

## **Williams and Lew cautious of Mariner bid Companies and Markets Samantha Hutchinson**

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Mariner Corporation's chances of a successful bid for Globe International hang in the balance after the fifth largest shareholder in Globe said his support for the bid depended on other owners of the stock making the first move.

"They'll get a few acceptances but I'm not sure I'll be one of them," Kidder Williams managing director David Williams told The Australian Financial Review. "It would be compelling if I saw them pick up 10 per cent of the stock, because with [Solomon Lew] and mine they could get close to 20 per cent, but with just 1 per cent . . . they wouldn't have any power to enact change."

Mr Williams, who holds a 2.3 per cent stake in the skate and streetwear company, and is known to vote alongside 5.9 per cent shareholder Solomon Lew, said the bid lacked appeal without support from an additional 10 per cent of shareholders.

The support of both Mr Williams and Mr Lew is crucial to Mariner's play for the tightly held company. Globe managing director Stephen Hill and his two brothers hold more than 70 per cent of shares on issue. They have been strong in their resistance to the bid.

Mr Williams and Mr Lew have together proven themselves to be a powerful force on Globe's share register. They were instrumental in issuing the company with a second strike against its remuneration report at the November 14 annual general meeting, and triggering a board spill meeting, that will be held on February 6

Mr Williams said he was unsure if Mariner had done enough to convince shareholders of the value of the offer.

"They need to tell a more compelling story about where Mariner is going," he said, adding that small shareholders might be attracted to the bid in hope that the aggregation of shareholders could bring more power to push for the appointment of independent directors or a trade sale of the company.

"I'm happy that [Mariner] is putting the company into play," Mr Williams said. "Whether Mariner has the wherewithal to do anything with the company remains a big question, but to start the ball rolling is a healthy thing."

Mariner chief executive Darren Olney-Fraser told The Australian Financial Review that he had received acceptances from Globe shareholders but refused to say at what level. He is expected to meet Mr Williams and Mr Lew in coming weeks to sell his case.

Staging a meeting between the two will not be hard if Mariner chooses to pursue Mr Williams. The two men work in the same building.