



Dow Jones' Bancroft family in a bind

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The Bancroft family may have voted down Rupert Murdoch's offer on Tuesday, but his \$60-per-share proposal for Dow Jones Co. & Co. has opened a door that won't close.

"If [the family] doesn't take the offer, they have to figure out what to do with all the arbitrageurs who bought the stock in the last 24 hours," says Charles Wrubel, a managing director at investment banking firm AdMedia Partners. "They could sue the hell out of the Bancrofts."

Speculation on Wednesday revolved around whether the Bancrofts had another buyer in mind or would reconsider Mr. Murdoch's bid at a higher price than the 65% premium the News Corp chairman is offering.

"If you're saying no, you have to have a Plan B, which is either to seek an improved offer [from News Corp.] or get your team to organize a white knight to come in and offer [more]," says **Michael Alcamo, president of M.C. Alcamo & Co.**, an investment firm specializing in media properties.

Mr. Alcamo believes that one possible buyer could be a consortium of private equity firms with a media background.

But Mr. Murdoch's carefully calculated bid may have pushed the price too high for any but a few players. Some observers think that the only likely buyers would be companies -- like News Corp. -- in which *The Wall Street Journal* and other Dow Jones assets would make a strategic fit.

"You'd want [a company] that is not principally a newspaper company but an information provider, because they're valued more in today's market," says Reed Phillips, managing partner of media banking firm DeSilva & Phillips.

Mr. Phillips adds that Mr. Murdoch's offer may soon start to look better to the Bancroft family.

"Over the next couple of weeks, they'll start to get a sense of where the market is for their business," he says.

Analysts have said that the magnitude of News Corp.'s bid will be [tough to top](#)