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Apple to create in-house iPhone chips

Jobs admits PA Semi purchase for processor production

by Amy-Mae Elliott published on 12 June 2008

Steve Jobs has revealed that Apple is planning to create its own chips for the iPhone and iPod, a move to no doubt try and distinguish the products further from rival offerings.

Rather than in-house at Apple - that actually outsources all its hardware - the Apple CEO has admitted that the processors will be developed by PA Semi - a company it recently acquired.

PA Semi, described as a "boutique" chip maker, a supplier to the US government, was acquired by Apple in April 2008 for a rumoured sum of \$278 million, which led to speculation at the time that Apple would make this kind of move.

Speaking to the The New York Times, Steve Jobs has now revealed the reason for the purchase stating, "PA Semi is going to do system-on-chips for iPhones and iPods".

