



GOVERNOR JOSH SHAPIRO

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Governor Shapiro Announces \$30 Million Investment from Nokia to Expand Its Semiconductor Production Operations in Pennsylvania and Create More Than 250 New Jobs

The Commonwealth is investing over \$3 million to support Nokia's expansion in the Lehigh Valley, strengthening Pennsylvania's role in a fast-growing industry critical to the development of advanced technology.

Under Governor Josh Shapiro's leadership, Pennsylvania's economy is one of the strongest in the nation — the [only Northeast state with a growing economy](#).

Since taking office, the Shapiro Administration has competed for and won over \$41 billion in private sector investments that are creating more than 24,000 new jobs and driving economic growth across Pennsylvania.

Allentown, PA – Today, **Governor Josh Shapiro** and **Pennsylvania Department of Community and Economic Development (DCED) Secretary Rick Siger** announced the Commonwealth has secured a **\$30 million** investment from [Nokia of America Corporation](#) to expand its photonic semiconductor advanced test and packaging (ATP) operations in Lehigh County. The Commonwealth is investing over \$3 million in the project, which will create more than 250 new jobs over the next three years and retain 308 full-time positions.

The expansion is expected to nearly double Nokia's Pennsylvania workforce to more than 500 jobs in research and development, engineering, and manufacturing, while generating a projected economic impact of more than \$500 million over the next five years.

This project will expand Nokia's existing photonic semiconductor ATP operations in Allentown by up to ten times its current level and the company has leased additional space for future product development and logistics. The trusted tech company's growth in Allentown serves as a foundational anchor for Nokia's U.S. semiconductor footprint, reinforcing Pennsylvania's role as a crucial hub for the production of advanced semiconductors, which are used in broadband networks, fiber optic systems, and more. Less than two percent of global semiconductor ATP capacity is in the US, making Nokia's investments even more critical in growing the Lehigh Valley's role in global supply chains.

"Nokia is doubling down on the Lehigh Valley and ensuring that the future of chip production continues to run through this region because we've made smart investments to make Pennsylvania more competitive and proven that our Commonwealth is a great place to do business," said **Governor Shapiro**. "As demand for semiconductors continues to grow across industries, we'll continue to position Pennsylvania as a leader in innovation, with a supportive, thriving business climate that helps companies compete on a global scale. From advanced manufacturing to the research and development of new technology like advanced chip packaging, Pennsylvania has all the resources to be a world leader in chip production."

Coordinated by the Governor's [BusinessPA](#) team, Nokia received a funding proposal from **DCED** for a **\$3.2 million Pennsylvania First grant** and is eligible for at least **\$129,500** through the **Manufacturing Tax Credit Program**.

"Pennsylvania is competing and winning because trusted global companies like Nokia see the value of investing in our Commonwealth, our communities, and our workforce," said **DCED Secretary Siger**. "This expansion in the Lehigh Valley will create hundreds of good-paying jobs, strengthen Pennsylvania's advanced manufacturing and technology sectors, and build on the economic momentum Governor Shapiro is delivering across the Commonwealth. This project also reinforces the Lehigh Valley's standing as a global leader when it comes to semiconductor manufacturing."

Nokia is a global leader in connectivity for the AI era, providing the critical network infrastructure the world relies on. Nokia is the backbone of advanced connectivity across fixed, mobile and transport networks, delivering the performance and security needed to meet the demands of an AI-enabled future.

"AI is transforming network and infrastructure requirements, reshaping networks and global infrastructure demands," said **Justin Hotard, President and CEO of Nokia**. "This investment increases domestic production of the critical optical networking technologies that power AI infrastructure. It strengthens U.S. capabilities in a strategic technology area and reflects Nokia's continued commitment to investing in U.S."

manufacturing, innovation, and technology leadership, while supporting Pennsylvania's growing role in the AI economy."

Viewed as the birthplace of semiconductors, the Lehigh Valley continues to be a hub of technological innovation. More than 1,100 people are employed at 35 semiconductor and related technology businesses in the region.

"Semiconductor and optoelectronics development have long been an important part of the Lehigh Valley economy," said **Don Cunningham, President & CEO, Lehigh Valley Economic Development Corporation**. "Nokia's investment and expansion here with the support of Governor Shapiro and the Commonwealth showcase the continued growth and importance of this critical technology sector here in the Lehigh Valley."

Governor Shapiro's [Economic Development Strategy](#) is a targeted plan designed to help Pennsylvania win and become a national leader in economic development, innovation, and job creation. Manufacturing is one of the key industries outlined in the strategy that will help Pennsylvania build on its competitive advantages and create real opportunity for Pennsylvanians.

Shapiro Administration's Progress to Grow Pennsylvania's Workforce and Strengthen the Economy

From day one, **Governor Shapiro** has been laser-focused on delivering results for the people of Pennsylvania — and it's working.

In every corner of the Commonwealth, businesses are expanding and creating real opportunities for Pennsylvanians — from [Kurt J. Lesker](#) in Allegheny and Centre counties, [Vylor](#) in Delaware County, [Bonduelle](#) in Philadelphia, [Mondi Bags](#) in Allegheny County, [WebFX](#) in Harrisburg, [Premier Brands of America](#) in Lackawanna County, [John Brothers Holdings](#) in Union County, [TerraPower Isotopes](#) in Philadelphia, [Schreiber Foods](#) in Cumberland County, [Berwick Industries](#) in Columbia County, [Johnson & Johnson](#) in Montgomery County, [Eli Lilly](#) in Lehigh County, [Eurofins](#) in Lancaster County, [Calgon Carbon Corporation](#) in Pittsburgh, [DrinkPAK](#) in Philadelphia, [Farm Plast](#) in Lycoming County, [US Durum](#) in Dauphin County, [First Quality](#) in Mifflin County, [Eos](#) in Allegheny County, [Nichols Portland](#) in Elk County, [Imperial Systems](#) in Mercer County, [Qualex](#) in Venango County, and [Tate](#) in York County.

Pennsylvania's Business Climate and Growing Economy is Earning National Recognition

Since taking office, **Governor Shapiro** has made Pennsylvania more competitive — attracting more than **\$41 billion** in private-sector investment while creating over **24,000 new jobs** across the Commonwealth and earning national recognition.

- Pennsylvania is the only state in the Northeast with a [growing economy](#), based on analysis done by Moody's Analytics Chief Economist Mark Zandi.
- Last year, according to a new analysis of [data](#) from the U.S. Bureau of Labor Statistics, the Commonwealth ranked third in the nation for job growth

- Area Development ranked Pennsylvania among the [top 20 “Best States for Business”](#) — the only Northeastern state to make the list — and placed the Commonwealth in the top 10 for “Site Readiness Programs.”
- *Site Selection Magazine* named Pennsylvania one of the [top business climates](#) in the nation.

The **Governor’s** [2026-27 proposed budget](#) builds on this momentum by investing in long-term economic growth and ensuring communities across the Commonwealth can compete and win. The Pennsylvania First Program, which connects businesses with trained workers and supports job retention and capital investments, will receive an additional **\$10 million** in the Governor’s proposed budget, for a total of \$38 million.

Learn more about the Shapiro Administration’s [efforts](#) to support Pennsylvania’s workers and businesses and spur the economy, to build a stronger, more competitive economy for all Pennsylvanians.

Read the Governor’s 2026-27 proposed budget in brief [here](#).

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