

IBM buys cloud computing firm Cast Iron Systems

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A sign marks the entrance to IBM Corporate Headquarters in Armonk, New York. Technology giant IBM announced Monday it has bought cloud computing specialty firm Cast Iron Systems to ride the hot trend in offering programs as services hosted online.

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IBM touted California-based Cast Iron Systems as having been enlisted by thousands of firms including Allianz, Dow Jones, and Time Warner to use software as Internet services.

"In today's competitive global business environment, companies are recognizing the need to reduce complexity and cost in order to increase

their business agility," [IBM](#) said in a release.

"To do so, many organizations are accessing key business applications through software as a service models and cloud deployments."

[Cloud computing](#) essentially lets users rent programs and access them as needed on the Internet instead of buying software that they need to install, maintain and update on their own computers.

IBM predicted that the global cloud computing market will grow 28 percent annually to 126 billion dollars by the year 2012.

US-based IBM planned to use the expertise of Cast Iron Systems to enable business customers to quickly blend on-premise computer systems with applications provided as services on the Internet.

"The combination of IBM and Cast Iron Systems will make it easy for clients to integrate business applications, no matter where those applications reside," said IBM WebSphere general manager Craig Hayman.

Financial terms of the deal were not disclosed.

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