

UK chip designer Arm cuts jobs after takeover collapse

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Semiconductor designer Arm plans to axe up to 15 percent of staff, it said Tuesday, after Japanese owner SoftBank failed to offload the subsidiary to US chip giant Nvidia.

Arm, located in the English university city of Cambridge, said the proposed cuts from a global workforce of more than 6,000 comes after Nvidia last month scrapped a blockbuster \$40-billion takeover following regulatory objections.

"If the proposals go ahead, we anticipate that around 12-15 percent of people in Arm would be affected globally," the company said in a statement.

The heaviest job losses would be in Britain and the United States, reports said.

"Like any business, Arm is continually reviewing its [business plan](#) to ensure the company has the right balance between opportunities and cost discipline," the group added.

"Unfortunately, this process includes proposed redundancies across Arm's global workforce."

The failure of the blockbuster takeover comes as a chronic global shortage of computer chips hobbles manufacturers worldwide, particularly in the automotive sector.

While Arm does not make chips, the designer licenses the architecture that enables devices to function.

Founded in 1990, Arm specialises in microprocessors and dominates the global smartphone market.

Its technology was present in Apple's first iPhone released in 2007.

Arm chips are present also in sensors, smart devices and [cloud services](#).

Nvidia, known for [graphics cards](#) favoured in the [video game industry](#), saw sales soar during COVID lockdowns as gaming exploded in popularity.

But its takeover collapsed in the face of competition investigations by watchdogs in Britain, the European Union and the United States.

SoftBank, which purchased Arm in 2016 for \$32 billion, is now seeking to offload the unit via an initial public offering.

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