

IBM buys Truven Health Analytics for \$2.6bn

IBM announced a deal to buy Truven Health Analytics for \$2.6 billion as the US tech giant builds its business in cloud computing and data management for the health industry.



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The acquisition is by IBM's Watson Health unit, which uses the power of the Watson supercomputer for data analysis in the health industry.

Truven provides analytics for more than 8,500 clients in the public and private sectors and impacts the health benefits of one out of three Americans, according to the two companies. The Truven deal adds to Watson Health's takeovers of health management software firm Phytel and the Explorys healthcare database in 2015.

Watson Health was launched in April 2015 to lead IBM's aggressive push into cloud-based services for healthcare research, data crunching and other services. With the purchase of Truven, the company has spent more than \$4 billion to acquire and build healthcare capabilities.

After the Truven deal is completed, IBM said, its health cloud business "will house one of the world's largest and most diverse collections of health-related data, representing an aggregate of approximately 300 million patient lives acquired from three companies."

IBM shares were up 4.3 per cent to \$131.41 in opening trade after the announcement.

Source: AFP

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