

Hedge fund buys struggling book retailer Barnes & Noble

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Barnes & Noble, which is being sold to an investment firm, has 627 locations in the United States such as this New York store but has failed to keep pace with Amazon in book sales

Struggling bookseller Barnes & Noble said Friday it was being sold to hedge fund Elliott Management, which already owns British-based book

retailer Waterstones.

The [deal](#) worth an estimated \$683 million including the assumption of Barnes & Noble debt comes after years of efforts by the US book chain to compete against Amazon and the move to online commerce.

After the close of the deal, Barnes & Noble and Waterstones will operate independently but will share a common chief executive and benefit from the sharing of best practice between the companies, according to a statement.

"We are pleased to have reached this agreement with Elliott, the owner of Waterstones, a bookseller I have admired over the years, said Leonard Riggio, founder and chairman of B&N.

"In view of the success they have had in the bookselling marketplace, I believe they are uniquely suited to improve and grow our [company](#) for many years ahead."

James Daunt, CEO of Waterstones, will assume the role of CEO of Barnes & Noble following the completion of the transaction and will be based in New York, according to the companies.

"I look forward greatly to working with the booksellers at Barnes & Noble," Daunt said in a statement.

"Physical bookstores the world over face fearsome challenges from online and digital. We meet these with investment and with all the more confidence for being able to draw on the unrivalled bookselling skills of these two great companies."

Barnes & Noble is the largest brick-and-mortar [bookseller](#) in the United States with 627 stores but Amazon controls as much as half all book

sales.

B&N has also sought to compete with Amazon in ebooks and tablets, with little success.

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