

# [***Nvidia Is Quietly Ramping Up For A Delicate Dance In Washington***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6B30-05T1-JBCM-F0WF-00000-00&context=1516831)

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**Highlight:** As the trillion-dollar chipmaker faces more scrutiny, it may be looking to flex its muscles in government affairs.

**Body**

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Nvidia co-founder and CEO Jensen Huang

Ethan Pines for forbes

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During one whirlwind week in mid-September, Nvidia swarmed the nation s capital: Founder and CEO Jensen Huang was attending a closed-door meeting about artificial intelligence with the Senate. A day earlier, Bill Dally, the chip maker s chief scientist,testifiedbefore a Senate Judiciary subcommittee about the potential legislation of generative AI. And that same day, Nvidia, along with several other tech companies, signed a voluntary pledge on AI safety during an event at the White House.

The tour through Washington highlighted an increasingly important aspect of business for Nvidia: A delicate dance in Washington, maintaining relationships with government officials as the company s profile has grown and it has become the face of a national effort to hobble China s AI progress.

As artificial intelligence has become the marquee technology in Silicon Valley, Nvidia has become one of the most valuable companies in the world. Founded more than 30 years ago and previously known for its gaming tech, the company is now a trillion dollar behemoth, thanks to its highly-coveted graphics processing units, or GPUs, used to train AI models. The artificial intelligence arms race has also made U.S. officials wary of China s potential as an AI superpower. As a result, Nvidia, as the market leader in GPUs, is one medium through which regulators are withholding access to the most cutting edge technology, in an attempt to keep China at bay.

To gear up for the road ahead, Nvidia has been quietly ramping up its in-house lobbying operations, according to a review of LinkedIn profiles by**Forbes**, a change from its historically low lobbying output. Within the past year, the chip giant has hired at least four government affairs staffers in Washington, DC all former federal employees, with previous experience at agencies including the U.S. Treasury, State Department and Homeland Security.

It s a small step compared to Nvidia s chip maker peers, which have more looming presences in Washington. Rivals AMD and Intel spent $2.7 million and $5 million respectively on lobbying last year, according to OpenSecrets, which tracks money in U.S. ***politics***. Nvidia s trillion-dollar peers spend even more: Last year, Alphabet spent $10.9 million, and Meta racked up $14.6 million. By comparison, Nvidia s lobbying is pittance: $350,000 spent last year. Nvidia declined to comment.

Do you have information about Nvidia that the public should know? Reach out securely to reporter Richard Nieva on Signal at 510.589.4118 or [*richardnieva@protonmail.com*](mailto:richardnieva@protonmail.com)

This is the first time they've really had to think very hard about these issues, said Chris Miller, author of the book**Chip War**and a professor of international history at Tufts University. Other chip companies have more institutionalized government affairs operations, he added. For example, Intel, with its manufacturing plants, likely lobbied around the CHIPS Act, which aims to bring more chip production to the U.S. (Nvidia, in contrast, outsources chip manufacturing to partners including TSMC.) But with AI taking center stage, Nvidia could feel the need to make more noise in the lobbying arena.

Because they haven't had to deal with such focus on them from the political regulatory system in the past, I think it's natural the company is spending more time and effort dealing with that, Miller said.

James Lin, a historian at the Jackson School of International Studies at the University of Washington, put it another way: They re saying, We have to deal with government as every day business.

In October, the White House announced new export restrictions on chips sold to China, cutting off the country s access to the most advanced processors designed by U.S. companies. The move was a further tightening of mandates announced the year before. In response to the restrictions, Nvidia indicated it would develop less-capable semiconductors to sell to Chinese customers in order to be in compliance with the rules. Two weeks ago, the company confirmed it would begin selling the RTX 4090D in China later this month, a less-robust version of one of the company s gaming chips.

Striking the right tone with the government is increasingly important as the company faces potential political hurdles regarding business in China, and preaching a U.S.-first approach will be key.

I consider the topics of emerging AI technologies and the growing bioeconomy as especially germane to the future of American competitiveness and security, Eric Breckenfeld, Nvidia s director of technology policy and engagement, wrote in his LinkedInprofile. Breckenfeld, who began his role at Nvidia in July, previously held posts at DARPA, the defense department s skunkwork s technology division, and the contractor Booz Allen Hamilton. I believe that the implementation of these technologies is inseparably linked to our societal values in a way that the disruptive technologies of previous decades were not. It is therefore imperative for not only economic competitiveness, but also national security that the United States continues to set the pace of innovation for both the foundational technologies of these domains.

The moves by the U.S. government take the chip industry into new territory, Glenn O Donnell, vice president and research director at Forrester, told**Forbes**. Typically, the decision to ship inferior products is driven by costs or component shortages, and not by national security concerns, he said. Geopolitics has been part of the chip business forever, O Donnell said. But I haven't seen anything like this before. He thinks that Nvidia is in such a formidable position, however, that the company will be able to easily absorb any hit in sales from the China restrictions.

Nvidia s government relations efforts are led by Ned Finkle, Nvidia s vice president of external affairs, a 21-year veteran of the company who began his career as a field sales manager for Texas Instruments in 1983. Several other tech giants have government affairs specialists as well. Microsoft has its president, Brad Smith, who criticized the British government for blocking the company s acquisition of Activision. Alphabet has president of global affairs Kent Walker, who took the lead on Google s landmark antitrust case against the Justice Department. Meta has Nick Clegg, former U.K. Deputy Prime Minister, who has been the spokesperson for some of Facebook s biggest political decisions, like reinstating Former President Donald Trump to the social network.

While Nvidia has been compliant with the White House s export restrictions, it has also been vocal about its disagreement with it. Over several months last year, Nvidia, along with rivals Intel and Qualcomm,reportedlyheld a lobbying campaign across Washington urging the government to reconsider, including in meetings with Secretary of State Antony Blinken and Commerce Secretary Gina Raimondo. What you risk is spurring the development of an ecosystem that s led by competitors, Tim Teter, Nvidia s general counsel,told**The New York Times**in July. And that can have a very negative effect on the U.S. leadership in semiconductors, advanced technology and AI.

It s a tricky line to walk, said Lin, the historian. They don t want to be painted by China hawks as too pro-China, he said. They can't be seen as trying to compromise America's national security.

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