

Foxconn giving \$100 million to UW-Madison for partnership

August 27 2018, by Scott Bauer

Foxconn Technology Group announced Monday that it will invest \$100 million in engineering and innovation research at the University of Wisconsin-Madison, making it one of the largest gifts in the school's history that comes as the Taiwan-based electronics giant builds a factory in southeastern Wisconsin that would be the company's first of its kind in North America.

Foxconn CEO Terry Gou and UW-Madison Chancellor Rebecca Blank signed an agreement that also calls for the creation of a science and technology institute on the UW-Madison campus that will collaborate closely with the display screen manufacturing plant, which is being built in Mount Pleasant, about 100 miles (160 kilometers) southeast of Madison near the Illinois border.

Foxconn, the world's leading electronics manufacturer, chose Wisconsin for its first plant outside of Asia after receiving generous incentives from the state. Foxconn says the manufacturing campus could cost up to \$10 billion and eventually employ 13,000 people.

Finding those workers was expected to be a challenge in a state with low unemployment. The deal announced Monday would provide a conduit of potential interns and employees from the state's largest university to the Foxconn plant.

"We're going to be a long-term community member in the state of Wisconsin," said Foxconn executive Louis Woo. "We see ourselves as an

enabler of talent, that's creation of jobs. We also see us as an enabler of technology."

The Foxconn Institute for Research in Science and Technology, to be created under the agreements, will be a hub for technological innovation and provide an environment for research and development initiatives in medical science, materials science, computer and data-driven science.

The institute's main location will be at the Foxconn manufacturing campus in Racine County, but it will also have a presence in Madison.

The university said the agreements formalize its commitment to being a part of research with Foxconn, while Foxconn will assist with research, recruiting and creating job opportunities.

To receive the \$100 million from Foxconn, the university will have to raise an equal amount over the next two years as part of a sub-campaign of its \$3.2 billion All Ways Forward fundraising effort. The bulk of Foxconn's \$100 million, which Blank said was the largest industry research partnership in university history, will go toward constructing a new building on the engineering campus.

"I'm excited," Blank said. "You don't get \$100 million gifts very often."

Foxconn has also announced plans to open its North American office headquarters in Milwaukee and technology centers that could employ hundreds in Eau Claire and Green Bay. Gov. Scott Walker has praised those investments outside of Racine County, where the 22 million-square-foot manufacturing campus is being built, saying it shows the positive statewide economic impact of the project.

State and local government incentives for the main Foxconn project in Racine County could top \$4 billion, mostly in cash payments from the

state. That price tag, the largest in U.S. history for a foreign corporation, has drawn criticism from Democratic opponents of Walker, who negotiated the deal. Walker faces Democrat Tony Evers, who has vowed to renegotiate the deal, in the November election.

Wisconsin voters appear torn on the value of the Foxconn project. In a Marquette University Law School poll last week, 44 percent of registered voters said the state is paying more than the plant is worth. A majority, 61 percent, said they felt the plant would substantially improve the Milwaukee-area economy, but an equal percentage said businesses where they live will not directly benefit.

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