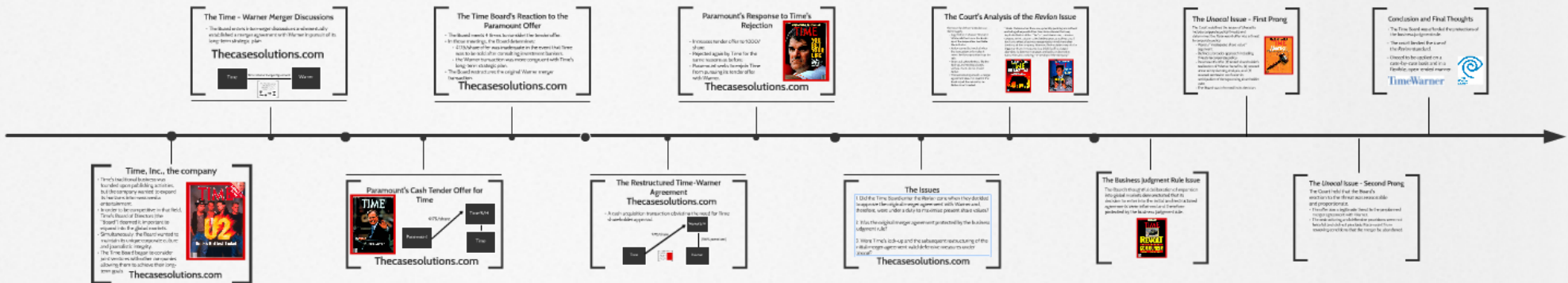


# Rogers Communications Inc.



# Thecasesolutions.com

# Rogers Communications Inc.

**The Time - Warner Merger Discussions**

The Board enters merger discussions in a non-exclusively negotiated merger agreement with the intent of pursuing a long term strategic plan.

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**The Time Board's Reaction to the Paramount Offer**

- The Board rejects it first to avoid the board office.
- In their meeting, the Board determines:
  - 2008-2009: The most realistic in the event that Time was to be sold off or with long-term investment in the future.
  - The Board believes that the merger with Time is a long-term strategic plan.
  - The Board will continue the original Warner merger discussions.

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**Paramount's Response to Time's Rejection**

It issues a tender offer for 100% of Time.

It repeats again by Time for the same reasons as before.

Paramount walks through Time from its side to break the work Warner.

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**The Court's Analysis of the Revlon Issue**

The court analyzes the Revlon issue in the context of the Paramount tender offer. The court finds that the Revlon issue is not applicable in this case because the Paramount tender offer is not a sale of the company.

**The Unocal Issue - First Prong**

The court analyzes the Unocal issue in the context of the Paramount tender offer. The court finds that the Unocal issue is not applicable in this case because the Paramount tender offer is not a sale of the company.

**Conclusions and Final Thoughts**

The Time Board was found to be in violation of the Revlon duty.

The court found that the Unocal issue is not applicable in this case because the Paramount tender offer is not a sale of the company.

**Time Warner**

**Time, Inc., the company**

- Time Inc. is a media company that owns and operates several major television networks, including NBC, ABC, and CBS.
- Time Inc. is a public company and is listed on the New York Stock Exchange.
- Time Inc. is a leading provider of entertainment and lifestyle content.
- Time Inc. is a major player in the media and entertainment industry.
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- Time Inc. is a major player in the media and entertainment industry.

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**Paramount's Cash Tender Offer for Time**

Paramount offers to purchase Time Inc. for \$16.50 per share in cash.

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**The Restructured Time-Warner Agreement**

The court analyzes the Restructured Time-Warner Agreement in the context of the Paramount tender offer. The court finds that the Restructured Time-Warner Agreement is not a sale of the company.

**The Issues**

- Did the Time Board violate the Revlon duty when they rejected the Paramount tender offer?
- Did the Time Board violate the Unocal duty when they rejected the Paramount tender offer?
- Did the Time Board violate the business judgment rule when they rejected the Paramount tender offer?

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**The Business Judgment Rule Issue**

The court analyzes the Business Judgment Rule issue in the context of the Paramount tender offer. The court finds that the Business Judgment Rule issue is not applicable in this case because the Paramount tender offer is not a sale of the company.

**The Unocal Issue - Second Prong**

The court analyzes the Unocal issue in the context of the Paramount tender offer. The court finds that the Unocal issue is not applicable in this case because the Paramount tender offer is not a sale of the company.

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# Time, Inc., the company

- Time's traditional business was founded upon publishing activities, but the company wanted to expand its horizons into mass media entertainment.
- In order to be competitive in that field, Time's Board of Directors (the "Board") deemed it important to expand into the global markets.
- Simultaneously, the Board wanted to maintain its unique corporate culture and journalistic integrity.
- The Time Board began to consider joint ventures with other companies allowing them to achieve their long-term goals.

