

# Cisco seeking to acquire Skype: TechCrunch

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The Cisco Systems logo stands in front of the company's headquarters in San Jose, California. The US networking giant has made an offer to acquire Internet communications firm Skype, technology blog TechCrunch said Monday.

US networking giant Cisco has made an offer to acquire Internet communications firm Skype, technology blog TechCrunch said Monday.

TechCrunch, citing what it described as "one of our more reliable sources," said the San Jose, California-based Cisco is seeking to acquire [Skype](#) before the Internet telephony company makes an [initial public offering](#) or IPO.

"Skype insiders are hoping for an out of the gate valuation of five billion dollars or so, we've heard," TechCrunch said. "Presumably Cisco would have to be bidding in that range to make it interesting.

"[Google](#) was also rumored to be sniffing around Skype," TechCrunch said, "but antitrust concerns may have persuaded them not to make an

actual offer."

Luxembourg-based Skype announced plans in early August to list on the NASDAQ stock exchange.

Online auction giant [eBay](#) late last year sold a majority stake in Skype for some two billion dollars to a group of investors that included the two founders of the company. The deal valued Skype at 2.75 billion dollars.

Skype, which was founded in 2003, allows users to have online phone, video and text conversations.

Skype bypasses the standard telephone network by channeling voice and video calls over the Internet. It allows users to call others free of charge and to connect with land lines or mobile devices at low rates.

Cisco is a leader in networking equipment but the company has been on a buying spree recently and has expanded into online video-conferencing, Internet telephony, software services and tablet computers.

Last year, Cisco bought Pure Digital Technologies, maker of the popular Flip digital video recorder.

[Cisco](#) shares were down 0.48 percent at 20.71 dollars in early trading in New York.

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