

Web security firm Blue Coat acquired for \$1.3 bn

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The [investor group](#) led by private equity investment firm Thoma Bravo will pay \$25.81 per share in cash to Blue Coat shareholders for each share of [common stock](#) they own, a 48 percent premium over Blue Coat's closing price Thursday.

The Sunnyvale, California-based Blue Coat said the transaction has been approved by the company's board of directors.

"As a private company, Blue Coat will be better positioned to innovate at

an accelerated rate and achieve a higher level of growth," said Orlando Bravo, managing partner at San Francisco-based Thoma Bravo.

Seth Boro, a Thoma Bravo partner, said "Blue Coat marks the continuation of Thoma Bravo's investment efforts in the security technology industry, and is the firm's fifth [security technology](#) platform investment."

Blue Coat said it expects the deal to close in the first quarter of next year.

US senators called last month for an investigation into whether US companies, including Blue Coat, have provided Internet monitoring and censorship technology to Syria, aiding its crackdown on dissent.

A Blue Coat official told AFP in October that Internet filtering equipment sold to Iraq's communications ministry has mysteriously been put to use in Syria and the company does not know how it ended up there.

A bill that would prohibit US exports of technology used for Internet surveillance or censorship was introduced in the US House of Representatives on Thursday.

"US companies should not, knowingly or unwittingly, be providing the technology used by repressive regimes to hunt down and punish [human rights activists](#)," said Representative Chris Smith, a Republican from New Jersey who is behind the Global Online Freedom Act.

The legislation would bar American companies from exporting hardware or software that could be used for online surveillance or censorship to nations that restrict the Internet.

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