Cisco Nabs Enough Stock, Approval For Tandberg Buy

SAN JOSE, Calif. (AP) — Cisco Systems Inc. said Friday it now has enough shares and shareholder commitments to take over Norway's Tandberg ASA, the world's largest videoconferencing equipment maker.

Cisco had said Thursday that stockholders representing only 89 percent of the shares had accepted its $3.4 billion bid for the company — just shy of the 90 percent required to close the deal.

But on Friday Cisco revealed that it has already bought up enough shares on the open market to raise its total stake above 91 percent and clinch the acquisition.

It comes after a hard-fought takeover effort. Cisco's original offer of $3 billion attracted less than 10 percent of the company's shareholders. It was forced to raise the bid and extend the deadline for accepting before enough shareholders agreed to sell.

It won't be the last hurdle for Cisco.

The company also said Friday that it has received a second request for information from the U.S. Department of Justice, which is looking into possible antitrust concerns arising from the deal. Cisco said it will "continue to work cooperatively" with the Justice Department in its review.

Nevertheless, Cisco said it has met the legal threshold it needs to force the remaining holdouts among Tandberg stockholders to give up their shares.

The company said it bought roughly 2.2 million Tandberg shares on Nov. 18 and Nov. 20. Combined with the 89 percent already tendered, that gives Cisco enough of a stake under Norwegian law to force the sale.

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