

Xerox launches shareholder fight for control of HP

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Copy machine giant Xerox said it would ask HP shareholders to approve a \$33 billion hostile takeover offer which was rejected by the board of the computer and printer maker

Xerox said Tuesday it would take its hostile takeover offer for HP to

shareholders after the computer and printer maker rejected the \$33 billion offer.

The copy machine pioneer said it would make its case to shareholders because the HP board "continues to obfuscate and make misleading statements" about the proposed tie-up.

"The potential benefits of a combination between HP and Xerox are self-evident," Xerox chief executive John Visentin said in a letter to HP's board.

"Together, we could create an industry leader—with enhanced scale and best-in-class offerings across a complete product portfolio—that will be positioned to invest more in innovation and generate greater returns for shareholders."

The move sets up a proxy fight for control of HP, a storied Silicon Valley firm that traces its history back to its founding in 1939 by Bill Hewlett and Dave Packard.

Visentin said HP's "refusal to engage in mutual due diligence with Xerox defies logic."

He added that Xerox has made "a compelling proposal—one that would allow HP shareholders to both realize immediate cash value and enjoy equal participation in the substantial upside expected to result from a combination."

HP on Sunday reiterated its rejection of a tie-up, saying the Xerox offer "significantly undervalues" the company.

The HP board of directors said in a letter the offer is clouded by "uncertainty regarding Xerox's ability to raise the cash portion of the

proposed consideration."

The current HP was created by the 2016 breakup of Hewlett-Packard, leaving the HP consumer division making printers and PCs, spinning off HP Enterprise for cloud computing and servers.

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