

Warner to sell entire company, near agreement

April 14 2011

Warner Music Group Corp. is seeking to sell the entire company, rather than parts of the business, and could agree on a buyer within weeks, The Wall Street Journal reported on Thursday.

The newspaper, citing "people familiar with the matter," said Warner Music's board reached the decision to pursue a sale of the whole company at a meeting on Tuesday after receiving second-round offers from bidders.

The Journal said bids were received for all of Warner [Music](#) and for one or the other of its major units -- its recorded-music business, which includes the Atlantic and Warner Bros. [record labels](#), and the Warner/Chappell music-publishing division.

The newspaper said last week's bids for the entire company, which has a [market capitalization](#) of \$1.1 billion, were around \$3 billion, including the assumption of debt.

It said the bidders for the entire company are Los Angeles billionaire Ron Burkle's Yucaipa Cos., Access Industries, a holding company controlled by industrialist Len Blavatnik, and private-equity firm Platinum Equity.

Bidders for part of the company were Live Nation Entertainment Inc., Japan's Sony Corp. and BMG Rights, a joint venture between buyout firm Kohlberg Kravis Roberts and German publisher Bertelsmann AG.

Warner Music, whose talent includes Metallica, Kid Rock and Green Day, is controlled by private-equity firms and chief executive, Edgar Bronfman Jr., who bought the company from [Time Warner](#) Inc. in 2004 for \$2.6 billion.

Warner Music shares declined 1.05 percent to \$7.53 in early afternoon trading on Wall Street on Thursday.

(c) 2011 AFP

Citation: Warner to sell entire company, near agreement (2011, April 14) retrieved 26 April 2024 from <https://phys.org/news/2011-04-warner-entire-company-agreement.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.