

CNET News

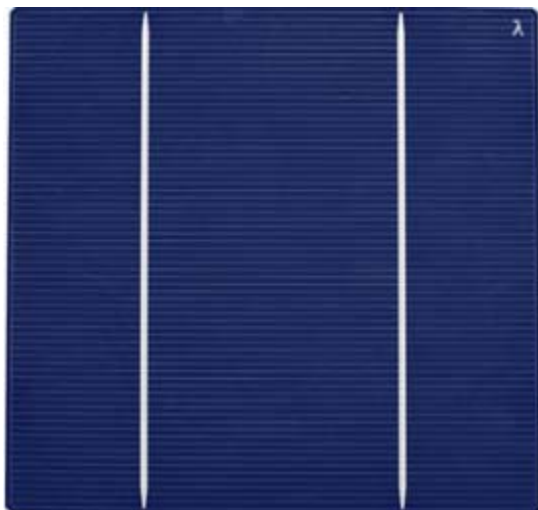
# Intel solar spin-off SpectraWatt to close plant

In a surprise move, solar panel maker SpectraWatt says it will shut its new New York plant and lay off workers, blaming softening demand in Europe.

by **Martin LaMonica** | December 23, 2010 7:16 AM PST

○ Solar panel manufacturer **SpectraWatt** [<http://www.spectrawatt.com/>], which was spun out of chip giant Intel, will close its newly opened New York plant and expects to lay off workers, according to reports.

SpectraWatt **was created in 2008** [[http://www.cnet.com/8301-11128\\_3-9969631-54.html](http://www.cnet.com/8301-11128_3-9969631-54.html)] and funded with a reported \$91 million to create silicon cells for solar panels. Earlier this year, it moved its headquarters from Oregon to upstate New York where the **state offered tax breaks to open a manufacturing plant** [[http://www.cnet.com/8301-11128\\_3-20026293-54.html](http://www.cnet.com/8301-11128_3-20026293-54.html)].



SpectraWatt was spun out of Intel two years ago to manufacture silicon solar cells.

(Credit: SpectraWatt)

On Tuesday, the company said that it will shut down the plant, which started operating in May this year, and it plans to start laying off at least 100 workers in March, the **Associated Press reported** [<http://online.wsj.com/article>]

[/APd0a69102f6a3453db24cbcd478efc526.html](#)]. The company said that winter weather in Europe caused a slowdown in solar projects, cutting demand for its solar cells.

The Poughkeepsie Journal **reported** [<http://www.poughkeepsiejournal.com/article/20101222/BUSINESS/12220339/Solar-cell-maker-SpectraWatt-plans-shutdown>] that the company, which was praised by local officials for creating jobs, had been offered \$8 million in subsidies by a New York economic development fund but most of that money had **not yet been disbursed** [<http://www.poughkeepsiejournal.com/article/20101222/BUSINESS/101222009/Some-public-funds-given-to-SpectraWatt--most-not-disbursed>]. Local officials told the paper they were shocked and surprised by the closing.

In a statement provided to the Poughkeepsie Journal, SpectraWatt said it "continues to pursue alternatives aimed at improving its current situation and hopes to reverse this action."

SpectaWatt blamed soft European demand for its shut down, but it and all solar cell and panel providers face intense price pressure from global competitors. In the past few years, prices for traditional silicon solar panels have dropped steadily, driven in part by a number of Chinese manufacturers that are scaling up manufacturing to bring costs down.

[<http://www.cnet.com/profile/mlamonica/>]



**lonica** [<http://www.cnet.com/profile/mlamonica/>]

a senior writer covering green tech and cutting-edge technologies. 2002 to cover enterprise IT and Web development and was previously executive editor of IT publication InfoWorld.

o  [<http://plus.google.com/118285386754289671450/>]

o

o