

US could block Broadcom's takeover of Qualcomm, officials warn

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US officials are warning they could recommend against Singapore-based Broadcom's mega-acquisition of smartphone chipmaker Qualcomm on national security grounds.

The Treasury Department has also found recent steps to speed up the move of Broadcom's headquarters to the United States violate a government order, according to a letter published Monday by The Wall Street Journal.

The developments threw further doubt on the outcome of a high-stakes battle for control of a key player in the market for telecommunications products and services.

A Treasury spokesman told AFP the agency had no comment.

By speeding up its move to the United States, Broadcom appears to be trying to sidestep a national [security](#) review by the Committee on Foreign Investment in the United States, which is chaired by the Treasury Department.

Broadcom said Monday it expected to complete its move to the United States by April 3, ahead of a planned Qualcomm shareholder vote on the \$117 billion deal—meaning any national security concerns were moot.

"Broadcom's proposal to acquire Qualcomm has always been premised on the completion of Broadcom's previously announced plan to

redomicile," the company said Monday in a statement.

"In short, US national security concerns are not a risk to closing, as Broadcom never plans to acquire Qualcomm before it completes redomiciliation."

But in a letter dated Sunday, the Treasury Department said that on three separate occasions Broadcom had violated a CFIUS order by failing to give advance notice before taking actions such as filing takeover-related securities filings in the United States.

The CFIUS investigation of the proposed acquisition so far has "confirmed" [national security](#) concerns earlier identified by US officials and, absent any change, the committee may refer the matter to President Donald Trump for a decision, according to the letter.

Broadcom and CFIUS representatives were to meet in Washington on Monday.

The Wall Street Journal also reported on Friday that US chip producer Intel was considering buying Broadcom, which has a current market value above \$100 billion, in a bid to prevent the Qualcomm deal from proceeding and stave off a competitive threat.

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