

Hyundai Motor Group acquires stake in AI semiconductor firm Tenstorrent

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A combined \$50 million from Hyundai Motor and Kia to accelerate Tenstorrent's design and development of AI chiplets and its machine-learning software roadmap

Hyundai Motor Group has announced a strategic investment in Tenstorrent, an AI semiconductor company based in Toronto, Canada, which will allow the Group to integrate AI into future Hyundai, Kia and Genesis vehicles, and other future mobilities, including robotics and advanced air mobility (AAM), according to a press release on August 3.



Source: Getty Images

Hyundai Motor Co. and Kia Corp. will invest \$50 million (\$30 million and \$20 million, respectively), making the Group the lead investor in Tenstorrent's latest funding round, with a total of \$100 million. The investment will be used to accelerate Tenstorrent's design and development of AI chiplets and its machine-learning (ML) software roadmap.

The Group expects to leverage Tenstorrent's high-performance technologies and experience to jointly develop optimized semiconductors while strengthening its own technological capabilities. The newly developed high-performance semiconductors will be applied to central processing units (CPU) and neural processing units (NPU) for future vehicles and mobility solutions.

"Tenstorrent's high growth potential and high-performance AI semiconductors will help the Group secure competitive technologies for future mobilities," said Heung-soo Kim, executive vice president and head of the Global Strategy Office (GSO) at Hyundai Motor Group. "With this investment, the Group expects to develop optimized but differentiated semiconductor technology that will aid future mobilities and strengthen internal capabilities in AI technology development."

"The trust in Tenstorrent shown by Hyundai Motor Group leading our round is truly humbling," said Jim Keller, CEO of Tenstorrent. "It has been impressive watching Hyundai Motor Group become the third largest automaker in the world through their aggressive adoption of technology including their acquisition of Boston Dynamics, their joint venture with Aptiv, and now their investment in us."

Significance: Hyundai Motor Group established the Semiconductor Development Group earlier in 2023. This specialized group is dedicated to customized semiconductor development for the Group's innovative mobilities, achieved through strategic collaborations with various external partners.

Founded in 2016, Tenstorrent focuses on designing and developing advanced processors to accelerate AI and ML workloads. Tenstorrent aims to create efficient and high-performance hardware solutions that enable deep learning at scale.

Tenstorrent's CEO is a renowned figure in the semiconductor industry. Keller has an extensive background in chip design and architecture, having worked at several prominent technology companies. He is widely recognized for his contributions to the development of microprocessors and is known for his expertise in CPU and system-architecture design.

By working with the Group, Tenstorrent aims to enter the automotive sector based on its AI semiconductor core intellectual property (IP) competitiveness, a key team of semiconductor experts and robust development direction.

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