

3Par accepts new bid from Dell worth \$1.8 billion

27 August 2010

(AP) -- 3Par Inc. said Friday it has accepted computer maker Dell Inc.'s new offer of \$1.8 billion which matches a bid for the data storage provider from Hewlett-Packard Co.

The latest move raises the stakes in the bidding war for the little-known company.

The \$27-per-share offer is worth three times the price of 3Par before the bidding war broke out earlier this month.

3Par, of Fremont, Calif., said its board continues to recommend the [Dell](#) offer.

In premarket trading, 3Par shares surged nearly 10 percent to \$28.55 from Thursday's close of \$26.03.

HP and Dell, two of the world's largest personal computer makers, are looking at 3Par as a way to build up their "cloud computing" businesses, which involve delivering [software](#), [data storage](#) and other services to customers over the Internet.

Cloud computing holds the promise of richer profits for technology providers because many companies aren't buying their own [computer servers](#) for certain tasks anymore. Instead, they're paying to have software they would have stored on those machines delivered to them over the Internet.

Dell, HP and others are riding this trend by offering those kinds of cloud-computing services directly on a subscription basis, along with the equipment and software for customers to build their own cloud systems.

Dell is based in Round Rock, Texas. HP is headquartered in Palo Alto, Calif.

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