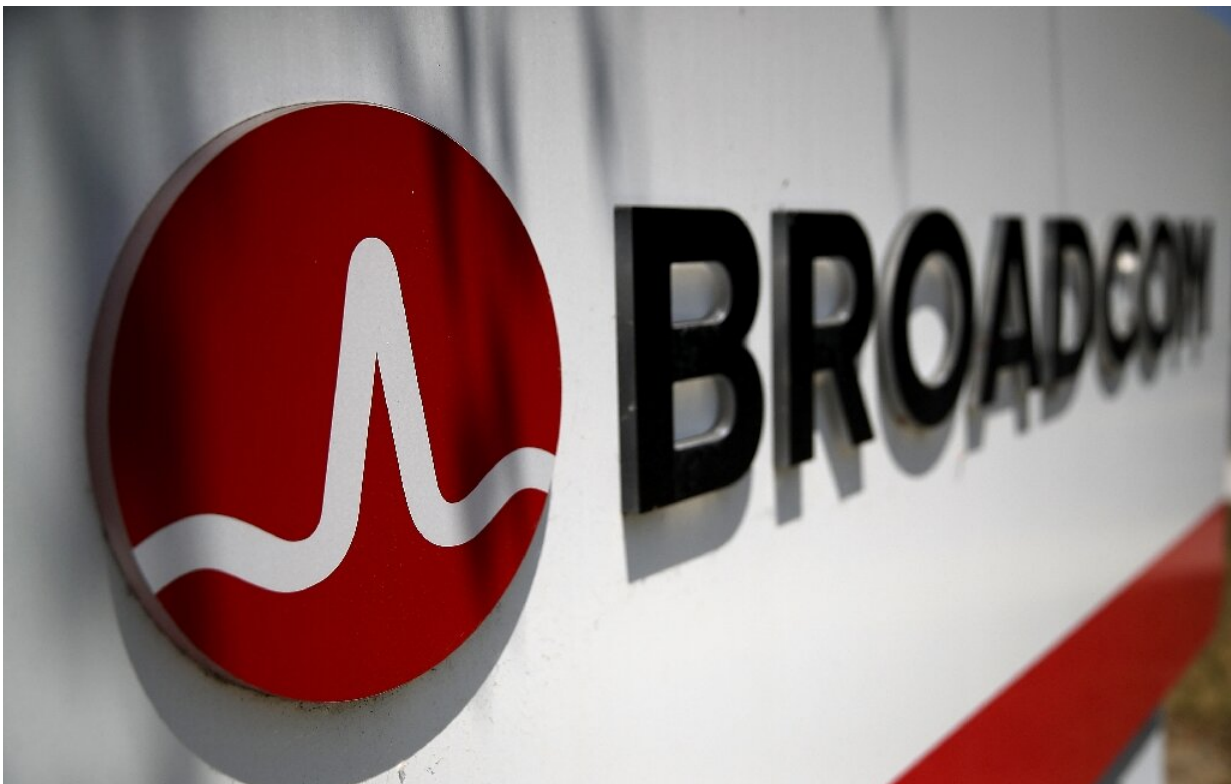


EU probes whether US Broadcom hindered competition

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The European Commission is investigating whether Broadcom is restricting competition and breaking EU rules

The European Union opened Wednesday an investigation to determine whether US semi-conductor giant Broadcom may be violating the bloc's competition rules and hurting rivals.

Pending the probe's outcome, the European Commission, the EU's executive arm, said it would seek interim steps to stop the alleged practices and avert irreparable harm.

The investigation centres on the markets of TV and modem chipsets, devices that offer television and [internet access](#) to customers at home or work.

"We suspect that Broadcom, a major supplier of components for these devices, has put in place contractual restrictions to exclude its competitors from the market," Competition Commissioner Margrethe Vestager said.

"This would prevent Broadcom's customers and, ultimately, final consumers from reaping the benefits of choice and innovation," Vestager added.

"We also intend to order Broadcom to halt its behaviour while our investigation proceeds, to avoid any risk of serious and irreparable harm to [competition](#)," she said.

The commission said it has obtained information that Broadcom may be requiring firms to buy only its components, or granting them rebates and other advantages if they buy set quantities.

The commission said it had also heard Broadcom may be bundling products or purposely undermining the "interoperability" between Broadcom products and other products.

The commission said Wednesday it has sent a "statement of objections on interim measures" to Broadcom requiring it to swiftly stop such alleged practices.

Broadcom has two weeks to respond to the allegations and convince the commission that its practices are not in fact restricting the business of its rivals.

If Broadcom fails to convince the commission, the interim measures will remain in place until the investigation is concluded, officials said.

The commission said urgent action is needed because the firm's alleged practices could do lasting harm.

"The Commission found that the alleged competition concerns were of a serious nature and that Broadcom's conduct may result in the elimination or marginalisation of competitors before the end of proceedings," it said.

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