Fresh security probe threatens NVIDIA's Arm takeover

The UK government is ordering fresh security checks on US tech giant NVIDIA's proposed takeover of Cambridge superchip architect Arm.

It says the further probe is necessary on national security grounds but has not explained why. Digital and Culture Secretary Nadine Dorries is set to order the Competition & Markets Authority to trigger a fresh probe of the deal this week.

Cambridge and the UK will lose billions of pounds of investment in advanced technology if the Government bows to pressure – mainly from US and Asian tech companies – to block the deal, whose worth has already risen from the opening bid price of $40 billion to around $54bn.

Regardless of logic it is bowing to demands from US and Asian companies such as Apple, Qualcomm, Samsung and others to block the deal on anti-trust and national security grounds. Qualcomm, Samsung Electronics and Apple – for example – produce their own processors and fear an Arm-NVIDIA power play will impact their businesses.

NVIDIA has already launched Cambridge-1, the UK's most powerful supercomputer, which will enable top scientists and healthcare experts to use the powerful combination of AI and simulation to accelerate the digital biology revolution and bolster the country's world-leading life sciences industry.

It is working with AstraZeneca to leverage multiple healthcare benefits from the supercomputer initiative, which represents a $100m investment by NVIDIA.

The initial projects with AstraZeneca, GSK, Guy’s and St Thomas’ NHS Foundation Trust, King’s College London and Oxford Nanopore Technologies include developing a deeper understanding of brain diseases like dementia, using AI to design new drugs and improving the accuracy of finding disease-causing variations in human genomes.

Global giants from hi-tech and life sciences are engaging with the Cambridge project and this investment would potentially be compromised and withdrawn if the UK government continues to block NVIDIA’s advancement blueprint.