

# RMBS



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# Business Description

**Rambus Inc. (NasdaqGS:RMBS)** operates in the technology industry and produces semiconductor products. Rambus provides these products throughout the US, Japan, Europe, Taiwan, China, South Korea, Singapore Asia and more. The company has three main segments: Memory and Interfaces, Rambus Security and Emerging Solutions. The company has a strategic collaboration with **Infineon Technologies AG (OTC:IFNNY)**. This partnership promotes smart ticketing solutions for mobile and smart cards. Rambus Inc., founded in 1990, is headquartered in Sunnyvale, California.

Company Data	
Sweet Spot	\$15
Sector	Technology
Industry	Semiconductors
Market Cap	1.635 B
52 Week H	\$16.98
52 Week L	\$9.01



## Company Divisions

The Memory and Interfaces division operates across innovation, development, and manufacturing. It does this through partnerships and the licensing of technology solutions associated with memory and interfaces. It offers standards-compatible memory and its SerDes PHY line of products.

The company's Rambus Security division participates in technology design, development, deployment and licensing for a variety of applications. It offers a wide product and services portfolio. This includes mobile payments, smart ticketing and Differential Power Analysis countermeasures.

And its Emerging Solutions division is engaged in research and development for emerging technologies.

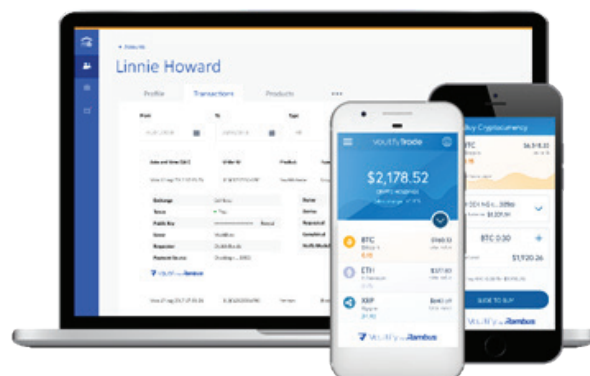
## Product Line

Rambus develops an impressive, innovative chip line. They provide chips that make the newest technology in vehicles stay as connected as possible. As cars are constantly increasing in technology, it's becoming more important to have the most up-to-date chips. The chips Rambus creates aid with lane assistance, dashboard memory and automated driving.

Rambus works closely with **Intel Corporation (NasdaqGS:INTC)** to make sure its memory chips keep up with Intel's server processors and motherboards. And as of October 2019, Rambus announced that it completed the sale of its Payments and Ticketing businesses to **Visa (NYSE:V)**. This sale shows the success of Rambus's technology and allows the company to focus on core strength and accelerated growth.

Rambus has also partnered with **IBM (NYSE:IBM)** to help develop Hybrid Memory Systems. Primarily used in data centers, these systems address the increasing need for storage, data generation, and AI applications.

And Rambus has a token system to help provide safety for customers making real time transactions. This is a major contribution to companies that support blockchain and cryptocurrency technology.



## Top Stock Holders

When looking at new investment opportunities, it's good to look at who owns the stock. As we look at some of its top holders, we see big names like Blackrock and Vanguard. It's also good to see that some hedge funds have taken interest in the company. For that we look to a company's 13F filings. And we see several well-known funds and institutions hold positions in Rambus.

### Top Holders

Company	Stock Held	% of Shares Outstanding
Blackrock, Inc.	16,433,543	14.51
Vanguard Group, Inc.	12,147,621	10.72
Dimensional Fund Advisors LP	5,442,453	4.80
Renaissance Technologies, LLC	4,427,686	3.91
State Street Corporation	4,272,255	3.77

## Financials Analysis

Rambus Inc. shows strong liquidity which means they are easily able to meet their short term liabilities. The company's gross profit of \$172.7M is thanks to its extremely low cost of revenue at \$51.4M. For the quarter ended March 31, 2020, its research and development costs were \$36.6M. This investment paves the way for the creation of new products and new sources of revenues for the company.

## Competitor Analysis

Competition in the semiconductor industry is fierce. With **Advanced Micro Devices, Inc. (Nasdaq:AMD)** stock trading at around \$70 and **Micron Technology, Inc. (NasdaqGS:MU)** trading at just over \$51, Rambus provides a good opportunity for entry into an evolving industry at under \$15.

## Conclusion

Rambus Inc. is a semiconductor company that's becoming very established in its market. The company has great room for growth, and at a sweet spot of \$15, a low price to enter a fast growing industry. Its large deal with Visa has allowed the company to focus on its future and growth in its industry. With vehicles becoming more technological, Rambus should have a significant impact in the future of that industry. And its exposure to banks and the security of monetary transactions also shows great potential for the future.