

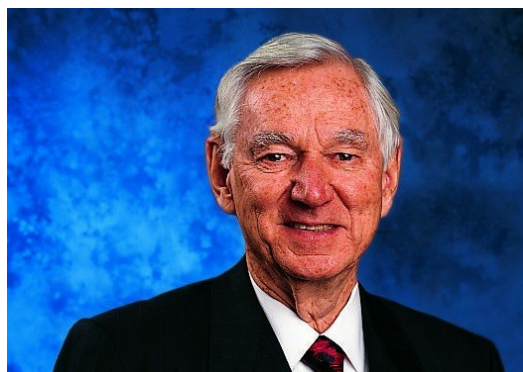


By Carl Collen

Friday 28th August 2015, 11:18 GMT

Murdock's Dole buyout judged unfair

Dole CEO David Murdock's US\$1.2bn buyout in 2013 undervalued the company by 17 per cent, a judge has ruled



David Murdock

Veteran Dole Food Company chief executive David Murdock and former chief operating officer Michael Carter have been ordered to pay US\$148.2m in damages to shareholders following the former's buyout of the fresh produce giant in 2013.

Delaware judge vice-chancellor Travis Laster ruled that

Murdock's US\$1.2bn management buyout undervalued the company by 17 per cent, allowing Murdock to pay US\$13.50 per share as opposed to the actual value of US\$16.24 per share that Dole was worth at the time.

Shareholders had accused Murdock, who already owned 40 per cent of the group, and Carter, of depressing the stock price by downplaying the

company's ability to boost profit by cutting costs and buying farms, as well as cancelling a stock buyback, Reuters reported.

In his decision, judge Laster said that Carter was the main man behind the scheme, calling him Murdock's "right-hand man" and saying Carter "actually engaged" in fraud.