

TSMC temporarily stops some chip production machines, evacuates employees because of Taiwan's strongest earthquake in 25 years

TSMC (the world's No. 1 contract chip manufacturer) temporarily stopped some chip production machines and evacuated employees after the strongest earthquake in Taiwan in 25 years.

TSMC, the main chipmaker for Apple and Nvidia, moved employees out of certain areas and said it was assessing the impact of the 7.7 magnitude earthquake off the east coast. Taiwan.

In a statement, United Microelectronics Corp (a competitor to TSMC) also temporarily stopped chip production machinery at several factories and evacuated employees at the facility in Hsinchu City, Tainan.

Taiwanese companies produce and assemble the majority of semiconductors used in devices from iPhones to cars in factories that are vulnerable to even the slightest tremors. Just a small vibration can destroy an entire batch of precision-fabricated semiconductors

TSMC shares fell about 1.5% in the early trading session on April 3, while United Microelectronics Corp shares fell less than 1%.

'TSMC's safety system is working normally. To ensure employee safety, some factories were evacuated according to company procedures. We are determining details of the impact,' TSMC said in a statement.

Taiwan is prone to earthquakes because it is located near the convergence of two tectonic plates. However, the island is also the source of about 80% to 90% of the highest-end chips needed for advanced applications such as smartphones and AI.

The two tectonic plates are two parts of the Earth's crust that continuously move over the molten mantle below. The Earth's crust is divided into many tectonic plates, with different sizes and shapes. Some tectonic plates include both continents and oceans, while others include only parts of continents or oceans.

Industry executives and government officials have long pointed out the dangers of concentrating the world's advanced semiconductor production on one island. That became especially evident during the COVID-19 pandemic, which has exacerbated global shortages of critical components.

American officials have pushed American and Taiwanese companies, including TSMC, to diversify geographically.

In addition to existing facilities in Taiwan, China and Washington state (USA), TSMC is building additional factories in Arizona (USA), Japan, and Germany, but it will take time for them to operate.

American companies, including Micron Technology (America's No. 1 memory chip company), still maintain major operations in Taiwan.



Before the earthquake, TSMC had to race to train personnel for all of its chip factories due to constantly increasing global demand. With chip demand increasing exponentially, TSMC and its customers (including Apple, Nvidia, AMD) all need to deliver quickly. Ensuring uninterrupted supply is also very important to US President Joe Biden because he is counting on TSMC to revive the manufacturing industry in Arizona.

Huge demand for AI chips helps Nvidia become a favorite among investors. Nvidia stock price has increased more than 600% since the end of 2022, helping the world's largest chip company headquartered in Santa Clara city (California, USA) reach a market capitalization of 2,240 billion USD, second only to Microsoft and Apple. According to data from New Street Research, Nvidia accounts for about 95% of the graphics processing unit (GPU) market share.

TSMC's advanced manufacturing process is used in the production of flagship chips for Nvidia. 90% of the world's advanced chips are produced by TSMC.

1 person died and more than 50 people were injured due to the earthquake in Taiwan

A 7.7 magnitude earthquake in Taiwan left one person dead and more than 50 injured. Taiwan, Japan, and the Philippines have turned on tsunami warnings.

According to the Taiwan Weather Administration, the earthquake occurred at 7:58 a.m. on April 3 at a depth of 15.5km off the island's east coast. The earthquake rocked Taipei, causing power outages in some areas of the city.

Taiwanese television stations showed several buildings collapsing in the Hualien area, near the quake's epicenter. Local media also reported several people were trapped.

Taipei authorities have not received any reports of damage and the city's subway system resumed operations shortly after.

The Taipei Times newspaper said Hualien city was the area most heavily affected by the earthquake with a recorded intensity of 6 magnitude. The cities of Yilan and Miaoli also recorded earthquakes of up to 5 magnitude.

Statistics show that the earthquake intensity in the cities of Taipei, New Taipei, Taichung, Taoyuan and the counties of Nantou, Hsinchu and Changhua is approaching 5 magnitude.

Most of the remaining areas on this island face an earthquake intensity of 4 on the Richter scale, including the southernmost district of Binh Dong.

Taiwan's fire prevention and fighting force said that as of 9:40 a.m., 1 person had died and more than 50 people were injured due to the earthquake on this island.

Taiwan's meteorological agency also said it had recorded at least 25 aftershocks.

The Taipei government said the city's urban rail system is now back in operation, while electricity provider Taipower announced that more than 87,000 households on the island are still without power.

Taiwan's meteorological agency predicts that aftershocks may occur within the next 3 to 4 days. A spokesman for the agency said aftershocks could have an intensity of up to 6.5 - 7 magnitude.

CNA news agency said at least nine landslides and rockslides were recorded on the Suhua Expressway leading to Hualien city.

Video posted by TVBS showed many large rocks rolling down the highway, while some tunnels suffered heavy damage. Some tunnels are even split in half. A highway connecting western and eastern Taiwan was also damaged by rockslides. At least 12 cars had accidents and 9 people were injured on this route.

Immediately after the earthquake, Ms. Tsai Ing-wen (Taiwan's leader) wrote on Facebook: 'I immediately asked the management team to find out the situation in many areas and support people as soon as possible. We need to work with all parties to limit the impact of this disaster. Along with that, the defense forces will ensure the safety of people and property.'

Taiwanese media said this was the largest earthquake to occur here since 1999 when a 7.6 magnitude quake killed about 2,400 people and damaged 50,000 buildings.

The China Earthquake Network Center detected a total of five aftershocks of approximately magnitude 5 within an hour of the main quake.

Japan has issued an evacuation advisory for coastal areas of Okinawa Prefecture.

According to the Japan Meteorological Agency, tsunami waves up to 3 meters high are expected to reach large areas of the country's southwest coast.

The Japan Meteorological Agency said a tsunami with a height of 30cm was detected off the coast of Yonaguni Island about 15 minutes after the earthquake in Taiwan took place.

According to the Japan Meteorological Agency, similar waves also appeared off the coast of Miyako and Yaeyama islands. The Japanese Self-Defense Force sent aircraft to collect information about the consequences of the earthquake around Okinawa, and prepared shelters for evacuees if necessary.

According to NHK, the Japan Meteorological Agency has downgraded the tsunami warning level on Okinawa Island to the 'tsunami advisory' level.

The Philippine Seismology Agency issued a warning in the coastal areas of several provinces in the country, calling on people to evacuate to higher ground.

Chinese media said the tremor was also felt in the areas of Fuzhou, Xiamen, Quanzhou and Ningde in the country's Fujian province.

You finished reading the article "**TSMC temporarily stops some chip production machines, evacuates employees because of Taiwan's strongest earthquake in 25 years**" edited by the [TipsMake](#) team. We hope this article has provided you with many useful tech tips and tricks. You can search for similar articles on tips and guides. Thank you for reading and for following us regularly.