

OpenAI chief Altman inks deal with S. Korea's Kakao after DeepSeek upset

AFP – OpenAI chief Sam Altman inked a deal with tech giant Kakao in South Korea on Tuesday as the US firm seeks new alliances after Chinese rival DeepSeek shook the global AI industry.

Kakao, which owns an online bank, South Korea's largest taxi-hailing app and KakaoTalk, announced a partnership allowing them to use ChatGPT for its new artificial intelligence services, joining a global alliance led by OpenAI amid intensifying competition in the sector.

Altman's company is part of the Stargate drive announced by US President Donald Trump to invest up to \$500 billion in AI infrastructure in the United States.

But AI newcomer DeepSeek has sent Silicon Valley into a frenzy, with some calling its high performance and supposed low cost a wake-up call for US developers.

"We're excited to bring advanced AI to Kakao's millions of users and work together to integrate our technology into services that transform how Kakao's users communicate and connect," said Altman.

"Kakao has a deep understanding of how technology can enrich everyday lives," he added.

Kakao's CEO Shina Chung said the company was "thrilled" to establish a "strategic collaboration" with OpenAI.

Also on Altman's agenda were meetings with two top South Korean chipmakers, Samsung and SK hynix, both key suppliers of advanced semiconductors used in AI servers.

Altman met with SK Group chairman Chey Tae-won and SK hynix

CEO Kwak Noh-jung in Seoul to discuss collaboration on AI memory chips, including high bandwidth memory (HBM), and AI services.

He is also expected to meet with Samsung Electronics chairman Lee Jae-yong later Tuesday.

Jaejune Kim, executive vice president of Samsung's memory business, said last week that the company was "monitoring industry trends considering various scenarios" when asked about DeepSeek.

DeepSeek's performance has sparked a wave of accusations that it has reverse-engineered the capabilities of leading US technology, such as the AI powering ChatGPT.

OpenAI warned last week that Chinese companies are actively attempting to replicate its advanced AI models, prompting closer cooperation with US authorities.

OpenAI says rivals are using a process known as distillation in which developers creating smaller models learn from larger ones by copying their behaviour and decision-making patterns – similar to a student learning from a teacher.

The company is itself facing multiple accusations of intellectual property violations, primarily related to the use of copyrighted materials in training its generative AI models.