

Altman drama: twist in seven-year Microsoft, OpenAI relationship

November 20 2023, by Laurence BENHAMOU



Microsoft CEO Satya Nadella, pictured right, hired Sam Altman, left, after his surprise ouster as head of OpenAI.

Microsoft's hiring of ousted OpenAI CEO Sam Altman on Monday

marks another twist in the seven-year-old partnership between the US giant and the startup that created ChatGPT.

Here are key moments in the history of their partnership:

Founded as a non-profit

OpenAI is founded in 2015 by entrepreneurs and investors, including Sam Altman, Greg Brockman and Tesla chief Elon Musk.

It is established as a not-for-profit organization that publishes open source research and software available to all.

Teams up with Microsoft

Musk quits the project in 2018 following clashes with the board of directors.

Altman transforms OpenAI into a "capped profit" company and seeks new investors.

Microsoft injects \$1 billion

In 2019, Microsoft invests \$1 billion in OpenAI, largely in the form of computing credits, in exchange for a role in the future commercialization of its technologies.

The goal for Microsoft is to develop its cloud offering, where it competes with Google (Alphabet) and Amazon.

GPT-3 launched

OpenAI launches GPT-3 in 2020, the third version of its large-scale language model, trained on huge volumes of text scraped from the internet by Microsoft's computing infrastructure.

This model is far more powerful than its competitors, with some 175 billion parameters.

Supercomputer trains AI

Microsoft in 2020 says it has built a supercomputer exclusively designed to train large OpenAI models.

Its cloud network, Azure, can now make these systems available to Microsoft customers.

AI-generated images

OpenAI in 2021 says it has developed DALL-E, an AI model capable of generating images when provided with descriptions.

ChatGPT goes public

OpenAI achieves worldwide attention with the November 2022 launch of ChatGPT, a language model open to the public, initially available free of charge.

Microsoft reportedly seeks stake

In January 2023, Microsoft announces "an investment of several billion dollars over several years"—\$10 billion, according to US media.

It says it is "investing in the development of specialized supercomputer

systems" for its partnership with OpenAI, but makes no mention of acquiring a stake in its capital.

According to US media, Microsoft had sought to buy 49 percent of OpenAI, in an offer that valued it at \$29 billion.

Microsoft integrates GPT-4 into products

In March 2023, Microsoft says it is integrating the GPT-4 version of OpenAI into its consumer products such as search engine Bing, Outlook email and Office suite (Word, Excel), but will charge users extra.

Microsoft not informed of dismissal

Microsoft is not notified of the OpenAI board's decision on Friday to dismiss Sam Altman, according to US press reports.

After trying over the weekend to get him reinstated, the group announces that it is hiring him and co-founder Greg Brockman.

Brockman suggests that they will continue to create AI products at Microsoft, and he announces the recruitment of several key OpenAI managers for these projects.

Meanwhile, hundreds of OpenAI staff members Monday sign a letter threatening to leave the company and join Microsoft if the board is not replaced.

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