Report: Dell likely to receive more takeover bids

The Associated Press

Michael Dell may face some competition in his effort to take over the computer maker he founded.

The Wall Street Journal reported on its web site Saturday that buyout specialist Blackstone Group and activist investor Carl Icahn have both notified a special committee of Dell Inc.'s board that they are working on bids for the company.

Michael Dell and a group of investors announced their bid, valued at $24.4 billion, in early February. The Round Rock, Texas, company's board then set a 45-day period to allow for offers that might top that bid. That period expired Friday.

The Journal, citing unnamed sources, reported that the notification will allow Blackstone and Icahn four more days to develop their offers.

A Dell representative declined comment on the report. Blackstone and Icahn representatives did not immediately return calls from The Associated Press seeking comment.

Icahn and other investors have criticized the $13.65 a share offer from the Michael Dell group as being too low. Several buyout scenarios tying Blackstone to Dell have been leaked to the media this week. Dell shares closed Friday at $14.14, an indication that investors expected to see a higher bid. Some analysts have predicted Dell ultimately will be sold for $15 to $16 per share.

Dell, the world's third-largest PC maker, has said Friday's deadline for competing offers could be extended if its board believes other suitors would benefit from more time to examine Dell's books and hash out other details.

The company has promised to provide extensive details about the sales process in regulatory documents that are supposed to be filed next week.

Source URL (retrieved on *07/12/2014 - 11:32am*):
http://www.ecnmag.com/news/2013/03/report-dell-likely-receive-more-takeover-bids