

EU probes Broadcom's \$61B VMware buy on competition concerns

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Computer chip and software maker Broadcom's \$61 billion deal to buy cloud technology company VMware is facing scrutiny from European Union regulators who voiced concern Tuesday over potential threats to competition.

The in-depth investigation was opened due to Broadcom hardware that works together with VMware software, potentially locking out rival technology, the EU's executive Commission said.

That could result in "higher prices, [lower quality](#) and less innovation for [business customers](#), and ultimately consumers," the commission said.

The commission has until May 11 to decide on whether or not to clear the deal, which was announced last May, and would be one of the biggest acquisitions of the year.

Broadcom wants to establish a stronger foothold in the cloud computing market and VMware's technology allows [large corporations](#) to blend public cloud access with internal company networks. VMware has close relations with every major cloud company and provider, including Amazon, Google and Microsoft.

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