

AMD Takes On Intel...in Court

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So PERENNIAL CPU underdog AMD has launched an antitrust suit against Intel, accusing it of using illegal tactics to discourage PC companies from using AMD's chips in their PCs. This is just the latest in a long-running series of legal tussles between the companies.

In terms of technology, AMD has been on a roll for several years, at least since the launch of its first Athlon processor. At the moment, the top five systems on our Power PCs chart sport Athlon 64 chips, and our recent tests of new dual-core CPUs show AMD besting Intel.

But the vast majority of the com-

puters in the world still have Intel Inside: In the first quarter of 2005, according to Mercury Research, Intel had a market share of 81.7 percent and AMD had 16.9 percent. Many major PC manufacturers remain Intel-only, including Dell (a longtime holdout) and Sony (which has used AMD processors in the past). Intel, says AMD, has "entrenched monopoly ownership and super-dominant market power."

Me, I'm kind of a chip agnostic—I own computers based on Intel, AMD, Transmeta, and Power PC processors. (Actually, my favorite Intel machine fits in my pocket: It's my Treo 650 handheld, which uses the company's XScale chip.) And I don't yet know enough about

AMD's charges to have an informed opinion on them.

But consumers always benefit from healthy competition—even if you buy an Intel-based computer, you benefit from AMD's existence, since Intel must price its processors to compete with Athlons. And since Transmeta has exited the processor business and Apple is dropping Power PC chips in favor of Intel ones, it's vital that AMD has a fair shot at getting its share of the world's CPU business. (If success was based purely on technical excellence and reasonable prices, it would surely claim far more of the market than it does.)

Are you taking sides in the CPU wars?