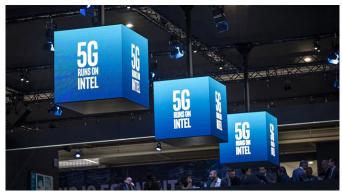
Written by Alice Marshall 24 July 2019

Apple is in "advanced talks" to buy the Intel smartphone modem business, the Wall Street Journal reports, allowing the iPhone maker to bring efforts to develop the critical components making a smartphone in-house.



The news is technically not, well, news-- The Information had <u>a similar story little more than a</u> month ago -- but the WSJ's

unnamed sources add a deal covering a portfolio of patents and staff worth around \$1 billion could be reached as early as next week. Furthermore, Apple has reportedly already been working with the team on a first Chipzilla 5G mobile modem, but failed to create such a component in time.

Such a deal represents a potential win-win for both Apple and Intel. On one hand, Apple acquires experienced staff and a bevy of patents, bringing about an in-house 5G modem development team. On the other, Intel offloads a business whose losses clock at around \$1bn annually, at least according to the WSJ.

The WSJ story comes months after <u>Apple reached a settlement with Qualcomm</u> for the supply of 5G modem, bringing to a close years of ugly court litigation. If one is curious as to how much the settlement cost Apple, the

Qualcomm Q2 2019 fiscal report

has the answer-- a cool \$4.5 billion. Such a sum might sound massive, but considering the Apple warchest reportedly contains \$225.4 billon in cash on hand alone, in iPhone maker terms it's little more than small potatoes

Go Apple in Advanced Talks to Buy Intel's Smartphone-Modem Chip Business (WSJ.com, subscription required)