# Micron, Nanya Will Cooperate On Chip Design

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04 March 2008

Micron and Nanya Technology sign a preliminary deal to set up a joint venture and cooperate on technology development.

Financial terms of the agreement weren't disclosed. The deal centers on collaborating on technology for making DRAMs.

Micron is the biggest U.S. DRAM maker by revenue. Nanya is Taiwan's second-biggest producer (after Powerchip Semiconductor Corp.)

Prices of DRAM chips fell nearly 80% in the past year.

The weak environment is forcing DRAM makers globally to seek partners to share the cost of shrinking circuitry to boost data-storage capacity. Sony. and Qimonda AG agreed last October to form a JV to design DRAM for consumer and graphics applications.

Collaborating with Micron could bring Nanya to "stack" technology. (Nanya now uses trench technology.)

For both companies, this deal could help share R&D cost and add production capacity less expensively than the company could alone.