

Level 3 to boost backbone with \$7.3 bn deal

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US telecom operator Level 3 Communications announced plans Monday to buy Internet business provider TW Telecom in a deal worth \$7.3 billion, including debt.

The deal boost's Level 3's position as the underlying or backbone provider for telecom carriers, governments and enterprises.

The [deal](#) provides TW Telecom with cash and stock and creates a firm with some \$25 billion in enterprise value, a joint statement said.

"We believe this is a financially compelling and very strategic acquisition for Level 3 that will enhance our ability to continue to gain market share," said Jeff Storey, president and [chief executive](#) of Level 3.

"The transaction further solidifies Level 3's position as a premier global communications provider to the enterprise, government and carrier market, combining TW Telecom's extensive local operations and assets in North America with Level 3's global assets and capabilities."

TW is a former unit of Time Warner Communications, which manages corporate computer networks.

The plan, which requires shareholder and regulatory approval, is expected to close after this year.

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