

Samsung Electronics has won government approval for its plans to set up a memory-chip factory in China.

Giving it the go-ahead, Korea's Ministry of Knowledge and Economy said it would provide regular security consultancy to prevent any technology leaks.

Samsung, the world's biggest memory chipmaker, has been seeking to tap into the fast growing Chinese market.

The new plant will make chips used in smartphones, tablets and MP3 players.

Analysts said while the concerns about the leak of sensitive technology were real, chip manufacturing was a highly specialised business and espionage was not that easy.

"These plants require multi-billion dollar investment, so it is not that easy to just steal a chip design and make a copy of it," Tim Charlton of Charlton Media Group told the BBC.

### **Growing demand**

Samsung's plant will produce Nand flash memory chips. According to analysis firm Gartner, the global Nand chip industry is set to be worth as much as \$29bn (£18.5bn) this year.

A chunk of that growth is expected to come from China, where economic expansion and stronger consumer spending power has resulted in an increase in demand for high-tech gadgets.

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Written by Administrator

Thursday, 05 January 2012 04:04 -

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China is the world's second-largest economy and is set to account for 55% of global chip sales by 2015, Gartner said.

According to Mr Charlton of Charlton Media Group, China is the world's biggest manufacturer and consumer of electronics goods.

"When you put those two elements together, Samsung realises that it should be manufacturing its chips as close to the final consumer as possible," he explained.

Source :[bbc.co.uk](http://bbc.co.uk)