



July 26, 2023

The Honorable Gina Raimondo
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, DC 20230

Dear Secretary Raimondo:

We commend your continued stewardship of the CHIPS and Science Act, which IPC and PCBAA strongly support as a critical step toward rebuilding the U.S. electronics manufacturing industry. As your Department implements the incentive grant and R&D programs included in this Act, we urge you to support a strengthening of the entire electronics ecosystem, including printed circuit board (PCB) fabrication, the capabilities of which have eroded significantly in the United States in the last 25 years.

The President's Executive Order (E.O.) 14017 on America's Supply Chains directed the Departments of Commerce and Homeland Security to assess the U.S. information and communications technology industrial base. The resulting [assessment](#) included a finding that "the production of many products such as printed circuit boards (PCBs) and displays has become increasingly concentrated in China, along with electronics assemblies." The report recommended increased federal support for domestic investment in and production of key ICT capabilities including PCB fabrication and printed circuit assembly.

More recently, President Biden issued a [presidential determination](#) under the Defense Production Act that prioritizes the domestic fabrication of PCBs as a matter of national security.

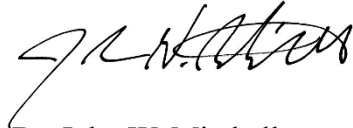
IPC's own [study](#) of the U.S. electronics supply chain concluded the United States "has lost its historic dominance in the PCB sector," and any loss of access to non-domestic sources of PCBs would be "catastrophic." In real terms, this contraction represents a loss of nearly 2,000 domestic PCB manufacturers over the last 25 years, and a reduction for 30% to just 4% of global market share in that same time frame.

The members of IPC and the Printed Circuit Board Association of America (PCBAA) represent thousands of companies across the entire electronics supply chain. These companies are essential partners with semiconductor companies. Semiconductors are modern wonders, but "chips don't float." Consumers do not buy chips; they buy functioning electronic systems that contain chips. Chips have no functionality until they are packaged and placed on PCBs by electronics manufacturers who assemble systems. Yet, the United States is more dependent on overseas suppliers for PCBs and packaging than they are for semiconductor chips.

As the U.S. electronics sector faces significant challenges in the global market, it is crucial to develop strategies that foster growth, innovation, and competitiveness across this vital industry.

For all these reasons, we welcome the positive signals you have been sending about support for PCBs, and we urge the Department to more clearly articulate plans for bolstering the domestic development and fabrication of advanced PCBs as a key part of the CHIPS for America program.

Sincerely,



Dr. John W. Mitchell
President & CEO
IPC



Travis Kelly
Chairman
PCBAA