

Samsung to build \$1B display factory in Vietnam

July 3 2014, by Youkyung Lee

The display manufacturing unit of Samsung Electronics Co. said Thursday it secured approval from Vietnam to build a \$1 billion factory in the Southeast Asian country.

Samsung Display Co. said that the plant in northern Vietnam will supply small displays for Samsung smartphones and tablet computers starting sometime next year.

The move underlines the rise of Vietnam as a key handset production base for Samsung, the world's largest maker of smartphone and handsets.

Samsung's factories for mobile phones are also located in South Korea and overseas including China and Brazil. But it is Vietnam, where Samsung has opened its first handset factory in 2011, which analysts expect to become the largest manufacturer of Samsung's mobile devices. Samsung Display is the second Samsung subsidiary to open a plant to churn out mobile phone components there.

Production capacity at Samsung's two handset factories north of Hanoi reportedly tops 200 million units a year, about half of its worldwide handset production.

South Korea is a major foreign investor in Vietnam, second only to Japan according to Vietnam's government data. Manufacturers such as Samsung and LG are drawn by Vietnam's low wages, plentiful numbers of young workers and tax benefits.

© 2014 The Associated Press. All rights reserved.

Citation: Samsung to build \$1B display factory in Vietnam (2014, July 3) retrieved 19 April 2024 from <https://phys.org/news/2014-07-samsung-1b-factory-vietnam.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.