

Microsoft closes on \$16 billion acquisition of Nuance

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The Microsoft company logo is displayed at their offices in Sydney, Australia, on Wednesday, Feb. 3, 2021. Microsoft has closed on its approximately \$16 billion acquisition of speech recognition company Nuance. The deal, which was announced last year, helps Microsoft Corp. get more entrenched into hospitals and the health care industry through Nuance's widely used medical dictation and transcription tools. Credit: AP Photo/Rick Rycroft, File

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The deal, which was announced last year, helps Microsoft Corp. get more entrenched into hospitals and the health care industry through Nuance's widely used medical dictation and transcription tools. The acquisition is Microsoft's second-largest after its \$26 billion purchase of career networking service LinkedIn in 2016.

Nuance's artificial intelligence technology helped power Apple's Siri digital voice assistant upon its release on iPhones more than a decade ago. The Burlington, Massachusetts-based company has since shifted to focus on physicians and other tailored uses of its Dragon line of voice recognition tools.

Microsoft announced it was buying the company in April 2021 but faced a setback in December when British antitrust regulators said they were opening an investigation into whether it could result in a "substantial lessening of competition" in the U.K. market. The British agency announced it cleared that deal Wednesday.

The merger was separately cleared later in December by regulators in the European Union, which Britain left in 2020. The EU's top antitrust authority said Microsoft and Nuance "offer very different products" and would continue to face strong competition in their respective markets.

Microsoft continued to shop this year, in January announcing that it would spend nearly \$70 billion to acquire video game maker Activision Blizzard.

Mark Benjamin will continue to serve as CEO of Nuance and report to Scott Guthrie, the head of Microsoft's cloud computing and AI division.

Shares of Microsoft, based in Redmond, Washington, declined slightly amid a broader market sell-off Friday.

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