CORNING

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November 8, 2021

Mr. David Boylan
Office of Technology Evaluation
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

RE: Response to BIS 2021-0036 on Risks in the Semiconductor Supply Chain

Dear Mr. Boylan:

Corning welcomes this opportunity to comment on the Request for Comment ("RFC") from U.S. Department of Commerce regarding Risks in the Semiconductor Supply Chain. As a trusted supplier to the semiconductor industry, this is an area of significant interest to Corning.

Introduction

Corning's diverse advanced optics portfolio reflects our deep understanding of the properties of light, its interaction with matter, and the instruments used to detect it. For decades, we have been a trusted optics collaborator with leaders in a wide range of markets, including aerospace and defense, semiconductor materials and optics, telecommunications, and more. We offer a diverse set of optics technologies providing full solutions to complex systems. Customer collaboration is the hallmark of our operations.

Our comments will draw from our role in the supply chain and areas where we see both risks and opportunities.

Please find below Corning's comments to the specific requests identified in the RFC.

a. Identify your company's role in the semiconductor product supply chain.

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b. Indicate the technology nodes (in nanometers), semiconductor material types, and device types that this organization is capable of providing (design and/or manufacture).

While Corning does not manufacture semiconductors, Corning's products are vital components to the chip manufacturing process for all technology nodes.

c. For any integrated circuits you produce—whether fabricated at your own facilities or elsewhere—identify the primary integrated circuit type, product type, relevant technology nodes (in nanometers), and actuals or estimates of annual sales for the years 2019, 2020, and 2021 based on anticipated end use.

Corning does not produce integrated circuits.

d. For the semiconductor products that your organization sells, identify those with the largest order backlog. Then for the total and for each product, identify the product attributes, sales in the past month, and location of fabrication and package/assembly. i. List each product's top three current customers and the estimated percentage of that product's sales accounted for by each customer.

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e. For each phase of the production process, identify whether your organization carries out the step internally or externally. For your organization's top semiconductor products, estimate each product's (a) 2019 lead time and (b) current lead time (in days), both overall and for each phase of the production process. Provide an explanation of any current delays or bottlenecks.

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f. For your organization's top semiconductor products, list each product's typical and current inventory (in days), for finished product, in progress product, and inbound product. Provide an explanation for any changes in inventory practices.

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g. What are the primary disruptions or bottlenecks that have affected your ability to provide products to customers in the last year?

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h. What is your organization's book to-bill ratio for the past three years? Explain any changes.

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i. If the demand for your products exceeds your capacity, what is the primary method by which your organization allocates the available supply?

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j. Does your organization have available capacity? If yes, what is preventing the filling of that capacity?

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k. Is your organization considering increasing its capacity? If yes, in what ways, over what timeframe, and what impediments exist to such an increase? What factors does your organization consider when evaluating whether to increase capacity?

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l. Has your organization changed its material and/or equipment purchasing levels or practices in the past three years?

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m. What single change (and to which portion of the supply chain) would most significantly increase your ability to supply semiconductor products in the next six months?

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Corning Incorporated requests confidential treatment of the information contained in brackets in the confidential version of this submission which includes information that is not publicly available, pertaining to Corning's business or trade secrets and other specific business information the release of which to the public would cause substantial harm to the competitive position of Corning. Please direct any questions or comments to Debra Waggoner, Director, Global Government Affairs: waggonerdl@corning.com.

Respectfully submitted by:

Jeremy David
Director, Strategy and Analytics
Corning Incorporated