

Key moments in HP's acquisition of Autonomy

The Associated Press

Last year, Hewlett-Packard Co. bought the British software company Autonomy Corp. as it tries to expand its lineup of business software products while lowering its profile in consumer electronics.

HP paid nearly \$10 billion for Autonomy and now says that was too much. HP said it had been deceived by improper accounting. Autonomy's former CEO, Mike Lynch, is denying the charges.

Here's a timeline of some key events in that deal.

— Aug. 18, 2011: HP announces it is buying Autonomy for \$42.11 a share, or 64 percent higher than its previous closing price. The \$10 billion price tag for the Autonomy shares is 11 times greater than Autonomy's annual revenue of \$870 million. The announcement comes on the same day that HP says will discontinue its tablet computer and smartphone products and may sell or spin off its PC division (it later decided to keep the PCs).

— Sept. 22: HP fires Leo Apotheker after just 11 months after a string of disappointing earnings reports. Apotheker had been one of the deal's chief backers.

— Nov. 20, 2012: HP says it's the victim of a multi-billion dollar fraud at the hands of Autonomy. HP says executives at Autonomy "willfully" boosted the company's figures through various accounting tricks. HP is taking an \$8.8 billion charge to align Autonomy's purchase price with what HP now says is its real value. HP says more than \$5 billion of that charge is due to false accounting. Lynch says HP's allegations are false.

— Monday: A stockholder who owns 200 shares files a federal lawsuit in San Francisco accusing HP of concealing problems with Autonomy and other acquisition.

— Tuesday: Lynch escalates his counter-attack on HP. In a letter to HP's board, he questions whether HP is using the charges of financial shenanigans to cover up damage caused by its own ineptitude.

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