Written by Bob Snyder
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China's **Leyard Optoelectronic Co., Ltd. (**provider of LED display products and ancillary systems) will buy America's **Planar Systems, Inc.** (display and digital signage technology).



Leyard will acquire all of the common stock of Planar for a purchase price of $6.58 per share or a total value of **approximately $156.8 million**.

While the deal may be done, **the transaction is subject to specified closing conditions**, including approval by the shareholders of both Planar and Leyard, and antitrust and other government clearance.

The pending acquisition augments Leyard’s existing range of LED display products and **enable s Leyard to expand its position outside its Chinese home market** . As far as we know at this point, the intention is that Planar staff retain their positions.

Victor Li, Chairman of Leyard, says, “We believe that Planar and Leyard complement each other and that this acquisition will create significant synergies. We intend to strongly support the continued growth of the Planar business, with standalone management, under the broader Leyard umbrella. This acquisition demonstrates Leyard’s ongoing commitment to expanding its global presence. The combination of Planar's strong customer relationships, respected product

offerings, and history of innovation across the organization, together with Leyard's market leading position in emerging video wall technologies create inspiring solutions for customers."

We told you this was coming: Chinese companies that have grown exponentially based on a huge home market will eventually buy their way into US and European markets. Planar has experienced a solid year, and it's on track to boost this year's overall revenue by 17.6%. Meanwhile, the China home market is weaker with the yuan devaluing and other domestic issues. This is the time when China turns outward-- when the home market stalls.

Expect more deals by end of 2015 as Leyard's Chinese competitors react, not willing to let Leyard get too big a headstart in overseas markets (because Leyard will turn any overseas profit to financing attacks to take more domestic market share).

Go **Leyard to Buy Planar**