

I.B.M. to Buy DemandTec for \$440 Million

Evelyn M. Rusli

I.B.M. said on Thursday that it had agreed to buy DemandTec, a Web-based enterprise software company, for \$440 million in cash.

DemandTec, a provider of analytics software for retailers, is at the intersection of two trends in enterprise technology: the growth of cloud-based services and data analytics.

The rise of these markets has spurred deal-making in recent months. On Saturday, SAP of Germany announced plans to buy SuccessFactors, a human resource management service, for \$3.4 billion. And less than two months ago, Oracle agreed to buy RightNow Technologies for \$1.43 billion.

In each case, the buyers offered big premiums to shareholders. I.B.M. is paying \$13.20 a share, 56.6 percent above DemandTec's closing price on Wednesday. SAP agreed to pay 52 percent above SuccessFactors' closing price on Friday.

"The combination of DemandTec and I.B.M. will help marketing and sales executives in retail and other industries drive more revenue and increase profitability," Craig Hayman, an I.B.M. general manager, said in a statement on Thursday.

The rise of the Web and the boom in digital data are altering business behavior. Increasingly, companies are shifting their focus to cloud computing, in which information is stored online, and becoming less dependent on software installed at a company site. Businesses are also turning to services that can help them sort the huge volume of data that courses through their servers and the Web.

As the enterprise software industry evolves, mature technology giants, like I.B.M. and Oracle, are rapidly building businesses or buying small to medium-size companies to address the shifts.

"It's amazing that I.B.M. didn't do this deal earlier," said Navil Elsheshai, an analyst for Pacific Crest Securities. "There will be increasing consolidation in this space."

In the last five years, I.B.M. has been an eager acquirer of data analytics companies, spending about \$14 billion. In the summer, it bought Algorithmics for \$387 million and i2 for an undisclosed amount. Algorithmics specializes in risk analytics software for financial businesses, while i2 helps government, insurance and retail clients assess security threats.

DemandTec's software collects real-time data from the Web and in stores to help retailers identify trends and make better pricing and marketing decisions. The company, which is based in San Mateo, Calif., will be folded into I.B.M.'s software group.

For its most recent quarter, which ended Aug. 31, DemandTec recorded an increase in revenue, to \$22 million, and a net loss of \$4.4 million.

Given the premium that I.B.M. is paying, shares of DemandTec surged 56 percent to close at \$13.15 on Thursday. I.B.M.'s shares fell 1.3 percent to close at \$191.58 amid a downturn in the overall market.

The DemandTec transaction is expected to close in the first quarter of 2012

Fonte: The New York Times, New York, 8 Dec. 2011, Internacional, online.