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## Chip firms, activists tackle environment

By MARY HAYES

Silicon Valley semiconductor companies looking to expand may find cheaper land and a quicker permitting process in other states, but in many cases they'll find that environmental regulations are no less stringent than in the valley.

They also should expect to find increasingly vocal grassroots environmental organizations in popular destinations such as Albuquerque, N.M.; Phoenix, Ariz.; and Austin, Texas, that are vocal about the impact the growing electronics industry may have on the environment and their communities.

These groups recently aligned themselves under the umbrella of the Electronics Industry Good Neighbor Campaign, of which the Silicon Valley Toxics Coalition—an organization generally considered extreme by the industry—has played a major role in developing.

"One of our concerns is that our commun-

Please turn to page 21

# Environment

Continued from page 1

ities aren't prepared for the rapid growth of industry at all levels, from transportation to education to housing," said Sylvia LeDesma-Campos, co-founder of People Organized in Defense of Earth and its Resources (PODER) in Austin, a participant in the campaign. "We need to make sure the proper environmental regulations are in place."

Ms. LeDesma-Campos said that groups such as hers are taking a closer look at some of the deals being struck between Austin officials and Silicon Valley companies that involve subsidies and a swift permitting process, which could potentially leave out procedures that were implemented to protect the community from industry hazards.

"People in Austin are getting educated real quickly about the hazards," said Ted Smith, executive director of the Silicon Valley Toxics Coalition. "And people in Albuquerque are raising questions about back-door deals," he said, in reference to Intel Corp.'s recent announcement that it was building its billion-dollar factory in Albuquerque after receiving \$57 million in property-tax abatements, \$36 million in waived new-equipment sales taxes, \$20 million in manufacturing tax credits, \$1 million in job-training funds, swift processing of an air-pollution control permit, construction permits and a \$1 billion bond authorization.

T.J. Rodgers, president and chief executive officer of Cypress Semiconductor Corp. in San Jose, has publicly voiced his concern over certain local environmental ordinances, as well as delays in permitting processes, which he said are some of the reasons why the company has closed down its local manufacturing operations.

Representatives from local industry, however, said there's a misconception that environmental regulations in areas such as Albuquerque, Phoenix and Austin are considerably less strict than the Bay Area, but in many cases that simply isn't true.

"There was a time when California may have been more stringent than other states," said Scott Allen, a spokesman for Sunnyvale-based Advanced Micro Devices Inc., which has manufacturing facilities in Austin. "I think we're in the forefront of environmental regulations, and people have looked at and copied what we've done and learned from our mistakes."

Tom Beerman, spokesman for the Semiconductor Industry Association in Cupertino, said decisions on whether to build in Silicon Valley or elsewhere depend more on ability to get permits, and land and labor costs.

"I can say that while there is that impression that some environmental regulations are more lax in other areas, their environmental regulations are really in par with what we have here," he said.

Nonetheless, organizations in growing areas of the electronics industry say they are trying to identify where their local ordinances may need to be strengthened.

There are local ordinances that are more strict than ones found in some of the cities electronics firms are flocking to, such as the parts-per-million of types of toxic chemicals that are allowed in a company's wastewater. In many cases, the Silicon Valley Toxics Coalition has influenced local regulatory agencies in determining these ordinances.

The Electronics Industry Good Neighbor Campaign is also attempting to influence SEMATECH, a Dallas-based semiconductor industry consortium that develops new manufacturing processes for its members to help keep them competitive in the worldwide marketplace.

Each year SEMATECH receives \$100 million in funding from member companies and \$100 million from the federal government.

The campaign met with SEMATECH officials in Dallas earlier this month, and imme-

diately raised concerns about the lack of planning the consortium had for \$10 million of the federal funding that Congress recently mandated should be used solely for research on environmentally safe manufacturing processes.

"We wanted to see some full-blown proposals (for the \$10 million), and we didn't get that," Mr. Smith said. "We were overwhelmed by the lack of details presented."

SEMATECH spokesman Buddy Price said the consortium is still in the process of planning for the program, and defended a lack of details because SEMATECH won't see any of the federal funding until sometime during this quarter.

Campaign members also said they were disappointed that there is no "watchdog" government agency to oversee that the funds are used appropriately, but SEMATECH said several agencies will be paying attention to those expenditures, including the Government Accounting Office, an investigative arm of Congress.

In addition, the campaign said they would like to serve as an advisory arm to SEMATECH on how the money should be spent. SEMATECH officials said they'd get back to the campaign in three weeks, although last week Mr. Price indicated such an advisory board wasn't likely.

The Electronic Industry Good Neighbor Campaign also came armed with its own set of proposals to SEMATECH, which included:

- A life-cycle analysis of the semiconductor manufacturing process.

Mr. Price said the computer industry is conducting a similar analysis, and SEMATECH is watching the outcome of that study before undertaking its own.

- A program for the substitution of glycol ethers used in production processes by 1994.

Mr. Price said SEMATECH has already developed a manufacturing process that works without using one type of glycol ether and is working on processes for eliminating others. It hasn't set any deadlines, however.

- A program for the substitution of acutely toxic gases in production processes by 1996.

SEMATECH has developed processes that don't use some of these gases, and is continuing to research processes that don't use others, said Mr. Price. No deadlines are set.

- A program for the substitution of ozone depleting chemicals by 1995.

Mr. Price said SEMATECH has succeeded in developing processes that eliminate all types of "Class A" ozone depleting chemicals, and is working on others, but has no plans to meet a specific deadline.

- Establishment of a "safe substitutes" policy. SEMATECH is already working on such a policy, Mr. Price said.

- A program that reduces the release of all toxic chemicals from production facilities by the year 2000. "An ongoing effort has been under way since we started," Mr. Price said, but there are no plans to reach this goal by 2000.

- A program for recycling and reuse of semiconductor chips. SEMATECH has already developed such a program, he said.

- An exploration of the environmental and health and safety impact of conversion to additive production technologies. "A very interesting proposal, and one we're looking at," Mr. Price said.

- An exploration of biological and renewable material foundations for converting semiconductor production to less toxic materials.

The industry generally has been vocal about its commitment to the environment, but SEMATECH and industry executives appear to have little patience for grassroots environmental organizations that want to patrol how SEMATECH spends the money or how companies operate.

AMD's Mr. Allen said government agencies make sure companies abide by environmental regulations, and "in terms of environmental activist groups, you seem to have them wherever you go. To be quite candid, it's slightly irritating."