

Brocade to buy Ruckus Wireless for about \$1.2 billion

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Brocade said Monday that it plans to buy Ruckus Wireless for about \$1.2 billion, in a deal that will help it offer Wi-Fi services to its customers.

Shares of Brocade fell more than 14 percent Monday morning, while Ruckus shares soared 30 percent.

Brocade offers network services to its clients, while Ruckus builds Wi-Fi networks. Brocade said buying Ruckus will help it expand into more industries, including schools and government organizations.

Both companies are based in California, with Brocade headquartered in San Jose and Ruckus in nearby Sunnyvale.

Ruckus shareholders will get about \$14.43 for each share they own in a mix of [cash](#) and stock, a 44 percent premium from Ruckus's closing stock price of \$10 on Friday. Ruckus shareholders will get \$6.45 in cash and 0.75 of Brocade stock.

The deal is valued at \$1.5 billion when cash acquired is included, the companies said.

Brocade said the [deal](#) is expected to close by the end of July.

Shares of Brocade Communications Systems Inc. fell \$1.51, or 14.2 percent, to \$9.13 in morning trading Monday. Shares of Ruckus

Wireless Inc. rose \$3.10, or 31 percent, to \$13.10.

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