

WME Parent Company Endeavor ‘Assessing’ Saudi Partnership After Jamal Khashoggi’s Disappearance (Exclusive)

Powerhouse talent agency struck a \$400-million deal with the kingdom earlier this year

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Endeavor, the parent company of WME, is “assessing” its relationship with Saudi Arabia following the disappearance of dissident journalist Jamal Khashoggi, months after the monarchy invested an estimated \$400 million in the agency.

A person with knowledge of the situation told TheWrap that the company is “aware of the situation and we are assessing.” The insider did not elaborate on what exactly that assessment entails.

Khashoggi, a prominent Saudi journalist and critic of crown prince Mohammed bin Salman, went missing Oct. 2 after entering the Saudi consulate in Istanbul. Top Turkish security officials have since determined that Khashoggi was assassinated on orders from the highest levels of the royal court. The Saudi government maintains that he left the consulate soon after he arrived and is not in their custody.

News of his disappearance and



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possible murder prompted a growing number of media companies and executives to drop out of the Future Investment Initiative, which will be held Oct. 23-25 in Riyadh. That includes Viacom CEO Bob Bakish, New York Times columnist and CNBC anchor Andrew Ross Sorkin, The Economist editor-in-chief Zanny Minton Beddoes, and LA Times owner Patrick Soon

-Shiong. Similarly, The New York Times announced it would no longer be a media partner of the event.

Earlier this year, The Public Investment Fund — the kingdom’s major sovereign wealth vehicle — struck a deal with Endeavor to buy a stake of less than 10 percent in the talent and media company for at least \$400 million.

Khashoggi's disappearance has cast a shadow on the deal and could put the agency's clients in an awkward position. WME boasts many of Hollywood's highest-profile stars, including some of the biggest names in broadcast and print journalism.

At least one company in which WME has recently invested expressed concern over the Agency's involvement with Saudi Arabia, TheWrap has learned.

Endeavor isn't the only major industry player in business with the Saudis. AMC Theaters struck a lucrative deal to build the kingdom's first-ever movie theater in April. The company has plans to open 40 more theaters in the kingdom within the next five years with the aim to reach 100 locations by 2030.

AMC did not respond to requests for comment Thursday.

"I would say all those deals are on hold for the moment to see how this sorts out," Lloyd Greif, founder and CEO of Greif & Co., an investment banking firm that specializes in mergers and acquisitions involving media and entertainment companies, told TheWrap.

"I think it's going to be increasingly difficult for Hollywood to hold its nose and take his blood money," he said.