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Ms. Eileen Albanese

Director, National Security and Technology Transfer Controls

Bureau of Industry and Security (BIS)

US Department of Commerce

1401 Constitution Ave. NW

Washington, DC 20230

Re: Comments on the Interim Final Rule entitled Implementation of Additional Export Controls: Certain Advanced Computing and Semiconductor Manufacturing Items: Supercomputer and Semiconductor End Use; Entity List Modification (October 7, 2022) (RIN 0694-A194).

Photronics, Inc. (“Photronics”) would like to thank the U.S. Department of Commerce’s U.S. Bureau of Industry and Security for considering our comments to the interim final rules on advanced export controls: certain advanced computing and semiconductor end uses issued on October 7, 2022.

Photronics is a U.S. public company with our corporate headquarters located in Brookfield, CT.  We are listed on the NASDAQ stock exchange. Photronics is the only U.S. manufacturer of photomasks as well as the world’s leading manufacturer of photomasks. Photomasks are high precision photographic quartz or glass plates containing microscopic images of electronic circuits. Photomasks are a key element in the manufacture of integrated circuits and flat panel displays and are used as masters to transfer circuit patterns onto semiconductor wafers and flat panel substrates during the fabrication of integrated circuits, a variety of flat panel displays and, to a lesser extent, other types of electrical and optical components. We have 11 manufacturing facilities: 3 in the US, 1 in the UK, 1 in Germany, 3 in Taiwan, 1 in Korea and 2 in China.  Our facility in Xiamen, China manufactures photomasks for integrated circuits, and our facility in Hefei manufactures flat panel displays. We employee approximately 1,728 full and part-time employees worldwide.

Though we respect BIS’s intent to limit the production of supercomputing and advanced semiconductors in China, 15 CFR 744.23 as drafted is too broad, and we believe is having unintended consequences far broader than advanced semiconductors and in particular could harm Photronics. Furthermore, because 744.23 (a)(2)(v) is so broad it prohibits foreign as well as US companies from supplying parts, chemicals, knowledge and servicing of equipment to facilities located in China that will be used for the manufacture of photomasks not intended for super computing or artificial intelligence and not having an end use in violation of 744.23 (a)(2)(iii). Because 744.23(a)(2)(v) is so broad vendors cannot supply any US origin equipment or parts that will be used in the “development” or “production” in the PRC or Macau of any “parts,” “components,” or “equipment” specified under ECCN 3B001, 3B002, 3B090, 3B611, 3B991, or 3B992 even though the end use will not be in violation of 744.23(a)(2)(iii).

We believe that 744.23 (v) should be limited to the development or production of integrated circuits at semiconductor fabrication facilities located in the PRC or Macau that fabricate integrated circuits meeting the criteria set forth in 744.23 (a)(2)(iii) or where such parts, components and equipment are for end uses described in 744.23 (a)(2)(iii). Because of the breadth of 744(a)(2)(v) vendors and suppliers cannot supply US origin items to PRC end users that are developing or producing components, parts or equipment that are NOT capable of being used in advanced semiconductor or supercomputer manufacturing but fall within ECCN 3B001, 3B002, 3B090, 3B611, 3B991, or 3B992.

We feel this unintended consequence can be easily resolved by linking the ECCNs enumerated in 744.23(v) to the development or production of the targeted advanced technologies.

Thank you for your consideration of these comments and attention to the impact the final rules could have on our company. Again, though we respect BIS’s goal to protect US national security we believe this goal can be accomplished by more narrowly tailoring the rule that would still accomplish the agency’s intent but without creating the harm to our company.

Please let me know if you have any questions regarding our comments and please contact me at rburr@photronics com or 203-740-5285 should you like to discuss further.

Respectfully submitted,



Richelle Burr