

EBay rethinking future of StubHub and classified business

March 1 2019



This Tuesday, July 16, 2013, file photo shows signage at eBay headquarters in San Jose, Calif. EBay is initiating review concerning the future of its StubHub and its classified ads business. The e-commerce company said Friday, March 1, 2019 that there's no guarantee that the review will result in a sale, spin-off or other business combination involving its assets. (AP Photo/Ben Margot, File)

EBay said Friday that it is considering the sale or spin-off its ticket-reselling site StubHub and its classified ads business after a push from an activist investor.

Back in January, Elliott Management said in a letter to the company in that it believed the e-commerce company would be better off without those two businesses. Elliott wants eBay to focus on its online marketplace, saying that the change in direction could double the company's stock price by the end of next year.

Shares of eBay Inc. rose 2.3 percent Friday after its announcement.

EBay's marketplace is its biggest money maker, with StubHub and the classifieds business each bringing in less than 10 percent of its total revenue last year.

The San Jose, California, company said there's no guarantee that it will change anything as far as those businesses are concerned. It plans to announce some decision in the fall.

EBay also announced Friday that it would add two new members to its board, Jesse Cohn from Elliott and Matt Murphy from Marvell Technology. The company will add an independent director later in the year.

Elliott and its affiliates hold a 4 percent stake in the company, eBay said.

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