

## Broadcom to broaden chip lineup with Provigent acquisition

**Irvine-based Broadcom will pay \$313 million for Provigent, a privately held Israeli maker of smart phone data chips.**

By Shan Li, Los Angeles Times

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Broadcom Corp., looking to widen its lineup of chips that handle smart phone data traffic, will acquire Israel-based Provigent for \$313 million.

Chips made by Provigent transmit data over microwave radio links from cell towers to the backbone network that carries the bulk of Internet data. Chips made by Irvine-based Broadcom carry the data via fiber optic lines from the towers to the backbone network.

"We have a portion of the solution and Provigent has a portion of the solution," said Rajiv Ramaswami, a Broadcom executive vice president. "When you put these two chips together, you can target the entire \$5-billion market."

The deal, announced Monday, has been approved by the board of directors of both companies but is subject to regulatory approval. Ramaswami said he expects the deal will close by the end of the quarter.

Broadcom, a publicly held company, has about 8,900 employees, while the privately held Provigent has about 140.

"We have no plans to reduce employees" because of the deal, Ramaswami said. "This is not about trying to squeeze the cost out. This is entirely about building up and expanding markets."

He said Broadcom is looking to bulk up its engineering expertise and will probably hire more workers.

Broadcom, which has grown largely through takeovers, has acquired more than 40 firms in the last decade, Ramaswami said.

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