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## [Intel to Terminate its Philippines Business](#)

*Intel was one of the largest employers in General Trias*

Chip manufacturer Intel is reportedly gearing up to phase out its Philippines business, one of the most important business centers in Asia. The Intel Technology Philippines Inc division is located south of Manila and represents the second offshore assembly operations center, while serving as an important test location for the company. According to Intel executives, the company wants to explore "multiple options" for the manufacturing unit, including its complete shutdown. In exchange for the employees contract termination, the company has already sent severance pay packages. "In an effort to keep employees informed, Intel has updated its employees that significant investments would be required to ensure the long-term viability of its factory building in Cavite," claimed an Intel spokesman during the press conference on April 2. "Intel would like to reiterate that it has made no decision on this matter and is currently exploring multiple options," he added. The Philippines Intel division located in Cavite currently employs more than 3,000 people, and is mostly concerned with manufacturing chipsets and processors. The Philippines unit also deals with designing flash-based memory chips. The Cavite plant has been set up in 2002, closely after Intel decided to move from an older facility in Makati. However, while the chipset and CPU divisions will be shut down, the flash memory operation is likely to be moved to Numonyx, Intel's memory joint venture with ST Microelectronics. One of Intel's executives claims that offering exit package was the best move, given the fact that closing the plant is the most probable scenario. "We can't blame the employees if they feel the offer of severance packages meant that they're about to lose their jobs," said Teresa Pacis, external communications manager of Intel Technology Philippines. Intel's decision to move away from the Philippines will have a tremendous impact over the country's economy. Intel was one of the primary players on the electronics market, including semiconductor manufacturing, and at the same time, one of the biggest investors, with investments of over \$1.5 billion. During its operation in Cavite, Intel accounted for about 22 percent of the total exports.