GlobalFoundries Files Lawsuit Against IBM to Protect its Intellectual Property and Trade Secrets

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Accuses IBM of unlawful disclosure to Intel, the Japanese consortium Rapidus and others

MALTA, N.Y., April 19, 2023 (GLOBE NEWSWIRE) -- GlobalFoundries (NASDAQ: GFS) (GF) today sued IBM for trade secret misappropriation. The complaint asserts the former semiconductor manufacturing company has unlawfully disclosed GF's confidential IP and trade secrets, after IBM sold its microelectronics business to GF in 2015. The technology at issue was collaboratively developed, over decades, by the companies in Albany, New York and the sole and exclusive right to license and disclose that technology was transferred to GF upon the sale.

In the legal action filed in federal court in the Southern District of New York, GF asserts that IBM unlawfully disclosed GF IP and trade secrets to IBM partners including Intel and Japan's Rapidus, a newly formed advanced logic foundry, and by doing so, IBM is unjustly receiving potentially hundreds of millions of dollars in licensing income and other benefits.

The complaint notes that IBM's executives have described the Intel and Rapidus partnerships as based on decades of technology derived from research conducted at the Albany NanoTech Complex, technology that they had no right to disclose. It also raises concerns over the extent to which IBM may have unlawfully disclosed GF's IP and trade secrets beyond these two heavily publicized partnerships.

GF is asking for compensatory and punitive damages as well as an injunction against IBM preventing further unlawful disclosure and use of GF's trade secrets.

In addition, GF's complaint asserts that IBM is targeting and recruiting GF's world-class engineering talent at the company's manufacturing facility, which is located near the Albany NanoTech Complex. In the complaint, GF asks the court to end the unlawful recruitment efforts, which have accelerated since the IBM/Rapidus announcement in December 2022.

GF has made significant investment in research and development to advance its feature-rich technology and is one of the world's leading semiconductor foundries with a global footprint and more than 13,000 employees, 2,500 of whom are based at the company's headquarters in upstate New York. GF will aggressively defend its investments in technology against those who violate them, as the complaint demonstrates IBM has repeatedly done.

About GF
GlobalFoundries (GF) is one of the world's leading semiconductor manufacturers. GF is redefining innovation and semiconductor manufacturing by developing and delivering feature-rich process technology solutions that provide leadership performance in pervasive high growth markets. GF offers a unique mix of design, development and fabrication services. With a talented and diverse workforce and an at-scale manufacturing footprint spanning the U.S., Europe and Asia, GF is a trusted technology source to its worldwide customers. For more information, visit www.gf.com

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Forward-looking Information
This news release may contain forward-looking statements, which involve risks and uncertainties. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. GF undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this news release or to reflect actual outcomes, unless require by law.

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