

# EU clears Qualcomm megabuyout of semiconductor rival NXP

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The EU gave the green light to Qualcomm's takeover of NXP, with conditions

The EU's anti-trust authority on Thursday approved US semiconductor maker Qualcomm's \$47-billion purchase of Dutch rival NXP, the biggest ever in the sector.

The European Commission said it had given the go-ahead to the transaction after an "in-depth investigation", but subject to conditions.

The deal announced is aimed at extending Qualcomm's dominance in

powering smartphones and extending its footprint into the "internet of things"—everyday objects connected to the web.

The EU, under the authority of Competition Commissioner Margrethe Vestager, opened the probe in June due to concerns that the deal would affect [competition](#) and lead to higher prices for consumers.

"We use our smartphones for many different things and now also more and more as mobile wallets, to pay for public transport or make other secure payments," Vestager said in a statement.

"With this decision, we ensure that Qualcomm's takeover of NXP will not prevent consumers from continuing to enjoy the benefits of these innovative technologies at competitive prices," she said.

Qualcomm said it was "pleased" that the European Commission had approved the buyout, adding that the deal also got the green light from authorities in South Korea, leaving only China outstanding.

"Acquiring NXP is complementary to Qualcomm's global portfolio, providing tremendous scale in automotive, IoT, security and networking," said Qualcomm CEO Steve Mollenkopf.

"We are optimistic that China will expeditiously grant its clearance," he added.

The Commission is responsible for carrying out investigations to uphold free and fair competition in the 28-nation bloc's single market.

The [deal](#), the largest ever in the semiconductor market, was designed to boost the US company amid falling [mobile phone sales](#) and stiff market competition.

Based in the Dutch town of Eindhoven, NXP is a leading maker of chips for the auto industry, as well as for contactless payment systems.

A former division of the Dutch electronics giant Philips, it became independent in 2006.

To win the EU's approval, Qualcomm committed to exclude certain patents from the transaction and ensure that NXP continues to license them to third parties as before.

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