Dell says it has regulatory clearance for buyout

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Dell shareholders approved the plan September 12 after a bitter proxy fight, with opposition led by billionaire investor Carl Icahn, claiming the plan undervalued the former number one computer maker.

The proposal, worth about $25 billion, will remove Dell shares from the market and allow Michael Dell to make changes out of the spotlight of Wall Street.

Under the terms of the transaction, Dell shareholders will receive $13.75 in cash for each share of Dell common stock, plus a special cash dividend of 13 cents per share. The total transaction is valued at about $24.9 billion.

The transaction comes amid a seismic shift in the technology sector with the rise of smartphones, tablets and other mobile devices at the expense of the once-mighty personal computer market.

Michael Dell created the company from his dorm room at the University of Texas and grew the Round Rock, Texas-based company into a global heavyweight known for direct service to customers and cutting out the retail middle man.

But diminishing PC sales have led to seven straight quarters of declining profits. And the special committee established to consider Dell's strategic options gave a bleak outlook for the future of the PC market.

Analysts say Dell must implement some radical changes to bolster its presence in the software and services businesses to make up for declining PCs.