

Twitter strikes deal with investors, ending bid to oust Dorsey

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Twitter chief executive officer Jack Dorsey appears to have fended off an effort by investors to oust him from the leadership of the social media group

Twitter unveiled a deal with key investors Monday to end an effort to oust chief executive Jack Dorsey, creating a new committee on the board

of directors to keep tabs on company leadership.

The plan calls for a fresh \$1 billion investment in Twitter by private equity group Silver Lake, and a pledge by the social media group to launch a \$2 billion share repurchase plan.

The deal also enables the hedge fund Elliot Management—which had been pressing to remove Dorsey—to get its partner Jesse Cohn a seat on the board of the San Francisco-based firm.

Also joining the board will be Egon Durban, co-CEO and managing partner of Silver Lake.

As part of the agreement, Twitter will create a temporary board committee to "build on our regular evaluation of Twitter's leadership structure," said a statement by Patrick Pichette, lead independent director of the Twitter board.

"This committee, which I will chair, will provide a fresh look at our various structures, and report the findings to our board on an ongoing basis," Pichette said.

Twitter had been facing pressure by Elliott Management, which owns about four percent of the company, to oust Dorsey, amid concerns he has spread himself too thin by running Twitter along with the digital payments firm Square.

Dorsey said in a statement the new investment by Silver Lake "is a strong vote of confidence in our work and our path forward."

Cohn of Elliott management said in the statement: "I am looking forward to working with Jack and the board to help contribute to realizing Twitter's full potential."

The statement also included Twitter's goals for 2020 to boost the number of users by 20 percent or more and to accelerate advertising revenue growth.

Twitter said it is "reinforcing its commitment to impartiality in the development and enforcement of its policies and rules" and that neither Elliott nor Silver Lake would be in a position to influence the rules or enforcement on the platform.

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