

IBM buys data storage co Storwize for \$140m

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IBM Corporation (NYSE: IBM) today acquired Israeli data storage company [Storwize Inc.](#) for \$140 million. Almost \$40 million was invested in Storwize, mostly by private investors, as well as strategic investors, [Sequoia Capital](#), Bessemer Venture Partners and Tanaya Capital (formerly Lehman Brothers' venture capital arm). The sale reflects an average three-fold return on investment.

Storwize president Gal Naor and CTO Jonathan Amit founded the company in 2004. The company's solution uses complex algorithms to compress data in real-time even before it is sent to storage systems.

Storwize was originally based in the Tel Aviv suburb of Yehud, but Naor and Amit moved the firm to the US, the company's primary market, in early 2008 in order to meet their growth plans. The company is now headquartered in Massachusetts. The company held a number of financing rounds over the years. The company's private investors include Igal Ahouvi, Pujo Zabudowicz, and former Bank Hapoalim chairman Shlomo Nehama. Japanese computer infrastructure giant Tokyo Electron Device Ltd. is a strategic investor.