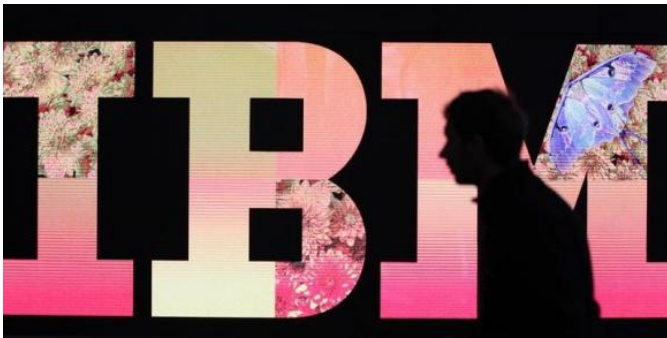


IBM Gets Rid of Chip-Making Unit

Written by Marco Attard
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IBM pays \$1.5 billion to offload its commercial semiconductor technology business to contract-chipmaker Globalfoundries, a deal which includes related intellectual property, technologists and technologies.



Globalfoundries will also become the exclusive IBM 22, 14 and 10nm semiconductor provider for the next 10 years, as well as opportunities in RF and speciality technologies and ASIC design capabilities.

As for Big Blue, the offloading frees it to specialise further in semiconductor research and the development of future cloud, mobile, big data and secure transaction-optimised systems. It is also set to invest \$3 billion over the next 5 years in semiconductor research.

"This acquisition solidifies Globalfoundries' leadership position in semiconductor technology development and manufacturing," Globalfoundries says. "We can now offer our customers a broader range of differentiated leading-edge 3D transistor and RF technologies, and we will also improve our design ecosystem to accelerate time-to-revenue for our customers."

The sale is actually the 3rd step in IBM's move away from hardware-- in 2005 IBM sold its consumer PC business to Lenovo, and it recently completed its \$2.1 billion sale of the x86 server business, which was also bought by Lenovo.

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