

Xerox Buys Global Imaging Systems

3 April 2007

Global Imaging Systems will start selling Xerox printers, copiers and multifunction devices, which is expected to help expand Xerox's reach into the small and midsize business space.

Xerox will acquire Global Imaging Systems for a total of \$1.5 billion, the two companies announced April 2.

In the deal, which is expected to close in mid-May, Xerox will pay \$29 a share for Global Imaging, and Xerox executives said they will keep all of the Tampa, Fla., company's employees after completing the purchase, according to the announcement.

Global Imaging, which supplies, sells and services document management systems, is expected to give Xerox a much larger presence in the SMB (small and midsize business) space.

As part of the acquisition, Global Imaging will work as an owned subsidiary of Xerox and will keep its 4,500 employees while also working with Xerox's North American Partners Group to align with Xerox's other SMB distribution channels.

"Xerox has a large product portfolio and a wide distribution network and still, the company has not had a strong presence in the SMB space," said Jim Firestone, president of Stamford, Conn.-based Xerox, in an e-mail to eWEEK. "This announcement will put Xerox on the table, allowing us to compete and win in more buying decisions."

Once the acquisition is finalized, Global Imaging will start selling Xerox products, including its Phaser and WorkCentre printers, its Nuvera and DocuColor digital presses, as well as multifunction systems.

"As a Xerox company, we'll be better positioned to exceed our customers' requirements and we'll provide one-stop shopping with Xerox as a leading bran supported by local service," Tom Johnson, chairman and CEO of Global Imaging Systems,

said in a statement.

Firestone says that this acquisition is a way to make the Xerox-brand name accessible to an array of customers.

"Joining forces with Global Imaging Systems gives Xerox access to their extensive customer base and adds more than 1,400 'feet on the street' selling Xerox systems," Firestone said. "With this acquisition, customers are able to get great local service as well as access to Xerox's extensive product line."

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