

eBay: attacker Icahn 'dead wrong' about company

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EBay accused Wall Street activist Carl Icahn of playing with the truth Wednesday as it defended itself against a fresh assault on the company's directors.

"Carl Icahn doesn't let the truth get in the way of a good story," the company said after Icahn repeated charges that eBay board member

Marc Andreessen profited to the company's disadvantage when it sold subsidiary Skype to a group of investors in 2009 for \$1.9 billion.

Icahn said the consortium, led by tech investor Silver Lake Partners and including an Andreessen company, later sold the Internet telephony service to Microsoft for \$8.5 billion, "netting a \$4 billion gain... that should have accrued to eBay stockholders."

But eBay said the Silver Lake group's offer for Skype was the best of several bids, and that Andreessen had recused himself from talks on the deal.

Moreover, eBay said, it had retained a 30 percent stake in Skype giving the company "a substantial gain" from the subsequent sale to Microsoft.

"Mr. Icahn seems to be deliberately disseminating claims that are dead wrong," eBay said in a statement.

"While his letters and media interviews may be entertaining, they are not factually accurate."

On Monday Icahn, one of Wall Street's most storied corporate raiders, accused eBay's board and chief executive of not serving its investors, and called on shareholders to elect two of his own men as directors.

Wielding a 2.1 percent stake, Icahn's main goal was to force eBay to hive off payments unit PayPal, which he argued would allow it to grow and compete better in the online payments industry.

But Icahn cited Andreessen's alleged self-interest in the Skype deal, and fellow director Scott Cook's close ties to PayPal rival Intuit.

Repeating those charges Wednesday, Icahn called the board

"dysfunctional" and said in a statement: "Stockholders: Please ask yourself: If you ran your own company, would you ever allow your competitors to sit at the table as you planned and executed your business strategy?"

To that, eBay retorted: "We challenge Mr. Icahn to end his own charade with our shareholders. Let's focus on honest, accurate debate."

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