

CMA to investigate NVIDIA's takeover of Arm

This is an early opportunity for interested third parties to comment on the impact that the takeover could have on competition in the UK, in advance of the Competition and Market Authority's (CMA) formal investigation starting later this year.

US-based chip designer and producer NVIDIA Corporation (NVIDIA) plans to purchase the Intellectual Property Group business of UK-based Arm Limited (Arm) in a deal worth \$40 billion. Arm develops and licenses intellectual property (IP) and software tools for chip designs. The products and services supplied by the companies support a wide range of applications used by businesses and consumers across the UK, including desktop computers and mobile devices, game consoles and vehicle computer systems.

The CMA will look at the deal's possible effect on competition in the UK. The CMA is likely to consider whether, following the takeover, Arm has an incentive to withdraw, raise prices or reduce the quality of its IP licensing services to NVIDIA's rivals.

Andrea Coscelli, chief executive of the CMA, said:

"The chip technology industry is worth billions and critical to many of the products that we use most in our everyday lives. We will work closely with other competition authorities around the world to carefully consider the impact of the deal and ensure that it doesn't ultimately result in consumers facing more expensive or lower quality products."

The CMA's remit, by law, is to assess the potential impact of a merger on competition. It cannot consider other potential effects that a merger might have, for example on employment or industrial strategy. Any national security concerns would be a matter for the UK Government, which can issue a public interest intervention notice, if appropriate.

The CMA is now inviting views on the impact of the deal on competition to assist with its ongoing assessment of the merger. Further opportunities to submit views will be provided once the CMA begins its formal Phase 1 investigation in due course.

Information relating to the CMA's investigation is available on the [NVIDIA/Arm merger inquiry case page](#).