



Sports Betting, Advertising Spinoffs Pitched at Traders' Huddle

By Drew Singer / Bloomberg News

A spinoff of Europe's largest pure online classifieds firm could have 100 percent upside after its separation from Nordic media conglomerate [Schibsted ASA](#) next year, a fund manager argued Wednesday at a conference in New York. The same manager also voiced bullish sentiment for [Kambi Group PLC](#), a Stockholm, Sweden-listed sports betting service based in Malta.

Schibsted was the subject of one of several presentations at a spinoff and activist investor conference hosted by The Edge Consulting Group, which benefits [The Alzheimers Association](#). Other calls by analysts and traders included Kambi, given the rising prospects for legal U.S. sports betting, and bearish signals from insiders at [Wyndham Hotels & Resorts Inc.](#) and [Veoneer Inc.](#)

The online classifieds spinco has significant potential to increase monetization and its operational leverage, Bodenholm Capital founder Per Johansson said in a presentation. With the top position in a winner-take-all market, the company has a mandate to consolidate and drive M&A, he added.

Trading spinoffs has become tricky during the recent market rout. After outperforming for much of 2018, spinoffs have now fallen behind the broader market. The Bloomberg U.S. Spin-Off Index has fallen 19 percent since Sept. 20, more than doubling the pace of the S&P 500's retreat.



Here are some other calls presented at Wednesday's conference:

- Kambi is poised to benefit from the rise of legal sports betting across the U.S., Johansson said. The recent spinoff could see its U.S. market share skyrocket thanks to a hot start in New Jersey, where its customers, including DraftKings, enjoy a 65 percent share.
- Wyndham Hotels and Veoneer may continue to fall because insiders who bought earlier this year have not averaged-down those positions with additional buys at lower prices, said insider trading analyst George Muzea of Muzea Advisors.
- Ashland Global Holdings Inc. has identified close to \$300 million of unallocated costs that Cruiser Capital Advisors believes could be eliminated to increase valuation before a sale, said founder Keith Rosenbloom. Cruiser, the firm's 11th-largest holder according to Bloomberg data, has proposed some nominees to Ashland's board. Rosenbloom's idea was detailed in a letter to the company that Bloomberg [reviewed last week](#).

To contact the reporters on this story:

Drew Singer in New York at dsinger28@bloomberg.net;

Link to the original article can be found [here](#).

**Test today if The Edge Group can deliver you value you
can't get anywhere else in the world...**

Contact Us

SPINOFF  REPORT SPECIAL  SITUATIONS STRESSED  CREDIT

Want Investment Ideas Real Time?

Follow us on Twitter: [@edgecgroup](https://twitter.com/edgecgroup)

The Edge Consulting Group LLC

GREATER NEW YORK: 89 Headquarters Plaza | Morristown | NJ 07960 | +1 (212) 714 7046

LONDON: 27 Old Gloucester Street | London | WC1N 3AX | +44 (0) 845 459 7103

www.edgecgroup.com