TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY (TSMC) SWOT & PESTLE ANALYSIS
Company Name: Taiwan Semiconductor Manufacturing Company (TSMC)

Company Sector: Semiconductors

Operating Geography: Taiwan, Asia, Global

About the Company: Taiwan Semiconductor Manufacturing Company is a worldwide semiconductor contract manufacturing and design company headquartered in Hsinchu Science Park. Foreign investors possess the vast bulk of the company. In 1987 Morris Chang founded the company in Taiwan. The company offer a huge and diverse worldwide client base with a wide range of applications. Mobile devices, high-performance computing, automotive electronics, and the Internet of Things all employ these items (IoT). Such broad diversification serves to mitigate demand swings, allowing TSMC to sustain greater levels of capacity utilisation and profitability while also generating good returns on future investments. Through offices in North America, Europe, Japan, China, and South Korea, TSMC offers customer support, account management,
and engineering services. TSMC and Hon Hai Precision Industry Co. Ltd./YongLin Foundation revealed on July 12th, 2021, that they had each obtained five million doses of BioNTech (BNT) 162b2 vaccine, for a total of ten million doses, and donated them to the Executive Yuan Ministry of Health and Welfare's Taiwan Centers for Disease Control (CDC) for epidemic prevention. Taiwan Semiconductor Manufacturing company's Unique Selling Point lies in it being the world's most valuable semiconductor firm, as well as the world's largest dedicated independent (pure-play) semiconductor foundry and one of Taiwan's largest corporations. The mission statement of TSMC reads, “To be the trusted technology and capacity provider of the global logic IC industry for years to come”.

**Revenue:**

NT$ 1,339 billion - FY ending 31st December 2020 (y-o-y growth 25%)

NT$ 1,070 billion - FY ending 31st December 2019
**SWOT Analysis:**

The SWOT Analysis for Taiwan Semiconductor Manufacturing Company (TSMC) is given below:

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intelligent manufacturing processes to boost productivity</td>
<td>1. Continuous decline in traditional businesses</td>
</tr>
<tr>
<td>2. Large portion of world's semiconductors are manufactured by the company</td>
<td>2. Minimal prospect for vertical integration due to customer obligations</td>
</tr>
<tr>
<td>3. Continuous innovation to produce high performance chips</td>
<td></td>
</tr>
<tr>
<td>4. Highly diverse product portfolio</td>
<td></td>
</tr>
<tr>
<td>5. Excellent financial performance with consistently strong ROE</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Opportunities</strong></th>
<th><strong>Threats</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Megatrend of 5G across globe necessitates semiconductors</td>
<td>1. Reduced consumer purchasing power decreased smartphone-based sales</td>
</tr>
<tr>
<td>2. Remote operations of enterprises drive semiconductor demand</td>
<td>2. Intense competition from manufacturers that are subsidized by government</td>
</tr>
<tr>
<td>3. Internet of things widens the scope of semiconductors</td>
<td></td>
</tr>
<tr>
<td>4. Smart wearables will be the next growth machine for semiconductors</td>
<td></td>
</tr>
</tbody>
</table>
**PESTLE Analysis:**

The PESTLE Analysis for Taiwan Semiconductor Manufacturing Company (TSMC) is given below:

<table>
<thead>
<tr>
<th>Political</th>
<th>Economical</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tightening of trade barriers globally led to losses</td>
<td>1. Global recession reduced demand for advanced automobiles</td>
</tr>
<tr>
<td>2. Government's pledge for nuclear-free Taiwan to create power supply issues</td>
<td>2. Declining average selling prices will reduce margins</td>
</tr>
<tr>
<td></td>
<td>3. Strengthening of USD reduces demand from countries other than USA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social</th>
<th>Technological</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Rapid adoption of digital applications in daily life will boost semiconductor industry</td>
<td>1. Miniaturization of chips drives growth</td>
</tr>
<tr>
<td></td>
<td>2. High performance computing applications in need of advanced semiconductors</td>
</tr>
<tr>
<td></td>
<td>3. 3DFabric technology to increase efficiency</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Legal</th>
<th>Environmental</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strong measure to prevent anti-competitive practices ensure fair market</td>
<td>1. Natural disasters significantly affect the raw material supply</td>
</tr>
</tbody>
</table>

Please note that our free summary reports contain the SWOT and PESTLE table contents only. The complete report for **Taiwan Semiconductor Manufacturing Company (TSMC) SWOT & PESTLE Analysis** is a paid report at **$12.53 U.S.D.**

* By clicking on "Buy Now" you agree to accept our "Terms and Conditions."
SWOT & PESTLE.com is a leading strategy research portal covering detailed Strengths, Weaknesses, Opportunities, Threats (SWOT) and Political, Economic, Social, Technological, Legal and Environmental (PESTLE) analysis of leading industry sectors and organizations across the globe. Our full and comprehensive collection on SWOT and PESTLE has been written by our team of professional analysts consisting of MBA’s, CFA’s and industry experts. Our analysis has helped businesses, researchers and scholars with valuable insights to make strategic decisions and take their research forward.

We at SWOT & PESTLE.com aim to aid the understanding of the multifaceted business world by presenting a list of diverse companies from across the globe. Business organizations today cannot function in ways that ignore the surroundings that they are set in. SWOT & PESTLE.com makes a keen observation into this aspect and accounts for factors affecting such businesses.