Foxconn buys Belkin, Linksys, and Wemo

The Taiwanese company known best for manufacturing iPhones, Foxconn, will soon be the company behind some of the best known routers and other computer accessories. A subsidiary of Foxconn, Foxconn Interconnect Technology, that it would acquire Belkin, which also owns the brands Linksys and Wemo.

Belkin, based in California, has been around for 35 years and is known today for creating an array of computer and phone accessories, including wireless chargers, laptop docks, and phone cases. Belkin purchased Linksys, which is well known for its home routers, in 2013. And it's been running a smart home system called Wemo for more than five years now.

The $866 million acquisition has to pass US review
That's a major shift for Foxconn, taking it from a behind-the-scenes manufacturing partner to the owner of three major consumer brands.

Foxconn will pay $866 million in cash to acquire Belkin. The *Financial Times* notes that the purchase should be subject to approval from the US Committee on Foreign Investment, meaning it isn't a done deal just yet. Given that there have been other high profile foreign acquisitions shut down under the Trump administration, one shouldn't consider this purchase safe – especially since it involves networking equipment. That said, Foxconn has pledged to build a $10 billion factory in Wisconsin, which could help it stay on the administration's good side.

Foxconn Interconnect Technology is a subsidiary of Foxconn that focuses on building cables and connectors, much of which

isn’t consumer focused. That again makes this seem like an odd fit, but it makes sense when you look at the company’s bigger picture.

Since earlier this year, Foxconn has been talking up its desire to branch out and diversify its businesses, so that it isn’t quite so reliant on the iPhone. Half of its sales are said to come from Apple, so if Apple were to change partners, or the iPhone were to lose popularity, the company could struggle. Foxconn’s plan to fix that, evidently, is to take on an Apple-like task: selling directly to consumers.

Correction March 26th, 9:08PM ET: *This article was briefly updated to say that Foxconn was based in China; it is in fact based in Taiwan.*

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