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Artificial Intelligence This Week

Lutnick Says U.S. Pursuing 10%
Stake In Intel For Chips Act
Grants

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**Lutnick Says U.S. Pursuing 10%
Stake in Intel for Chips Act Grants**

This morning, Commerce Secretary Howard Lutnick [said](#) on *CNBC* that leading edge chips must be made in the U.S. rather than in other nations, specifically in Taiwan. He continued by commenting that it would be “lovely” but not necessary if Intel could make a U.S. node or transistor, which would further America’s position as a participant in the semiconductor space.

Turning to recent reports, Lutnick confirmed that the Trump Administration is engaging in discussions with Intel over receiving a 10% stake in the technology company in exchange for *The Chips and Science Act* Federal grants earmarked for Intel’s commercial and military production, which are worth \$10.9 billion—a figure that aligns closely with the value of a 10% stake in the firm. The Commerce Secretary said, “*America should get the benefit of the bargain. I mean that is exactly Donald Trump’s perspective,*” asking what is in it for the American taxpayer in giving a company worth \$100 billion that kind of money for free.

Lutnick stated, “*We’ll deliver the money, which was already committed under the Biden Administration, [and] we’ll get equity in return for it. Get a good return for the American taxpayer. Instead of just giving grants away, Donald Trump views [that] we should get benefits for the economics that we put out.*” When asked about this arrangement hurting Intel’s ability to compete, Lutnick said that *The Chips and Science Act* was a “*give away to rich companies.*” He also commented that the President understands how to deal with tech firms, saying that Trump will leverage a 100% tariff on semiconductor companies which do not build in America. Lutnick also confirmed that the 10% equity stake would not give governance nor voting rights to the government or Administration.

Later today, White House Press Secretary Karoline Leavitt commented that the arrangement would be “*a creative idea that has never been done before to ensure that we’re both reshoring these critical supply chains while also gaining something of it for the American taxpayer*” and said that Secretary Lutnick is “*ironing out the details*” with Intel.

Sen. Lummis Publishes Opinion Piece on AI, White House Action Plan

Yesterday, Senator Cynthia Lummis (R-WY) [published](#) an opinion piece for *Fox News* entitled “*Trump’s AI plan is a bulwark against the rising threat from China,*” outlining her support for the White House’s [AI Action Plan](#) which was released in July. In the op-ed, Lummis details how America faces the prospect of losing its lead in artificial intelligence (AI) to China if the U.S. does not

prioritize innovation, energy modernization, workforce development, secure supply chains, and proactive government regulations which allow for *“a trusted AI ecosystem that is private-sector led, American-built, and decisive in its capacity to defend freedom.”*

In the piece, Lummis leverages Wyoming’s *“vast energy reserves,”* which specialize in coal and natural gas, asserting that her state is prepared to support AI data centers and *“stands ready to power America’s AI revolution with the energy infrastructure that will keep our systems running affordably when national and economic security is on the line.”* Lummis, who chairs the Senate Banking Subcommittee on Digital Assets, turned to the national security implications of ceding American AI leadership to China, asking whether readers would prefer their personal data be stored in the United States under U.S. laws and workers or under Chinese Communist surveillance and exploitation. She concludes by committing her support to the Trump Administration’s AI Action Plan, calling it a *“roadmap”* that Congress and the private sector should use to propel America forward in the field of advanced technology.

NSF and Nvidia Partner on AI Models for Scientific Community

On Thursday, the U.S. National Science Foundation (NSF), which is an independent Federal agency, announced that it was partnering with American semiconductor giant Nvidia *“to develop a set of artificial intelligence models that will transform the ability of America’s scientists to leverage AI, advancing scientific discovery and ensuring U.S. leadership in AI-powered research and innovation.”* According to a [press release](#) issued by the National Science Foundation, Nvidia will contribute \$77 million and NSF will direct \$75 million towards the Open Multimodal AI Infrastructure to Accelerate Science (OMAI) project, which is led by Seattle-based non-profit AI research institute known as the Allen Institute for AI. The partnership is aimed at designing open-source multimodal large language models (LLMs) developed with literature and scientific data to aid American researchers and developers.

White House Office of Science and Technology Policy (OSTP) Director Michael Kratsios commented on the partnership, *“As called for in the AI Action Plan, the Trump administration is committed to ensuring America fosters the leading open-source and open-weight models that set the global standard for business and academic research worldwide,”* continuing by saying, *“This partnership between NSF and NVIDIA puts the Action Plan to work and demonstrates the power of the American innovation ecosystem. We look forward to the novel research and scientific breakthroughs to come through open-source model development and AI-enabled science.”*

Nvidia CEO Jensen Huang said, *“AI is the engine of modern science — and large, open models for America’s researchers will ignite the next industrial revolution,”* and noted, *“In collaboration with NSF and Ai2, we’re accelerating innovation with state-of-the-art infrastructure that empowers U.S. scientists to generate limitless intelligence, making it America’s most powerful and renewable resource.”*

Relatedly, Nvidia is in the [news](#) after Cantor Fitzgerald analyst C.J. Muse recently projected that revenue for the company’s Data Center segment will hit \$200 billion for calendar 2025, \$19 billion higher than other forecasts of \$181 billion. In calendar 2026, Muse expects Nvidia’s Data Center to generate \$300 billion, an increase of \$65 billion from expectations of \$235 billion.

House Energy & Commerce Subcommittee Chairs Send Letter to Lutnick Over Spain’s Contract with Huawei

Outlined in a [press release](#) issued yesterday, House Energy & Commerce Subcommittee on Commerce, Manufacturing & Trade Chairman Gus Bilirakis (R-FL) and Subcommittee on Communications & Technology Chairman Richard Hudson (R-NC) sent a letter in August to Commerce Secretary Howard Lutnick regarding Spain’s decision to contract Huawei for the management and storage of data related to Spanish wiretapping services. The Congressmen write: *“According to revelations made public in early July, Spain’s Ministry of the Interior contracted with Huawei to manage and store sensitive data related to the country’s wiretapping services, building on existing Huawei technology used by Spanish intelligence service.”*

Turning to the implications for the United States, Bilirakis and Hudson outline to Secretary Lutnick, *“It is deeply troubling when a treaty ally uses telecommunications equipment and services from an entity aligned with the Chinese Communist Party (CCP). As you are aware, Huawei and other Chinese firms maintain documented CCP ties, posing profound risks to national and economic security.”* The Congressmen continue, *“Spain’s decision underscores a regrettable trend in the European Union (EU): governments tacitly embrace Chinese technology and hold American digital trade exports to double standards.”* Representatives Bilirakis and Hudson conclude by encouraging the Department of Commerce to investigate this decision by the Spanish government and look into similar actions by other European Union governments.

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