

# Broadcom wants to buy Qualcomm with an unprecedented 130 billion dollar deal

Broadcom will become the world's third-largest chip maker, behind only Intel and Samsung.

According to Bloomberg, Broadcom is making an ambitious campaign to acquire Qualcomm, known by its default System on a Chip (SoC) chip system and a mobile modem provider for most smartphone. Accordingly, Broadcom has sent a proposal to buy Qualcomm for \$ 130 billion. If they succeed, this will be the biggest acquisition in technology history.

However, things are not so simple. Qualcomm clearly does not accept this offer and according to Bloomberg said Qualcomm said Broadcom had "underestimated" them. To the public, Qualcomm only says that they are "evaluating" the deal.

Qualcomm is known to be an almost monopoly on mobile SoC market with Snapdragon chip line. In short, every Android phone worthy of discussion discusses Qualcomm's SoC, which combines CPU, GPU, RAM, mobile modem and other elements in a single chip.

See also: [Snapdragon 660: Benchmarks, highlights and everything you need to know](#)

The reason Qualcomm got this near-monopoly is because of its 3G CDMA patent, while Sprint and Verizon still rely on network connectivity. With Qualcomm SoC, you have a Qualcomm modem, which saves space and energy thanks to solutions right on the chip. If not Qualcomm's SoC, you will have a separate modem. With Cellular patents, OEM manufacturers find it hard to refuse Qualcomm's SoC when it comes to high efficiency at low prices.



*It is not known if this deal was successful*

Only two phone companies don't use Qualcomm chips. That's Samsung with its own Exynos line (though they still use Qualcomm chips in the US) and Apple, making their own SoC for the iPhone and iPad. Usually Apple still has Qualcomm chips left on the iPhone but they are also moving to Intel.

See also: [Apple considers putting Qualcomm chips on iPhones and iPads next year](#)

Broadcom is paying \$ 70 for a Qualcomm stock, 28% higher than Qualcomm's stock price. But that was the value of a year ago.

If the deal fails, Broadcom will become the world's third-largest chip maker, after Intel and Samsung. Qualcomm is also trying to close a \$ 47 billion deal with NXP, another chip maker.

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