

The Street

Google's Schmidt Expects Washington to Approve Motorola/Lenovo Deal

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NEW YORK (TheStreet) -- **Google** (GOOG) Executive Chairman Eric Schmidt is confident that **Lenovo's** \$2.91 billion purchase of the search giant's Motorola Mobility business will gain the approval of U.S. regulators, according to a published media report.

The former Google CEO sees "a good chance" of the deal winning the approval of the Committee on Foreign Investment in the U.S. (CFIUS), *Reuters* reported. The Treasury Department Committee is an inter-agency panel that reviews foreign buyers' acquisitions of U.S. assets for national security threats.

"There's a good chance of it being OK," Schmidt said at a dinner hosted by the Cato Institute think tank. "We would not have done the transaction if we thought it would be in trouble."

Google announced last week a \$2.91 billion deal to sell its Motorola Mobility business to Chinese tech giant Lenovo. The Mountain View, Calif.-based firm has described the sale as "an important move" for Android users, adding that Motorola will be better served by Lenovo's fast-growing smartphone business.

Speaking at the Cato Institute dinner, Schmidt also pointed to Lenovo's experience of similar deals with American firms, such as its 2005 purchase of IBM's PC division.

Last month Lenovo also announced a \$2.3 billion deal to acquire **IBM's** (IBM) low-end x86 server business, an acquisition which is expected to receive a lengthy examination from CFIUS.

Google shares rose 1.92% to \$1,143.84 before market open on Tuesday.