

NetApp to buy Data Domain in \$1.5 billion deal

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(AP) -- Data storage company NetApp Inc. said Wednesday it agreed to buy data backup and disaster recovery systems provider Data Domain Inc. for \$25 per share in cash and stock, or about \$1.5 billion.

The purchase price represents a percent premium to Data Domain's Wednesday closing price of \$17.91. Shares of Santa Clara, Calif.-based Data Domain surged \$6.34, or 35.4 percent, to \$24.25 in after-hours trading following the announcement.

NetApp said it plans to operate Data Domain as a product line. The company said it has the "distribution channels and international reach to offer Data Domain products to more customers, accelerating growth and market adoption."

The acquisition is expected to close in the next two to four months. Data Domain's board has unanimously approved the deal.

Separately Wednesday, NetApp reported a drop in fiscal fourth-quarter profit as revenue declined amid the [economic turmoil](#).

NetApp shares fell 73 cents, or 4 percent, to close earlier at \$17.34 and slipped 40 cents after-hours.

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