

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report: January 5, 1996

ADVANCED MICRO DEVICES, INC.

(Exact name of registrant as specified in its charter)

----- DELAWARE ----- (State or other jurisdiction of incorporation)	1-7882 ----- (Commission File Number)	94-1692300 ----- (I.R.S. Employer Identification No.)
One AMD Place, P.O. Box 3453 Sunnyvale, California ----- (address of principal executive offices)		94088-3453 ----- (Zip Code)

Registrant's telephone number,
including area code: (408) 732-2400

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Item 5. Other Events.

On January 5, 1996, Advanced Micro Devices, Inc. (the "Company") and Intel Corporation ("Intel") announced that they had signed a five-year, comprehensive patent cross-license agreement. The companies had agreed to negotiate the license as a result of the settlement announced in January, 1995.

The new agreement follows a patent cross-license arrangement between the companies that expired at the end of 1995. Effective January 1, 1996, the new agreement gives the Company and Intel the rights to use each others' patents and certain copyrights, exclusive of, microprocessor microcode copyrights. The Company agreed in the January, 1995, settlement agreement that it would not use Intel microcode beyond the Intel 486(TM) processor code.

The license is royalty-bearing for products that use certain technologies, though specific financial terms were not disclosed.

The Company believes that the agreement will provide it with full legal rights to use all enabling Intel intellectual property necessary to continue providing its customers with competitive products that are fully software compatible with the Intel instruction set.

Except for the historical information contained herein, certain of the matters discussed in this report are forward looking statements that involve risks and uncertainties, including such risks and uncertainties as are described in registration statements, reports and other documents filed by the Company from time to time with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934. Specific reference is made to the risks and uncertainties described in the Registration Statement on Form 3-4 (Registration No. 33-64911) filed by the Company in connection with its planned acquisition of NexGen, Inc., and, in particular, to the risk factors entitled "Dependence on Microprocessor Revenues," "New Products and Technological Change" and "Competition," and to the descriptions therein concerning dominant market position of Intel.

Item 7. Financial Statements and Exhibits.

(c) Exhibits:

99 Press release dated January 5, 1996

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ADVANCED MICRO DEVICES, INC.
(Registrant)

Date: January 12, 1996

By: /s/ MARVIN D. BURKETT

Marvin D. Burkett
Senior Vice President, Chief
Financial and Administrative
Officer and Treasurer

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Exhibit Index

Exhibit Number	Exhibit
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99	Press release dated January 5, 1996

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NEWS RELEASE

For further information:
Chuck Mulloy, AMD
(408) 749-5481
or
John Thompson, Intel
(408) 765-1279

ADVANCED MICRO DEVICES AND INTEL SIGN PATENT
CROSS-LICENSE AGREEMENT

SUNNYVALE, CA ... January 5, 1996 ... Advanced Micro Devices (AMD) and Intel today announced that they have signed a five-year, comprehensive patent cross-license agreement. The companies had agreed to negotiate the license as a result of a litigation settlement announced in January 1995.

The new agreement follows a patent cross-license arrangement between the companies that expired at the end of 1995. Effective January 1, 1996, the new pact gives AMD and Intel the rights to use each others' patents and certain copyrights, exclusive of microprocessor microcode copyrights. AMD agreed in the January 1995 settlement agreement that it would not use Intel microcode beyond the Intel 486(TM) processor code.

The cross-license is royalty-bearing for products that use certain technologies, though specific financial terms were not disclosed.

"Licensing is one way of ensuring others respect our intellectual property," said Craig Barrett, Intel's chief operating officer. "It also allows us to provide our shareholders with a continuing return on the massive investments we make on their behalf."

More...

"This agreement ensures that AMD has legal rights to all the enabling Intel intellectual property necessary to continue providing our customers with competitive products that are fully software compatible with the Intel instruction set," said W.J. Sanders III, chairman and chief executive officer of AMD.

Focusing on the personal and networked computing and communications markets, Advanced Micro Devices, Inc., produces microprocessors and related peripherals, flash memories, programmable logic devices, and circuits for telecommunications and networking applications. Founded in 1969, AMD reported 1994 revenues of \$2.1 billion. With headquarters in Sunnyvale, California, AMD has sales offices worldwide and manufacturing facilities in Sunnyvale; Austin, Texas; Bangkok, Thailand; Penang, Malaysia; Singapore and Aizu-Wakamatsu, Japan.

Intel, the world's largest chip maker, is also a leading manufacturer of personal computer, networking and communications products.

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