

Koch Brothers' L.A. Times Bid Heating up (Report)

A representative for the conservative billionaires is said to have spoken about potential offer with the paper's publisher.

By: Aaron Couch – April 20, 2013

Politically influential billionaires the Koch Brothers are closer to making a bid on the Tribune Company's eight regional newspapers, which include *The Los Angeles Times*.

The media company is expected to send financial data to potential bidders, including David and Charles Koch's Koch Industries, early next month *The New York Times* reports.

The Tribune Co. emerged from bankruptcy on Dec. 31 and hired Evercore and JPMorgan Chase to sell its papers, which also include *The Chicago Tribune*, *The Baltimore Sun*, *The Orlando Sentinel* and *The Hartford Courant*. The print properties are valued at \$623 million of the company's \$7 billion holdings, which also include 23 television stations. The company could choose to keep its papers should it not be satisfied with the bids.

Koch Industries, the Wichita, Kan.-based conglomerate owned by the conservative brothers, was first reported to be interested in bidding on the newspapers last month by *L.A. Weekly*.

According to the *Times*, a Koch rep recently discussed a bid with Eddy W. Hartenstein, publisher and chief executive of *The Los Angeles Times*. Sources say the newspaper acquisitions would be part of a three-pronged, 10-year strategy laid out by the brothers to move the country toward smaller government, lower taxes and fewer regulations. The plan, which was presented three years ago during an Aspen, Colo. retreat for well-off political donors, also included working with grass-roots activists and influencing politics.

Koch Industries has sponsored such libertarian-leaning causes as the Cato Institute in Washington as well as the political action group Americans for Prosperity, which has backed the Tea Party. Those political activities have sparked concern among liberal groups, and several petitions have been launched in protest of the Koch's interest in the *L.A. Times*. A Daily Kos petition created last month has attracted more than 87,000 signatures, while a petition from the liberal California group Courage Campaign has brought a more modest 12,000.

Other parties previously reported to be interested in the *Los Angeles Times* include a Democratic-leaning group fronted by Los Angeles investor Eli Broad, which would like to see the paper turned into a non-profit organization; and Rupert Murdoch's News

Corporation. Aaron Kushner, who last year purchased the *Orange County Register*, has also publicly expressed interest in acquiring Tribune Co. newspapers.

Missy Cohlma, a spokeswoman for Koch Companies Public Sector, LLC, previously issued the following statement to *The Hollywood Reporter* concerning rumors of the bid: "As an entrepreneurial company with 60,000 employees around the world, we are constantly exploring profitable opportunities in many industries and sectors. So, it is natural that our name would come up in connection with this rumor. We respect the independence of the journalistic institutions referenced in today's news stories, but it is our long-standing policy not to comment on deals or rumors of deals we may or may not be exploring."