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## **Confirmed: Sun Buys out Intel's CPU Rival**

*It's not AMD, it's the secretive Montalvo Systems*



Montalvo's glory has set with the Sun  
Montalvo

Server manufacturer Sun has just confirmed that it inked a buyout deal with the super-secretive CPU startup Montalvo, as previous rumors had indicated. The small company was built by the ex-Transmeta executives and pitched at delivering an all-in-one processor wonder able to tear down Intel's domination on the desktop and mobile markets. "Montalvo's assets will be integrated into Sun's Microelectronics business unit. We believe acquiring these assets will enhance the current and future products we are developing and expect them to contribute to future generations of Sun's microprocessor technology which will in turn drive additional differentiation for Sun's Systems products," a company representative claimed. "We are not disclosing the terms of the deal as it is not material with respect to earnings per share," the representative continued. It seems that secrets run in the family, as the buyout was secured for April 21st, but neither of the two companies bothered to issue a press release. Just as the rumors spiked on the web, Sun decided that it had rather give the official confirmation. Montalvo engulfed its whole multi-million investments while designing the miraculous multi-core processor, but it never managed to come up with a working unit. The chip's design is mostly inspired by the Cell chip produced by IBM, Toshiba, and Sony, as it is based on [multiple, asymmetric cores](#) that handle specific jobs. When low computing power is required, the bigger cores automatically shut down in order to preserve energy. They kick in when processing hardcore computing tasks, thus delivering an optimal balance between performance and energy-efficiency. The chip was designed to run the same x86 software as Intel's and AMD's own products, yet it spent all the \$73 venture funds without being able [to validate the processor](#). Montalvo was left without any research money, so the company [started to shed jobs](#). However, given the fact that it had no human assets, as well as no working chip, the only alternative was to sell its intellectual property for about \$5 million. Sun is more interested in the company's patented technology as well as its engineering teams. It's highly unlikely that the server manufacturer would invest a dime in manufacturing a chip to compete with Intel or AMD given the fact that it is using their CPU products in its servers. More than that, the chip's execution would be pretty painful, as Sun does not have its own production facilities.