

Cisco Offer Undervalues Tandberg, Pantta and Scott Say (Update1)

2009-11-06 10:27:17.245 GMT

(Adds holdings in third paragraph.)

By Diana ben-Aaron and Adam Ewing

Nov. 6 (Bloomberg) -- Tandberg ASA shareholders Pantta Capital and Scott & Associates AG plan to spurn Cisco Systems Inc.'s offer of 153.5 kroner (\$27.15) per share for the company, saying it undervalues the world's largest maker of videoconferencing equipment.

"We believe that a higher, more appropriate price for the acquisition of Tandberg" doesn't "conflict with Cisco's respect of the principles of prudence and financial fairness,"

Peter Germonpre of Pantta Capital and Dan Scott of Scott & Associates wrote in an e-mailed letter to Cisco. The investors cited higher-than-expected third-quarter results for Tandberg as well as the valuation for competitor Polycom Inc.

Pantta, based in London, owns less than 1 percent of the company and Zurich-based Scott has about 1 percent, Germonpre said by telephone. OppenheimerFunds Inc., an adviser to funds holding about 5.8 percent of Tandberg, said on Nov. 4 that it wouldn't accept the offer.

For Related News and Information:

Relative value comparison: TAA NO <Equity> RVC <GO>

Geographic/divisional breakdown: TAA NO <Equity> PGEO <GO> Top technology and media stories: TTOP <GO> Management profiles: TAA NO

<Equity> MGMT <GO> Peer product comparison: TAA NO <Equity> PPC <GO>

Credit profile: TAA NO <Equity> CRPR <GO> Quarterly earnings: TAA NO

<Equity> CH1 Q <GO> Worldwide credit crunch: WWCC <GO>

--Editors: Robert Valpuesta, Celeste Perri.

To contact the reporters on this story:

Diana ben-Aaron in Helsinki at +358-9-2512-2684 or

dbenaaron1@bloomberg.net; Adam Ewing in Stockholm at +46-8-610-0700 or

aewing5@bloomberg.net.

To contact the editor responsible for this story:

Vidya Root in Paris at +33-1-5365-5018 or vroot@bloomberg.net

--