

April Auction to Sell Off Universal Stuff
By Jillian Alexander, special to Zap2it

NEW YORK (Zap2it.com) -- The house that Bronfman built is turning into a house of cards. Since selling Seagram -- parent company of Universal Studios -- to Vivendi in 2000 the Bronfman family has seen its personal wealth diminish by more than \$3.5 billion. In two years, Edgar M. Bronfman Sr. slipped 32 places and Charles Bronfman has slipped 55 places on Forbes' "World's Richest People" list. With two seats on Vivendi Universal's Board of Directors, the family no longer controls the company it built and the family's crown jewels are being sold to raise cash to reduce Vivendi Universal's debt and alleviate its cash flow issues. Next month renowned photographers' images will be on the auctioning block, followed by world famous artists' paintings and classic sculptures later this year.

Last summer Vivendi Universal's new chief executive Jean-René Fourtou pledged to halve the company's \$18.8 billion debt within two years. To improve its financial position, the company is divesting of assets acquired during ousted chief executive officer Jean-Marie Messier's foray into entertainment business. Sales of Italian pay television service Telepiu, Canal Plus Technologies and publisher Houghton Mifflin have already reduced that debt by \$4.71 billion.

It was recently announced that on April 24 and 25, Phillips du Pury & Luxembourg will auction more than 700 photographs by Walker Evans, Alfred Stieglitz and others, and that later this year Christie's will auction the remainder of the over 2,500 art works Seagram Collection including a Rodin sculpture, Pablo Picasso and Mark Rothko paintings, Ellsworth Kelly and Richard Serra drawings and antiquities including European Renaissance period glass vessels.

"The company has defined assets it no longer considers strategic in its portfolio," Vivendi Universal spokeswoman Anita Larsen says, "and the art collection fits into that category."

Phillips' representative Sarah Shepard told Zap2it the photos will be valued at a few million dollars. Christie's representative declined providing guidance on valuation or auction date to Zap2it indicating neither have been established. It is expected that Vivendi Universal will raise over \$15 million from the Seagrams Collection auctions.

Other non-strategic assets up for sale include a Lear jet and the 5,300-square-foot Manhattan penthouse apartment purchased for \$17.5 million in 2001 to be Messier's New York residence.

Additionally, Fourtou and U.S. entertainment head Barry Diller have been entertaining offers assets from media moguls and wannabees, including Frank Biondi, Marvin Davis and Rupert Murdoch, vying for Vivendi Universal's U.S. entertainment assets.