

More News for Investor

MEDIA: Additional shares pad Patrick Soon-Shiong's stake in L.A. Times parent.

By HELEN ZHAO *Staff Reporter*

Biotech billionaire Patrick Soon-Shiong continues to up his stake in Los Angeles Times' parent, tronc Inc.

Soon-Shiong, tronc's second-largest shareholder, agreed to purchase 950,000 additional shares from a partnership controlled by Oaktree Capital Management, tronc's third-largest shareholder, on Feb. 28, according to a filing from the Securities and Exchange Commission.

Soon-Shiong, L.A.'s wealthiest person, agreed to purchase the shares at \$14.60 each, for a total purchase price of \$13.9 million. The deal, which comes on the heels of a series of smaller purchases he has made on the open market in recent months, adds to the more than 5.8 million shares of tronc he already controls.

Oaktree representatives declined to speak about the sale, which is set to close after certain regulatory hurdles are met.

"Patrick is a bulldog," said Lloyd Greif, chief executive of downtown investment banking firm Greif & Co. "When he grabs hold of something he doesn't let go. His goal is to own

the L.A. Times. If owning the L.A. Times means getting a stranglehold on tronc or becoming so much of a nuisance to tronc that they give him access to the crown jewel, that's what he's going to do."

Oaktree was tronc's second-largest shareholder until Soon-Shiong swooped in at the behest of Chairman Michael Ferro in August and scooped up a 12.9 percent stake in the company for \$70.5 million. Oaktree was keen to accept a buyout offer tendered by Gannett Co. earlier in the year, but with Soon-Shiong siding with Ferro, the company's largest shareholder, it was unable to force a deal.

Oaktree partnerships control about 4.7 million shares.

Until the recent deal was struck, Soon-Shiong has kept a relatively low profile as far as the publishing company is concerned. He has been picking up small batches of stock since November, all at prices below the \$14.60 he agreed to pay for the Oaktree stake.



Acquisition Mode: Patrick Soon-Shiong.

In February, Soon-Shiong purchased more than 14,000 shares in two installments for \$13.91 and \$13.92 a share. He picked up 98,927 shares on Nov. 29 and Dec. 2, according to SEC filings, at prices ranging from \$12.77 to \$13.16.

The filing acknowledges Soon-Shiong made those purchases a day after he acquired 84,675 shares at prices of \$12.90 and \$12.94 on Nov. 28. He also spent more than \$826,000 to acquire nearly 65,000 shares in purchases on Nov. 16, 17, and 18 at prices of \$12.85 and \$12.75.

Representatives of Soon-Shiong and tronc could not be reached for comment on the deal with Oaktree.