



Cisco finalises \$42bn Splunk buy

The Australian

March 20, 2024 Wednesday

Australian Edition

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Section: WSJ; Pg. 21

Length: 480 words

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Body

Cisco Systems has completed its \$US28bn (\$42.8bn) all-cash acquisition of cyber security and analytics company Splunk.

The deal, the largest in **Cisco's** history, was closed months earlier than projected, reflecting the extraordinary effort many companies are undertaking as they remake their businesses around data and artificial intelligence.

Cisco chief executive Chuck Robbins and former Splunk CEO Gary Steele - now an executive vice-president at **Cisco** - said in an interview that AI would be deeply woven into the combined companies, and that they saw no hint that the current wave of business AI adoption was going to slow down or reverse course.

The combined company will use AI to help customers draw correlations in intelligence coming from different vendor platforms, so that they can take a more predictive approach to cyber security. While that predictive capability has been developing for some time, the company also plans to launch more capabilities that make use of generative AI to simplify their software and make it easier for people without technical training to operate the tools.

Splunk, launched in 2003, developed a dashboard that allows users to search, monitor and analyse machine-generated data. It takes training to use it and generative AI helps reduce the learning curve, according to Mr Steele. "Splunk has its own proprietary language, the way in which you issue commands, and you have to be reasonably technical to do that," he said.

"With the AI assistance that we've launched, you can use English language to automatically generate that proprietary language. You can get outcomes without having all the advanced knowledge." Splunk's AI would benefit from **Cisco's** massive amounts of data, not to mention its global presence and sales and marketing channels, Mr Steele said.

Generative AI will have other applications across **Cisco's** business, such as simplifying the complex task of setting a configuration screen for a company's security policy, according to Mr Robbins. "It's very technical. We're going to enable our customers to just use English language to describe what security capabilities they would like and then we will translate that into a policy that they would review," he said.

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The software will function as an assistant, simplifying and speeding up the deployment of security policy and other resources without replacing human operators, according to Mr Robbins.

When the deal was announced in September 2023, the companies said it expected it to be completed by the end of September 2024. The process was completed in roughly half a year. Last week, the European Union gave the deal unconditional antitrust approval, after regulators found it wouldn't pose barriers to competition. Networking equipment pioneer **Cisco**, founded in 1984, rode the telecommunications boom of the 1990s. It was for a time the most valuable company in the world.

Load-Date: March 19, 2024

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