a functional semiconductor component that can be integrated into an electronic assembly. The U.S. has far too little capacity in advanced packaging generally and a lack of capacity and capability in IC substrate fabrication specifically. The U.S., in fact, has only nascent IC substrate capabilities that are unable to meet even basic defense needs.

In the interest of national security and furthering U.S. leadership in microelectronics innovation, we urge your support for these strategically important segments of the electronics industry. We specifically urge you to appropriate \$100 million under the Defense Production Act to rebuild the U.S. PCB industry and accelerate the establishment of a robust advanced packaging industry, which necessarily includes IC substate fabrication.

As executives who operate manufacturing facilities across the United States, we strongly support this request as critical to the growth of our innovation economy.

Sincerely,

Raj Dhanani, President
Advanced Circuitry International
Duluth, GA

Anaya Vardya, CEO
American Standard Circuits, Inc.
West Chicago, IL

Steve Robinson, President & CEO
APCT, Inc.
Santa Clara, CA

Michael Goeringer, President
Arc-Tronics, Inc.
Elk Grove Village, IL

Dr. Chris Kalmus, President & CEO
Aurora Circuits
Aurora, IL

Stephen Garcia, President
Bay Area Circuits
Fremont, CA

Steve D. Vairo, President & CEO
Calumet Electronics Corporation
Calument, MI

Anthony Ambrose, President & CEO
Data I/O
Redmond, WA

Foad Ghalili, President & CEO
Epoch
Fremont, CA

Leo Lambert, Vice President
Eptac
Manchester, NH

Tom Hauge, President
Fusion- EMS
Hillsboro, OR

George Schudy, President
Innovative Circuits
Alpharetta, GA

Travis Kelly, President & CEO
Isola Group
Chandler, AZ

Kunal Shah, President
liloTree
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Roger Patel, CEO
National Technology Inc
Rolling Meadows, IL

Hari Pillai
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Jay Schmidt, Executive VP
Silicon Forest Electronics
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Solderability Testing and Solutions, Inc.
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David Raby, President & CEO
STI Electronics
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