

RETAIL

## HBC chairman to control 70pc of company after shares acquisition

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*Saks Fifth Avenue's window displays for 2017's Glam Gardens: The Grand Garden Party*

By STAFF REPORTS

Saks Fifth Avenue owner Hudson's Bay Company will see an additional 10 percent of its shares go to Richard A. Baker.

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Baker's Rupert of the Rhine LLC has entered an agreement to purchase 18 million common shares of HBC at \$9.45 Canadian dollars, or \$7.06 at current exchange, per share. This will bring HBC executive chairman Richard Baker's percentage of HBC to 70 percent.

### Controlling shares

The Baker entity will acquire the 10 percent of shares from Ontario Ltd., a wholly owned subsidiary of Ontario Teachers' Pension Plan Board.

While the group will pay 9.45 Canadian dollars, *Women's Wear Daily* reports that its shares are only trading at 7.35 CAD, showing Mr. Baker's eagerness to invest further into the company.

"I am very pleased to increase my significant ownership in HBC and further demonstrate my commitment to the company," said Richard Baker, governor and executive chairman of HBC, in a statement. "Ontario Teachers' Pension Plan has been a valued partner since 2013, and I thank them for their support through their investment period."



*Exterior of Saks Fifth Avenue. Image credit: Saks Fifth Avenue*

The Saks Fifth Avenue parent company recently faced pressure from its investor Land & Buildings to sell the luxury retailer to boost its share price.

In a letter signed by Land & Buildings' founder and CIO Jonathan Litt sent to shareholders, the investor argues that HBC's shares are undervalued, calling for measures to create shareholder value. Land & Buildings has previously taken on HBC over its real estate holdings, and it has renewed its push to sell Saks' flagship in New York as part of its latest statement ([see story](#)).

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