

# AMD Buys Fei-Fei Li's World Labs for \$8.2 Billion to Shape Its Next Chips

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A chipmaker buys a world-model lab to plan what to build next

**\$8.2B**

All-stock deal for World Labs

**2nd**

AMD's largest acquisition, after Xilinx in 2022

**2024**

World Labs founded by Fei-Fei Li

October 4, 2026

ToKnow.ai

AMD agreed on September 28 to buy World Labs, the AI lab founded by computer-vision pioneer Fei-Fei Li, in an all-stock deal valued at about \$8.2 billion. World Labs builds “world models”: software that learns how physical space behaves, then turns text, images, and video into interactive 3D scenes. Its first product, Marble, builds places you can walk through and edit from a few photos. Li, a Stanford professor who led work on the ImageNet dataset behind

modern computer vision, becomes an executive vice president and chief scientist at AMD, reporting to chief executive Lisa Su. The two companies had already worked together for a year on training and running models on AMD chips. The deal should close by the end of 2026, pending regulatory approval.

AMD makes the chips that data centers and AI companies buy, and it competes with Nvidia. Owning a model lab lets AMD see where AI work is heading and plan processors for it years ahead, which is hard to do from the outside. World models matter most for robots: a machine can rehearse a task inside a simulated 3D world before touching anything real, which helps because real robot data is scarce. It is AMD's second-largest acquisition, after the roughly \$50 billion it paid for chip designer Xilinx in 2022.

Chipmakers are buying model teams to learn what to build next. Nvidia already offers its own world models, known as Cosmos, and AMD has now agreed to buy the team that builds them.

Read More: [World Labs Atlas: One AI Model That Generates, Reconstructs, and Simulates 3D Worlds](#)

Sources:

- [AMD to Acquire World Labs to Advance the Future of AI Compute \(AMD Newsroom\)](#)
- [World Labs is Joining AMD \(World Labs\)](#)
- [To Seek a Newer World \(Fei-Fei Li\)](#)
- [AMD will acquire Fei-Fei Li's World Labs for \\$8.2B \(TechCrunch\)](#)
- [AMD acquiring Fei-Fei Li's World Labs AI firm in deal worth \\$8.2B \(CNBC\)](#)

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