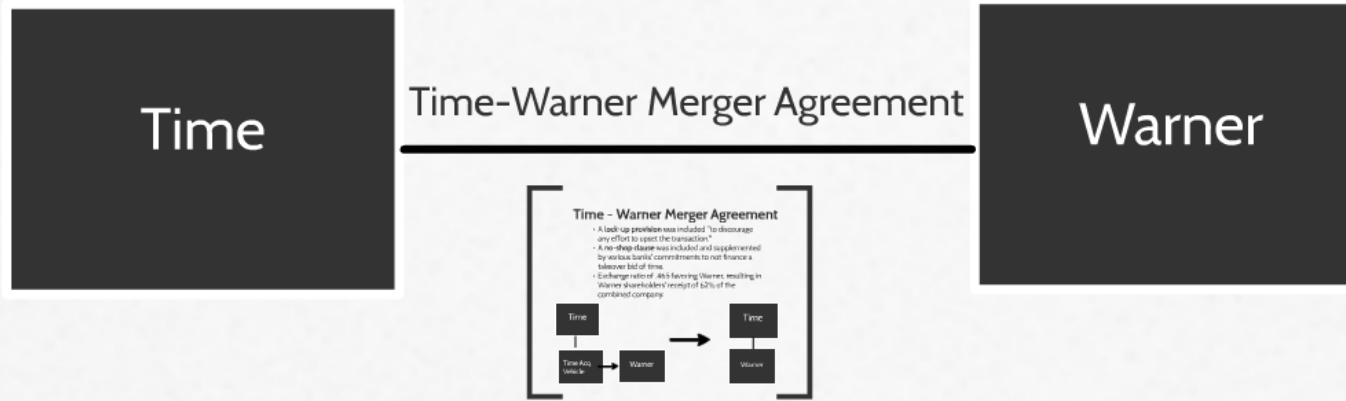


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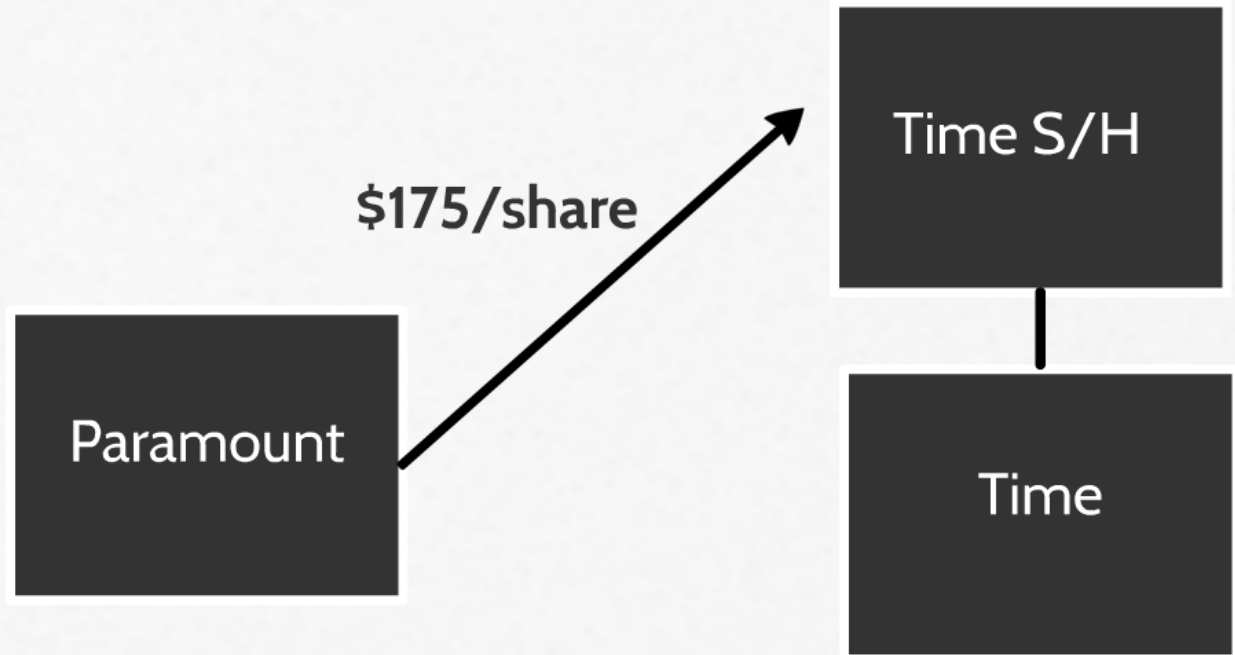
# The Time - Warner Merger Discussions

- The Board enters into merger discussions and eventually established a merger agreement with Warner in pursuit of its long-term strategic plan.

