

## **Racine advises Teledyne in the context of the clearance by the European Commission of a large State aid project in the microelectronics sector**

Racine advises Teledyne in the context of the clearance by the European Commission of its important project of common European interest in the microelectronics sector (IPCEI ME/CT).

The European Commission approved on 8 June 2023 a 8.1 bn€ State aid granted by 14 European Member States, including France, to 56 participants undertaking 68 projects in order to create a new IPCEI that will target the entire semiconductor value chain. It is the largest IPCEI ever approved to date in terms of number amount of aid.

These projects aim at enabling the digital and green transformation by: (i) **creating innovative microelectronics and communication solutions**, and (ii) **developing energy-efficient and resource-saving electronics systems and manufacturing methods**. They will contribute to the technological advancement of many sectors, including communications (5G and 6G), autonomous driving, artificial intelligence and quantum computing.

Teledyne's project under this IPCEI consists in the development of low volumes advanced systems in package (“**SiP**”) products and related chiplets and medium volumes flip-chip advanced packaging capabilities, as well as SiP services. The types of chiplets to be used include those where Teledyne e2v is an established leader such as data conversion at microwave frequencies, digital chips and image sensors but will also include third party chips in the same and in other types of electronic functionalities, either developed by customers or sourced from other parties.

SiP encompasses a number of integrated circuits. SiP usually refers to several dies in the same package, each die can be of different silicon technology and perform different functions of a system.

Racine assisted Teledyne to secure the State aid before the European Commission.

Racine's team was led by Bastien Thomas, partner, assisted by François Aubin and Cécilia Pataut, associates.

### **The IPCEI in a few words**

When private initiatives for innovation cannot materialise because of the high risks involved in such projects, the IPCEI communication of the Commission allows Member States to jointly fill the gap to overcome these market failures and stimulate the implementation of innovative projects that would otherwise not have been possible.

**About Racine:**

RACINE is an independent French business law firm with more than 250 lawyers and legal advisers in 7 offices: Paris, Bordeaux, Lyon, Marseille, Nantes, Strasbourg and Brussels.

RACINE is characterised by its 'full service' approach to business law, both advisory and litigation.

Its committed and pragmatic lawyers provide clients with innovative solutions for their day-to-day business, support for strategic projects and crisis management. They are committed to building solid, long-term partnerships with clients.

RACINE works for companies in a wide range of industry and service sectors, professional and inter-professional organisations and public authorities.

The firm has developed particular expertise in the luxury goods, media, real estate, agri-food and distribution sectors.

RACINE is a member of the Multilaw international network of lawyers and the OMNIA network. The firm also maintains close relations with a number of foreign law firms.