Commentary and Analysis...

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J.Gold Associates LLC, 6 Valentine Road, Northborough, MA 01532, USA
www.jgoldassociates.com   +1-508-393-5294

Intel and Google – Who Needs Who?

Intel and Google recently reaffirmed their relationship at the Intel Developers Forum by announcing they will optimize Android for the Atom platform. While some believe that Intel needs Google more than the other way around in order to compete against the ARM onslaught, I see it differently.

Android is very popular and has made great inroads in the market in smart phones (with more than 50% share) and is beginning to pick up traction in tablets as well with a plethora of new devices due out shortly. But Android itself has not always been that good a performer, and some of the SW choices Google has made while developing the various versions have been troublesome. It is clear Android can use some assistance in optimizing the code and user experience (one of the primary reasons Google is buying Motorola is for its engineering talent that has had a major positive impact on the design and tuning of Android). But Google needs assistance in improving future versions of Android, and has a broader vision for Android than today's phones and tablets.

Although not well understood, Intel is one of the largest SW companies in the world (they have many thousands of SW engineers). It has a unique ability to make SW and particularly OSes run extremely well and have been doing so for many years, and not just with Windows. It is a leading provider of development and compiler technology. While Intel won't necessarily help Android run better on ARM, it can certainly make Android run great on the Intel architecture. It is already well down this path with the Android code porting and optimization work it's been engaged in for some time.

But Google has greater ambitions for Android than powering current mobile devices. Google ultimately wants to be a leading OS provider across the board and on many form factors, including on the x86 platform powering PC and PC-like devices, and competing with Microsoft and Apple. This is an extension of Google's "service in the cloud" strategy with clients powered by Android and Chrome and productivity apps being "optimized" for its own environment.

So the relationship between Google and Intel is key to both their long term strategies. It's a win-win relationship if done right. It's quite conceivable that by the time Intel is through optimizing Android code, it will run substantially better on its chips than on ARM. But any help Intel provides Google for Android reliability and performance optimization on x86 will most likely also help it running on ARM since the efforts will be repurposed, and this ultimately helps Android on ARM as well.

The bottom line is both companies actually have a great deal to benefit from a close relationship. Intel gets to show of its upcoming devices for mobile form factors running a highly optimized (for its chips) version of Android. And Google gets a path to higher end systems and optimized code to access its services. And users get choice and a more compelling experience. So there really are no "junior partners" in this relationship. Both have much to gain.

For more in-depth comments or analysis on this or other subjects, feel free to contact us.