

## **IBM Buying Cloud Computing Company SoftLayer**

Associated Press

ARMONK, N.Y. (AP) — IBM is buying cloud computing company SoftLayer Technologies Inc. to expand its online software business.

Financial terms were not disclosed Tuesday.

SoftLayer is a privately held company based in Dallas with 13 data centers in the U.S., Asia and Europe.

Software stored and accessed on the Internet is increasingly popular with businesses because it lets workers in from any Internet-connected device. IBM Corp. started its cloud business in 2007 and has spent \$4.5 billion on cloud-related acquisitions in the past five years, according to spokeswoman Colleen Haikes. The Armonk, N.Y., company anticipates hitting \$7 billion annually in cloud revenue by the end of 2015.

The acquisition is expected to close in the third quarter. Once the transaction is completed, SoftLayer and IBM's existing SmartCloud unit will be combined in a Cloud Services division under the charge of Erich Clementi, a senior vice president at IBM.

Shares of IBM fell 71 cents to \$208.24 in morning trading.

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