

Intel buys Israeli AI chip startup Habana for \$2B

December 16 2019



In this Oct. 1, 2019, file photo the symbol for Intel appears on a screen at the Nasdaq MarketSite, in New York. Intel said Monday, Dec. 16, that it has bought Israeli artificial intelligence startup Habana Labs for \$2 billion. (AP Photo/Richard Drew, File)

Intel is paying \$2 billion to buy an Israeli startup that specializes in

processing chips for artificial intelligence.

The California-based chipmaker said Monday that the purchase will help it speed up computing power and improve efficiency at [data centers](#).

The move is part of Intel's broader strategy to strengthen its AI business. The [company](#) expects AI services will generate more than \$3.5 billion in revenue this year, an increase of more than 20% from last year.

Habana, founded in 2016, will remain an independent business led by its current management team in Caesaria, Israel, according to Intel. The startup's first processing chip, the Goya, is commercially available. Its second was announced earlier this year.

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