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# Paramount's Cash Tender Offer for Time



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# The Time Board's Reaction to the Paramount Offer

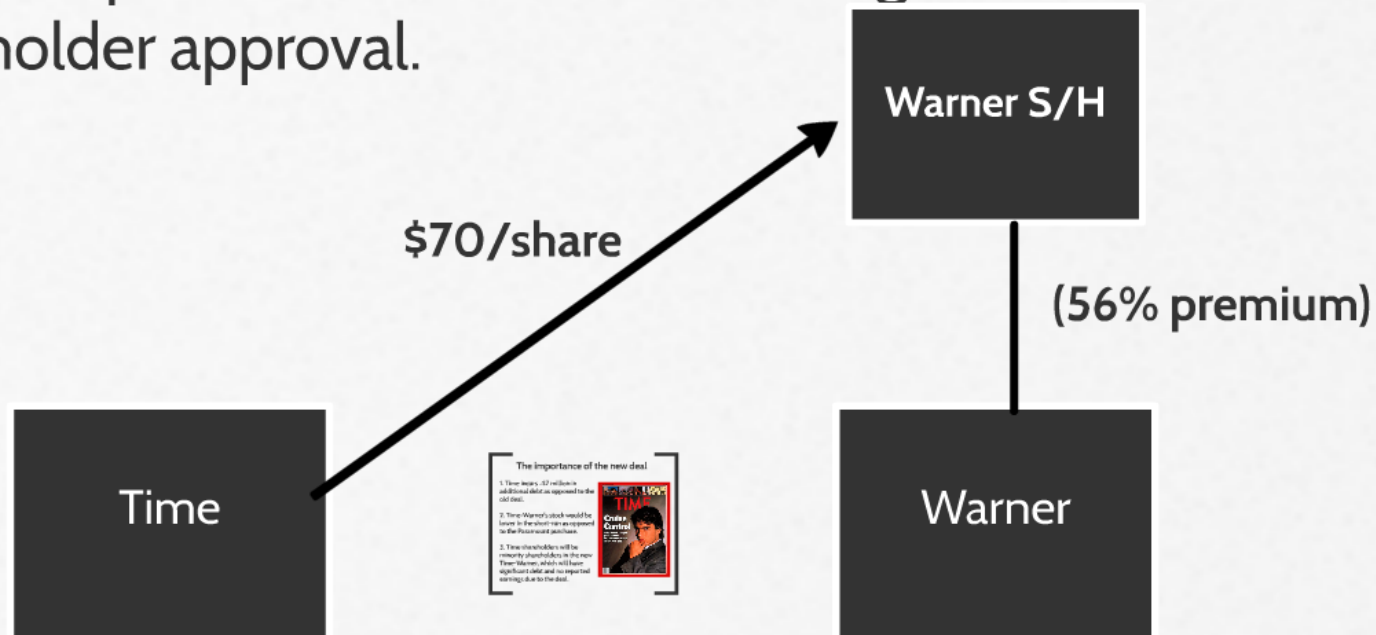
- The Board meets 4 times to consider the tender offer.
- In those meetings, the Board determines:
  - \$175/share offer was inadequate in the event that Time was to be sold after consulting investment bankers.
  - the Warner transaction was more congruent with Time's long-term strategic plan.
- The Board restructures the original Warner merger transaction.

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# The Restructured Time-Warner Agreement

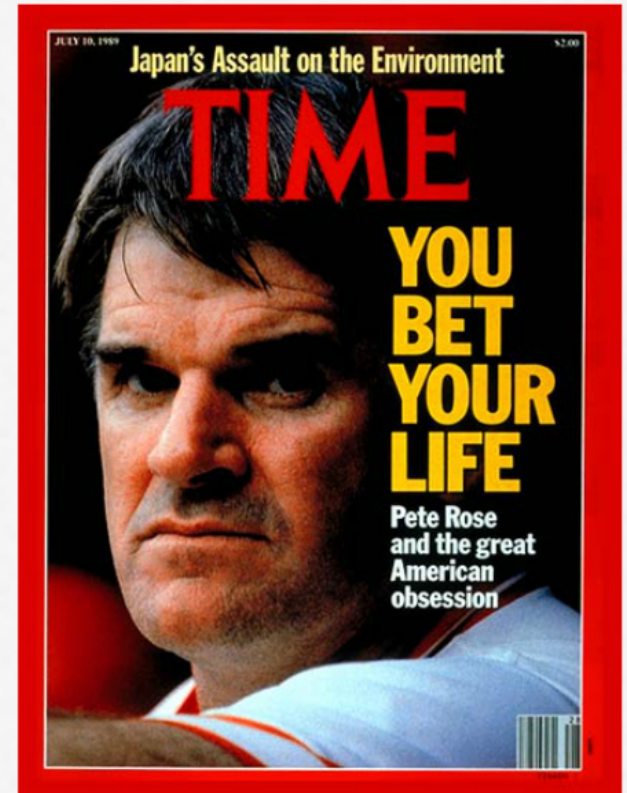
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- A cash acquisition transaction obviating the need for Time shareholder approval.



# Paramount's Response to Time's Rejection

- Increases tender offer to \$200/share.
- Rejected again by Time for the same reasons as before.
- Paramount seeks to enjoin Time from pursuing its tender offer with Warner.



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## The Issues

1. Did the Time Board enter the *Revlon* zone when they decided to approve the original merger agreement with Warner and, therefore, were under a duty to maximize present share values?
2. Was the original merger agreement protected by the business judgment rule?
3. Were Time's lock-up and the subsequent restructuring of the initial merger agreement valid defensive measures under *Unocal*?

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