

Verizon sees possible bid for Yahoo assets

December 8 2015



Verizon CEO Lowell McAdam said December 8, 2015 that his telecom powerhouse sees "some ... assets" that might make Yahoo a tempting acquisition if the battered Internet firm puts itself up for sale

Verizon's top executive on Tuesday left open the possibility that the US telecom giant could make a bid for Yahoo if the Internet firm puts itself up for sale.

Verizon chief executive Lowell McAdam said his firm, which recently acquired the faded online star AOL, sees some potential for some of Yahoo's assets.

"Once they make a decision, there might be assets that would fit together with AOL," McAdam told CNBC television.

He added that Yahoo has "world-class ad tech capability," along with "some content assets and some other platforms on the Internet that might be worth looking at."

But McAdam said there were no active discussions and that the Yahoo board "is going to have to make some decisions long before we would have any interest."

The move comes with Yahoo's board reportedly considering whether it should sell its core business as it seeks a way to reverse its fortunes.

The Internet pioneer had been preparing to sell its stake in Chinese online giant Alibaba through a complex spinoff of a newly formed entity, but that plan is clouded by concerns of a hefty tax bill.

A hedge fund with a stake in Yahoo urged the Internet giant last month to drop its planned spinoff of its stake in China's Alibaba and instead sell the "core" search business, which would minimize taxes.

But such a plan would be more radical and likely end Yahoo in its present form, some three years into a turnaround effort by chief executive Marissa Mayer.



A Washington, DC building is wrapped in a billboard for the troubled technology company Yahoo, said December 8 2015 to be a possible target for acquisition by Verizon

Verizon is meanwhile seeking to boost its presence as an Internet company, following its \$4.4 billion acquisition this year of AOL.

Some activist shareholders had previously pressed for a tie-up of Yahoo and AOL, suggesting that the a merger of the two struggling Internet pioneers could produce some synergies.

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Citation: Verizon sees possible bid for Yahoo assets (2015, December 8) retrieved 25 April 2024 from <https://phys.org/news/2015-12-verizon-yahoo-assets.html>

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