

PayPal quashes Pinterest acquisition rumors

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Launched in 2009, Pinterest is a popular source of visual inspiration for everything from wedding planning to recipes and home decoration.

Online payments giant PayPal has said it is not seeking to buy Pinterest, ending days of speculation that had prompted shares in the image-sharing site to soar.

Bloomberg had reported last week that the two California-based companies were discussing an acquisition price of \$70 per share, which would value Pinterest at about \$44 billion taking into account the total outstanding shares.

At this price it would have been the biggest ever acquisition of a social media company, but reports at the time had said a deal was not certain.

PayPal said in a statement late Sunday that "in response to market rumors regarding a potential acquisition of Pinterest by PayPal", the company "is not pursuing an acquisition of Pinterest at this time".

PayPal's shares rose 6.7 percent to \$256.50 in premarket trading on Monday, while Pinterest was

down 10.8 percent to \$51.80.

Launched in 2009, Pinterest is a popular source of visual inspiration for everything from wedding planning to recipes and home decoration.

The site went public in 2019 and had revenues of \$1.69 billion in 2020, up 48 percent.

But like many social networks it is looking to boost traffic as well as the monetization of its content.

Pinterest last week announced a range of new features, including a TikTok-like video feed called "Watch" intended to help users discover new content.

It also announced a \$20 million fund to pay creators, as social media giants battle to attract high-profile internet personalities who will draw users to the site.

PayPal has meanwhile been looking to expand through [acquisitions](#), announcing the purchase of Paidy, a Japanese specialist in credit purchases online, in early September.

The company has more than doubled its market capitalization thanks to the explosion of online commerce during the pandemic, and now exceeds \$300 billion.

Buying Pinterest would have consolidated its position in [e-commerce](#), as shoppers increasingly look to buy items online that they have discovered via [social media sites](#) like Instagram.

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