

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934  
(AMENDMENT NO. 8)  
VLSI TECHNOLOGY, INC.  
(NAME OF ISSUER)

COMMON STOCK  
(TITLE OF CLASS OF SECURITIES)

918270-10-9  
(CUSIP NUMBER)

F. THOMAS DUNLAP, JR.  
VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY  
INTEL CORPORATION  
2200 MISSION COLLEGE BOULEVARD  
SANTA CLARA, CA 95052  
TELEPHONE: (408) 765-8080  
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON  
AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS)

MARCH 1, 1995

(DATE OF EVENT WHICH REQUIRES  
FILING OF THIS STATEMENT)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box. [ ]

Check the following box if a fee is being paid with this statement. [ ]

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

The information required in the remainder of this cover page shall not be deemed to be "filed" for purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

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1.	NAME OF REPORTING PERSON	Intel Corporation
	S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON	94-1672743

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2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) [ ]
		(b) [ ]

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3.	SEC USE ONLY	
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4.	SOURCE OF FUNDS	Working Capital
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5.	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2 (d) OR 2 (e)	[ ]
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6.	CITIZENSHIP OR PLACE OF ORGANIZATION	Delaware
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<TABLE>

<S>	<C>	<C>
NUMBER OF SHARES	7. SOLE VOTING POWER	2,677,604 (warrants)

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8.	SHARED VOTING POWER	N/A
	9.	SOLE DISPOSITIVE POWER	2,677,604 (warrants)
	10.	SHARED DISPOSITIVE POWER	N/A

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11.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	2,677,604 (warrants)
12.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	[ ]
13.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	7%
14.	TYPE OF REPORTING PERSON	CO

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Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to Section 4 of the Stock and Warrant Purchase Agreement, dated August 25, 1992 (the "Agreement"), between Intel and VLSI, Intel is subject to certain standstill provisions and restrictions on transfer and voting with respect to its securities of VLSI. See the Agreement for a further description of these provisions.

Between February 24, 1995 and March 1, 1995, in privately negotiated transactions, the Reporting Person sold call options covering an aggregate of 1,370,000 shares of Common Stock. The strike prices of the call options range from \$15.00 to \$15.25 per share and the call options can only be exercised on, and expire on, October 1, 1997. The call options, if exercised, will be settled in cash.

Item 7. Material to be Filed as Exhibits.

- Exhibit 1,\*     Intel/VLSI Stock and Warrant Purchase Agreement
- Exhibit 2.\*     Intel/VLSI Joint Press Release Dated July 8, 1992
- Exhibit 3.\*\*    Call Option Agreements

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\*     Previously filed.  
\*\*    Documentation confirming sales of the call options is pending and will be filed by amendment.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated as of March 1, 1995.

INTEL CORPORATION

By   /s/   F. THOMAS DUNLAP, JR.

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F. Thomas Dunlap, Jr.  
Vice President, General  
Counsel and Secretary