

Activist Investor Icahn Reconnects with Apple CEO

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San Francisco (AP) — Activist investor Carl Icahn may be putting more pressure on Apple CEO Tim Cook to get more aggressive about boosting the iPhone maker's stock price.

Icahn posted on his Twitter account Wednesday that he had sent Cook a letter in the afternoon. He said he would share the letter Thursday on a new website called "Shareholders' Square Table."

The missive follows up on a Sept. 30 dinner with Cook that Icahn hosted at his New York apartment. During that get-together, Icahn said he lobbied Cook to spend \$150 billion buying back Apple Inc.'s own stock. That's more than double the amount that the Cupertino, Calif., company has committed to spend.

Icahn, whose wealth is estimated at \$20 billion by Forbes magazine, has said his fund has invested about \$2 billion in Apple. At that amount, Icahn would own less than a 1 percent stake in Apple.

Icahn, 77, has a long history of buying significant stakes in companies with a slumping stock price and then pressing the corporate leaders to pursue plans that he thinks would make the shares more valuable.

While Apple's market value of about \$477 billion is more than any other publicly traded company, its stock prices has fallen about 25 percent from a peak 13 months ago. Investors have been worried about tougher competition facing Apple in the smartphone and tablet market, as well as the lack of a breakthrough product since the death of its chief visionary, Steve Jobs, two years ago. Those worries didn't dissipate with unveiling of Apple's latest iPads on Tuesday.

Apple's stock rose \$5.09 Wednesday to close at \$524.96.

Icahn believes Apple could lift its stock by taking advantage of low interest rates to borrow money to finance its proposed stock buybacks. The buybacks would fuel demand for Apple's stock and increase the company's earnings per share by reducing the amount of stock. Higher earnings per share usually lift a company's stock price.

Neither Apple nor Icahn responded to requests for comment on Wednesday.

In some instances, Icahn has threatened to try to oust corporate boards that don't follow his wishes. Icahn hasn't yet said whether he might pursue a shake-up at Apple if the company rebuffs him.

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Icahn sent his letter to Cook the day after disclosing he had sold more than half his stake in one of his biggest successes, an investment in Internet movie service Netflix Inc.

In that instance, Icahn did little but give Netflix CEO Reed Hastings a vote of confidence at a time when the company had fallen out of favor. After accumulating a nearly 10 percent stake in Netflix while the stock was trading below \$60 last year, Icahn reaped a pre-tax gain of nearly \$800 million by selling 3 million shares at prices ranging from \$304.23 to \$341.44 earlier this month.

Icahn still owns nearly 2.7 million Netflix shares, leaving him with a 4.5 percent stake in the Los Gatos, Calif., company.

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