

Broadcom ends business with VMware's lowest-tier channel partners

Broadcom has cut the lowest tier in its VMware partner program. The move allows the enterprise technology firm to continue its focus on customers with larger VMware deployments, but it also risks more migrations from VMware users and partners.

Broadcom ousts low-tier VMware partners

In a blog post on Sunday, Broadcom executive Brian Moats announced that the Broadcom Advantage Partner Program for VMware Resellers, which became the VMware partner program after Broadcom eliminated the original one in January 2024, would now offer three tiers instead of four. Broadcom is killing the Registered tier, leaving the Pinnacle, Premier, and Select tiers.

The reduction is a result of Broadcom's "strategic direction" and a "comprehensive partner review" and affects VMware's Americas, Asia-Pacific, and Japan geographies, Moats wrote. Affected partners are receiving 60 days' notice, Laura Falko, Broadcom's head of global partner programs, marketing, and experience, told The Register.

Moats wrote that the "vast majority of customer impact and business momentum comes from partners operating within the top three tiers."

Similarly, Falko told The Register that most of the removed partners were “inactive and lack the capabilities to support customers through VMware’s evolving private cloud journey.”

Ars asked Broadcom to specify how many removed partners were inactive and what specific capabilities they lacked, but a company representative only directed us to Moats’ blog post.

Canadian managed services provider (MSP) Members IT Group is one of the partners that learned this week that it will no longer be a VMware reseller. CTO Dean Colpitts noted that Members IT Group has been a VMware partner for over 19 years and is also a VMware user. Colpitts previously told Ars that the firm’s VMware business had declined since Broadcom’s acquisition and blamed Broadcom for this:

The only reason we were “inactive” is because of their own stupid greed. We and our customers would have happily continued along even with a 10 or 20 percent increase in price. 50 percent and more with zero warning last year after customers already had their FY24 budgets sets was the straw that broke the camel’s back ...

We have transacted a couple of deals with [VMware] since the program change, but nothing like we previously would have done before Broadcom took over.

Members IT Group will be moving its client base to Hewlett-Packard Enterprise’s VM Essentials virtualization solution.

<https://arstechnica.com/information-technology/2025/06/broadcom-ends-business-with-vmwares-lowest-tier-channel-partners/>