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According to TrendForce, Micron suspended the operations of its Inotera Fab-2 fabrication plant in Taiwan following a malfunction of a nitrogen gas dispensing system, leading a disruption in DRAM production.



The Fab-2 site accounts 5.5% of global DRAM production, with an output of 60000 wafer starts per month. This means the disruption will lead to a spike in memory prices, at least according to DRAMeXchange, the TrendForce memory price tracking service. Fab-2 produces DRAM used in PCs, servers and mobile devices, and supply chain news site Evertiq claims it is even makes memory for the iPhone.

"Inotera is also mainly responsible for manufacturing Micron’s LPDDR4 products that go into Apple’s supply chain for iPhone," Evertiq says. "The temporary shutdown of Fab-2 could have an impact on shipments of the upcoming new iPhone devices as well."

In turn, Micron insists everything is fine at the plant, and "there was no nitrogen leaking incident nor evacuating of personnel." Instead, the company says only a "minor incident" took place, one "without material impact to the business."

However TrendForce stands by its story, telling Reuters it bases reports on channel checks iwht the supply chain. And in any case, a look at DRAMeXchange does show some increase in current DDR4 memory prices.

Go Suspension of Inotera's Fab Disrupts DRAM Market (TrendForce)

Go Suspension of Inotera's Fab Disrupts DRAM Market (Evertiq)

Go Micron Says Operations at Taiwan Plant Recovering After Output Hiccup (Reuters)