Taxpayer-Funded Intel Slashes Jobs Despite $8.5B Injection

Description

Intel recently announced that they are cutting 15% of their workforce, which amounts to around 17,000 jobs, despite receiving $8.5 billion in federal grants to bring back chip-making to the U.S. This decision is part of a larger cost-cutting and restructuring plan due to the company's financial struggles. Intel CEO Pat Gelsinger stated that the company's revenues did not meet expectations, leading to the need for significant changes. Consequently, the company saw a 26% drop in its stock value following the announcement.

The job cuts have sparked some criticism, especially after Intel received federal subsidies under the Biden administration's CHIPS and Science Act to boost semiconductor projects in the U.S. Despite these efforts, Intel found it necessary to reduce its workforce to align with its new operating model.

Gelsinger explained that unexpected market conditions, particularly in the demand for AI chips, played a significant role in the decision. The shift towards AI products led to a decrease in Intel's sales and a financial loss in the previous quarter.

It is a challenging time for Intel, but the company aims to prioritize transparency and respect throughout this transitional period. The decision to cut jobs illustrates the complexities of navigating a changing industry landscape.

Vocabulary List:

1. **Restructuring** /riːˈstrʌk.tʃər.ɪŋ/ (noun): The act of organizing something in a new way typically to improve efficiency.
2. **Subsidies** /ˈsʌb.sɪ.diːz/ (noun): Financial assistance granted by the government to support an economic sector.
3. **Workforce** /ˈwɜːrk.fɔːrs/ (noun): The workers engaged in a specific company or industry.
4. **Significant** /sɪɡˈnɪf.ɪ.kənt/ (adjective): Having a major meaning or importance.
5. **Complicated** /ˈkɒmplɪkeɪtɪd/ (adjective): Consisting of many interconnecting parts or elements; difficult to analyze or understand.
6. **Navigating** /ˈnæv.ɪ.geɪ.tɪŋ/ (verb): Planning and directing the course of something particularly through a complex environment.

Comprehension Questions

Multiple Choice

1. What percentage of the workforce is Intel cutting as recently announced?

    Option: 10%
    Option: 15%
    Option: 20%
    Option: 25%

2. How many jobs are estimated to be cut by Intel?

    Option: 12,000
    Option: 15,000
    Option: 17,000
    Option: 20,000

3. How much did Intel receive in federal grants to bring back chip-making to the U.S.?

    Option: $5.3 billion
    Option: $7.5 billion
    Option: $8.5 billion
    Option: $10 billion

4. Who is the CEO of Intel?

    Option: Pat Gelsinger
    Option: Lisa Su
    Option: Sundar Pichai
    Option: Tim Cook

5. What was the percentage drop in Intel's stock value following the job cut announcement?

    Option: 15%
    Option: 20%
    Option: 26%
    Option: 30%

6. Under which administration did Intel receive federal subsidies to boost semiconductor projects in the U.S.?

    Option: Trump administration
    Option: Obama administration
    Option: Biden administration
    Option: Bush administration

Answer

Multiple Choice: 1. 15% 2. 17,000 3. $8.5 billion 4. Pat Gelsinger 5. 26% 6. Biden administration

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What term is used to determine the current worth of a company or asset?

   Option: A) Aspire
   Option: B) Valuation
   Option: C) Manufacturing
   Option: D) Investment

2. Which term describes the ability to adjust to new conditions or challenges?

   Option: A) Resistance
   Option: B) Adaptable
   Option: C) Momentum
   Option: D) Structure

3. What term pertains to the production consumption and transfer of wealth?

   Option: A) Optimistic
   Option: B) Economic
   Option: C) Subsidies
   Option: D) Guidance

4. What term refers to the process of combining different parts into a whole?

   Option: A) Anticipated
   Option: B) Integration
   Option: C) Performing
   Option: D) Plunge

5. Which term signifies the strength or force that allows something to continue or grow stronger?

   Option: A) Significant
   Option: B) Momentum
   Option: C) Restructuring
   Option: D) Turbulence

6. What process involves examining something in detail to understand it better?

Option: A) Plunge
Option: B) Analysis
Option: C) Resistance
Option: D) Leverage

7. What term means to give assistance or backup to someone or something?

Option: A) Volatility
Option: B) Support
Option: C) Indicator
Option: D) Valuation

8. Which term describes using borrowed funds for investment expecting the profits to be greater than the interest payable?

Option: A) Lever
Option: B) Guidance
Option: C) Leverage
Option: D) Volatility

9. What term characterizes something that is intricate or challenging to understand?

Option: A) Navigating
Option: B) Complicated
Option: C) Aspire
Option: D) Subsidies

10. Which term describes something that is expected or predicted to happen?

Option: A) Anticipated
Option: B) Optimistic
Option: C) Structure
Option: D) Integration

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. ________________________ is the act of opposing or withstanding something.

12. The action or process of investing money for profit or material result is called ________________________.

13. The economy ________________________ after a brief downturn.

14. The aviation industry faced ________________________ during the storm.

15. He sought ________________________ from his mentor to make the right decision.

16. The ________________________ of the new product exceeded expectations.

17. The team provided ________________________ to their leader during a challenging time.

18. Employees who are ________________________ can easily adjust to changes in the work environment.

19. Sales and revenue are key ________________________ of a company's financial health.

20. The ________________________ of the property was higher than expected.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The discovery of a new species was a milestone in the field of biology.
22. The sector contributes significantly to the country's GDP.
23. Many young students to have successful careers in science and technology.
24. The stock market took a sudden due to economic uncertainty.
25. Despite the challenges he remained about the future of the project.
26. The company announced a plan to improve efficiency and reduce costs.
27. The company invested in training programs to enhance the skills of its .
28. Investors were cautious due to the in the stock market.
29. The team successfully through the complex regulatory environment.
30. The government provided to support the development of renewable energy projects.

Answer

Multiple Choice: 1. B) Valuation 2. B) Adaptable 3. B) Economic 4. B) Integration 5. B) Momentum 6. B) Analysis 7. B) Support 8. C) Leverage 9. B) Complicated 10. A) Anticipated
Gap-Fill: 11. Resistance 12. Investment 13. rebounded 14. turbulence 15. guidance 16. performance 17. support 18. adaptable 19. indicators 20. valuation
Matching sentence: 1. significant 2. manufacturing 3. aspire 4. plunge 5. optimistic 6. restructuring 7. workforce 8. volatility 9. navigating 10. subsidies

CATEGORY

1. Business - LEVEL3

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