

Broadcom Communications Finland

Reference	EGF/2015/001
Member State	Finland
Sector	Wholesale trade (except of motor vehicles and motorcycles)
Submitted to European Commission	30 January 2015
Total budget planned	€2 275 000
EGF contribution	€1 365 000
Intervention criterion	Trade related globalisation
Period of reference	11.8.2014 - 11.12.2014
Redundancies during period of reference	568
Active employment measures	To be provided for 500 workers and include: <ul style="list-style-type: none"> - coaching and other preparatory measures; - personalised coaching and services; - training and re-training; - guidance towards entrepreneurship; - start-up grant; - enterprise surveys and visits; - and some subsidies and allowances.

BACKGROUND

- Broadcom is a US-owned company designing and developing mobile phone chipsets. In 2014, it decided to close down its entire operation in Finland and to continue elsewhere, particularly in the USA and Asia.
- In 2005, chipset development provided employment for some 5 000 people in Europe -- by the end of 2014, only a few hundred people employed by Intel were left working in this domain.
- The development and sale of mobile phone chipsets is now in the hands of a small number of companies, all based either in the USA or in Asia (Taiwan and China).
- The redundancies in Broadcom are part of the broader trend that affects the entire Finnish electronics industry, most importantly Nokia, whose large-scale redundancies have already been the object of two EGF applications.
- The region most affected by the redundancies is Northern Ostrobothnia, which already suffered from high unemployment (14,1 % in August 2014 as compared with 12,2 % nationally). The most affected city, Oulu, which had specialised in the ICT sector, had an unemployment rate of 16,1 % during the same month.