Closing the Investigation on Suspected Violation of the Antimonopoly Act by Broadcom Inc.

July 3, 2026
Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter referred to as the "JFTC") has investigated Broadcom Inc. (hereinafter referred to as "Broadcom") under the provision of the Antimonopoly Act (hereinafter referred to as the "Act"). This investigation was initiated based on suspicions (Note 1) that, since around April 2024, Broadcom has engaged in the following conduct in connection with the licensing of server virtualization (Note 2) software (hereinafter referred to as "Software") to Cloud Service Providers (hereinafter referred to as "CSPs") that offer cloud services built using the Software:

(1) Unjustly establishing or changing trade terms of the Software or executing transactions in a manner disadvantageous to CSPs by making use of its superior bargaining position over CSPs, in light of normal business practices.
(2) Unjustly bundling the Software with other software as a condition for licensing.

As a result, the JFTC has decided to close the investigation, as facts sufficient to constitute a violation of the Act were not found.

Broadcom has offered that, in the event that any changes to the terms and conditions would cause material disadvantage to CSPs, Broadcom will provide sufficient prior notice to allow them to make an assessment of such changes, and implement the changes only after engaging in sufficient and good-faith negotiations with each CSP.

The JFTC will continue to closely monitor the status of competition in digital markets, with a view to promoting fair and free competition.

(Note 1) Suspected violations of Article 3 (Private Monopolization) and Article 19 of the Act (including Article 2, paragraph (9), item (v) [Abuse of Superior Bargaining Position] of the Act, and paragraph (10) [Tie-in Sales, etc.] of the Unfair Trade Practices (Fair Trade Commission Public Notice No. 15 of 1982), etc.).
(Note 2) "Virtualization" refers to the logical division of physical hardware, such as servers and storage, enabling each divided segment to operate as an independent unit.

* This announcement is a provisional translation. Please refer to the original Japanese text.