

February 18th, 2026

RE: Letter of Support for SB1586

My name is Jim Lund, President and owner of Saxony Thermal, a semiconductor equipment company headquartered in Hillsboro, Oregon. I have worked in the Portland-area semiconductor industry for the past thirty years and have operated Saxony Thermal in Oregon for the past eleven. Our company has been built from the ground up from myself and just a few employees in a sales office, to a team of twenty serving customers around the world. We are a true "Made in Oregon" business.

Saxony Thermal plays a critical role in the global semiconductor ecosystem by keeping legacy 200mm manufacturing tools used by companies such as Analog Devices, GlobalFoundries, NXP, and others productive long after OEMs have shifted their focus and support to newer 300mm platforms. As OEM support for these tools has become slower, more expensive, and harder to obtain, Saxony Thermal has filled that gap. End users worldwide have invested billions of dollars in 200mm manufacturing equipment, and our refurbishment, retrofit, modernization, and remanufacture programs ensure that this significant capital investment remains viable for years to come.

Saxony Thermal generates the majority of its revenue from outside Oregon, about 30% from Oregon customers, 50% from U.S. domestic customers, and the balance from international markets. All while deliberately maintaining a supply chain made up largely of local Hillsboro-based suppliers. This structure brings national and global revenue into Oregon and channels it directly into local businesses, making Saxony Thermal a net exporter that strengthens the regional economy.

Saxony Thermal has operated in Hillsboro for over a decade and has already made extensive use of the area's industrial infrastructure, workforce, and supplier base. The site designated in SB1586 is adjacent to the same existing industrial development, supported by industrial-scale infrastructure, and has received significant public investment, making it uniquely suited for modern advanced manufacturing ambitions.

Saxony Thermal plans to build a new facility integrating foundry-style production bays, a process and test lab, and expanded assembly and manufacturing space. This expansion would allow us to triple our size over the next two years while vertically integrating functions currently outsourced such as gold plating, high-purity plumbing, and cable manufacturing directly into Hillsboro. The project will create new high-paying department-manager and executive-level roles, along with additional skilled manufacturing and technical positions.

The incentive structure in SB 1586 is essential to making an investment of this scale financially viable. The bill creates a locally controlled property-tax exemption for advanced-manufacturing equipment for up to five years, and available only when companies invest and operate in Oregon, As Saxony thermal has done for years. For a capital-intensive project like ours, this targeted tool helps close the financing gap and enables Oregon to compete with other states. Independent analysis of Oregon's existing property-tax incentive programs has shown that each dollar of abated tax has generated substantial economic output, job creation, and additional personal income tax revenue statewide.

In practical terms, SB 1586 would allow Saxony Thermal to continue earning most of its revenue from customers outside Oregon, while spending even more of that revenue with employees and suppliers inside Oregon and deepening our manufacturing footprint in North Hillsboro.

Best Regards,



Jim Lund

President