

Chip giant AMD says AI to be 'mega-trend' for computing world

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AI will be the "defining mega-trend" for the global computing industry, the head of chip giant AMD said Thursday in Taiwan, where the majority of the world's semiconductors powering the technology is

produced.

California-based Advanced Micro Devices (AMD) is one of the world's largest chip suppliers—rivaling giants Intel and Nvidia—and their processors are used in everything from gaming consoles and laptops to massive servers.

In the past year, [tech companies](#) have shifted resources to developing chips that have the [processing power](#) for generative AI—which churns out complex content in seconds—after seeing the popularity of products such as ChatGPT.

"The innovation opportunities ahead of us are truly enormous and the computing industry is changing very fast," said AMD's CEO Lisa Su, in Taiwan to receive an honorary doctorate from a university in the city of Hsinchu.

"AI is really the defining megatrend for the next 10 years," she said, adding that generative AI has reshaped how industry players think about tech's possibilities.

"Every product, every service, every business in the world will be impacted by AI, and the technology is actually evolving faster than anything than I've ever seen before," Su said in her speech to the university.

As a [chip](#) design foundry, AMD outsources the production of their microchip designs to Taiwan Semiconductor Manufacturing Company (TSMC), which is headquartered in Hsinchu.

The Taiwanese chipmaking giant controls half the world's output of the [silicon wafers](#), which are used to power everything from drip coffee machines to cars and missiles.

Unlike the AMD chief, TSMC's chairman Mark Liu cautioned investors on pinning their expectations of a boom in chips due to generative AI.

"The short-term frenzy about AI demand definitely cannot be extrapolated for the long term," Liu told shareholders in a conference call Thursday—held around the same time as the university ceremony Su attended.

"Neither can we predict for the near future, meaning next year, how the sudden demand will continue or flatten out."

TSMC reported a 23 percent drop in its [second quarter](#) net income to about \$5.85 billion.

"Our second quarter business was impacted by the overall global economic conditions, which dampened the end market demand, and led to customers' ongoing inventory adjustment," said Wendell Huang, TSMC's VP and chief financial officer.

The company also announced that its long-awaited Arizona plant—the first in the United States—has met delays, due to "an insufficient amount of skilled workers", and the start of production will be pushed to 2025, Liu said.

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