

Sotheby's Bought By Billionaire Patrick Drahi In Surprise \$3.7 Billion Deal

Sotheby's has announced that it is to be acquired by billionaire telecom magnate and art collector [Patrick Drahi](#) in a surprise \$3.7 billion deal.

Drahi's wholly-owned entity BidFair USA has paid \$57.00 in cash per share of Sotheby's common stock. The offer price represents a premium of 61% to Sotheby's closing price on June 14, 2019, and a 56.3% premium to the company's 30-trading-day volume-weighted average share price.

The deal means that the two British auction houses that dominate international sales of fine art, real estate and collectibles are both owned by French billionaires. Sotheby's archrival, Christie, has been owned by luxury goods tycoon [Francois-Henri Pinault's](#) investment company Artemis since 1998.

Patrick Drahi said he was "honored" to work with Sotheby's on the deal. He said, "Sotheby's is one of the most elegant and aspirational brands in the world," thanking the Sotheby's board for its support.

Tad Smith, Sotheby's CEO, welcomed billionaire Patrick Drahi as "one of the most well-regarded entrepreneurs in the world ... known for his commitment to innovation and ingenuity."

On the future of the world-famous auction house, he adds, "This acquisition will provide Sotheby's with the opportunity to accelerate the successful program of growth initiatives of the past several years in a more flexible private environment. It positions us very well for our future, and I strongly believe that the company will be in excellent hands for decades to come with Patrick as our owner."

Domenico De Sole, Sotheby's chairman, said, "After more than 30 years as a public company, the time is right for Sotheby's to return to private ownership to continue on a path of growth and success."

Raymond Stochel, Senior Equity Research Analyst at Consumer Edge says that for Sotheby's, Mr Drahi is a good fit for the future. He said, "We see this as syncing with the 'trophy buyer' thesis ... the transaction is expected to be paid in cash - not subject to availability of financing - and he is an art collector."

Who Is Patrick Drahi

Patrick Drahi is a French-Israeli businessman with French, Portuguese and Israeli

citizenship.

He is the founder of Altice NV, the publicly-traded multinational, and holds 60% of the stock. Drahi built Altice with more than 20 acquisitions of lagging cable and mobile operators and has expanded further with highly leveraged deals.

Through the Netherlands-based Altice he owns 75% of Numericable, France's largest cable operator. He stormed the U.S. in 2015 by buying a 70% stake in cable operator Suddenlink for \$9 billion deal and snapping up Cablevision for \$17.7 billion. Those U.S. entities were spun off into Altice USA, which went public in June 2017. He owns about 35% of the new company.

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