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## Shareholders seek to block Shaw's purchase of Canwest TV assets

By **STEFANIA MORETTI, QMI AGENCY**

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Lawyers representing a disgruntled group of Canwest Global Communications shareholders, including members of its founding Asper family, appeared before an Ontario judge Friday to oppose Shaw Communications' takeover of Canwest's broadcasting arm.

Calgary-based Shaw reached a \$2 billion agreement with debt holders in May for the broadcast business, that includes specialty channels such as the Food Network and National Geographic.

Shareholders opposing the Shaw sale say the transaction takes care of debt holders but doesn't get anywhere close to the value of the Canwest TV assets since the auction process was flawed.

Patrick Blott, founder of New York-based Blott Asset Management LLC, and a member of ad hoc group of shareholders spoke to QMI Agency Friday.

The initial auction process was designed to find a co-investor to Wall Street bank Goldman Sachs and by extension deterred other potential bidders, including Rogers Communications and Quebecor.

A more open auction process, similar to the one used to sell Canwest's newspaper assets, would have yielded a higher selling price, shareholders argue.

Thursday, Winnipeg-based Canwest told QMI it's confident in the procedures it followed in agreeing to sell its broadcast assets to Shaw amid threats to block the sale.

"We have every confidence in the process that we followed and the decisions that we made," Canwest vice-president of public affairs John Douglas said. "We are focusing right now on closing the Shaw acquisition."

Canwest put its newspaper and television businesses up for sale earlier this year after being forced to file for bankruptcy protection following an aggressive expansion plan that built up some \$4 billion in debt.

A group of investors led by National Post publisher Paul Godfrey bought the newspapers for \$1.1 billion. The newspapers include the Vancouver Sun and the Montreal Gazette.

The Shaw deal requires court approval and that is slated for June 22.

Justice Sarah Pepall of the Ontario Superior Court of Justice, has been overseeing Canwest Global's court-directed creditor protection.

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