

Agnelli Family becomes the Largest Shareholder in 'The Economist'

Exor Spa, the investment arm of the Agnelli business family of Italy has now become the largest shareholder of the iconic publication, the Economist. In a deal made with the erstwhile British owner, the Pearson group, Exor will pay 287 million pounds to buy its stake. Exor already held 4.7% stake in the Economist Group, which will increase to 43.4%. The Cadbury, Layton, Rothschild and Schroder are other prominent business families that own stakes in the Economist. Pearson decided to sell its holdings to focus on its core educational publication business. Earlier, it had also sold the Financial Times to the Nikkei Group of Japan.

The Economist is headquartered in London and presently has a circulation of 5 million copies. Exor views that the group has potential for growth in the digital segment. John Elkann, 39, a fifth generation member of the Agnelli family, who heads Exor, said, *"We are convinced of the huge potential that still lies ahead and particularly in The Economist's ability to seize the many development opportunities linked to the digitization of the media industry."*

Exor plans to improve governance at the group by limiting voting powers of any single shareholder to 20% and by ensuring that no individual or group is allowed to hold more than 50% stake in the group. *"We have always admired the editorial integrity and thoroughly global outlook that are the hallmarks of The Economist's success. By increasing our investment in The Economist we are delighted to affirm our role as one of the group's long-term supportive shareholders, along with the Cadbury, Layton, Rothschild and Schroder families,"* said Elkann.

Source: CampdenFB.com, August 12, 2015.