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€325 million Funding for Semiconductor Research and Innovation in the UK and the EU

Europe's <u>Chips Joint Undertaking</u> has bolstered its support for the semiconductor industry by announcing three funding calls with a combined value of up to €325M. The funding calls are to create: a pilot line for photonic integrated circuits (PICs), semiconductor chip competency centres, and a cloud-based design platform. As the UK is part of the Chips Joint Undertaking, the funding is available to both EU and UK companies.

This first funding call is up to €180M for pilot lines for the development, testing, and small-scale production of PICs. This aims to facilitate companies making the treacherous leap "from lab to fab". The up to €120M of funding for chip competency centres aims to provide access to expertise and facilities for experiments. These services are primarily for start-ups and SMEs and will reduce the barrier-to-entry for small companies. Further, the centres will augment the development and design capabilities of existing companies. The design platform funding is up to €25M to create a cloud-based platform for semiconductor chip design. To enhance collaboration and support smaller companies without the capacity to develop their own in-house platform, the design platform will be open access.

This funding will reenforce Europe's strong community of PIC companies and provide opportunities to produce valuable IP. Much of the innovation and creation will be collaborative and state-sponsored. Whilst this can dramatically increase the output of these projects, it also places rights-holders in a minefield of joint development agreements, joint ownership, and licensing agreements. The EU often directs companies

p2

to co-ownership of IP. Whilst this can initially provide a simple solution, co-ownership often proves problematic later. For example, when an owner wants to sell or licence their IP, deals can be hamstrung by co-owners. It will be important for companies to carefully consider IP before undertaking such projects. Having an effective IP strategy and IP agreements in place before collaboration and innovation starts will prove vital in the long-term success of such projects - even when dealing with open access or open-source platforms.

Companies can apply for funding through the Chips Joint Undertaking's website. The deadline to apply for funding for the PIC pilot line, the competence centres, and the design platform are 5pm CEST on 17 September 2024, 2 October 2024, and 10 October 2024 respectively.

This funding is part of the Chips for Europe initiative under the Chips Act see Andrew Thompson's article on the EU Chips Act here.