UPI ARCHIVES OCT. 4, 1993

# McGraw-Hill acquires interest in joint venture school publishing company



NEW YORK -- McGraw-Hill Inc. said Monday it completed the acquisition for $337.5 million in cash of its partner's 50 percent interest in the Macmillan/McGraw-Hill School Publishing Company, a joint venture partnership formed in 1989 with Macmillan, Inc.

The purchase was made from Macmillan, a subsidiary of Maxwell Communication Corporation, Plc.

The acquisition makes McGraw-Hill the nation's largest elementary- high school publisher. The joint venture company had revenues of $504.9 million last year; revenues are expected to grow to approximately $600 million in 1993, McGraw Hill said.

'Full ownership gives us greater flexibility in a growing market we know well and solidifies our position as one of the nation's leading educational publishers,' said Joseph L. Dionne, chairman and chief executive officer of McGraw-Hill.

'Enrollments, a key to the elementary-high school market, are expected to grow throughout the decade and prospects for increased funding are improving. The impetus to improve America's schools will put new emphasis on instructional technology,' he said.



In conjunction with the acquisition, McGraw-Hill said it plans to take a non- recurring charge in the third quarter estimated at $230 million to write-down its original investment in the joint venture to match the purchase price for the additional 50 percent interest and to cover the costs of consolidating certain functions and systems of the joint venture company and McGraw-Hill's book publishing operations.

'These one-time charges, which are primarily non-cash, will have a substantial impact on reported 1993 earnings, but the acquisition will improve future profitability starting in 1994. Our cash flow will benefit from this acquisition in the fourth quarter of 1993 and in future years,' Dionne said.

'We will finance the acquisition by borrowing at very attractive rates in the current low-interest environment. Initially, we intend to use commercial paper to fund the acquisition and subsequently refinance the joint venture company's debt of approximately $300 million,' Dionne said.

Later this year, McGraw-Hill plans to issue fixed rate debt of various maturities to replace a portion of its commercial paper borrowing.

The company has $250 million remaining from the shelf registration of 1990.

'Total debt by the end of 1993 will be about $1 billion and is not expected to change McGraw-Hill's strong credit ratings,' Dionne noted.

The joint venture company was formed on July 1, 1989, by combining the elementary, secondary and vocational education businesses of McGraw- Hill and Macmillan.

Subsequently, the joint venture company acquired several businesses, including the Merrill Publishing Company's elementary and high school operations.

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## Freddie Freeman falls down Royals dugout steps, Dodgers 'dodge bullet'

Aug. 13 (UPI) -- Los Angeles Dodgers veteran Freddie Freeman fell down dugout steps, resulting in soreness throughout his body in a win over the Kansas City Royals.

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## Miami Hurricanes, basketball coach Jai Lucas agree to extension

Aug. 12 (UPI) -- The Miami Hurricanes agreed to a five-year contract extension with men's basketball coach Jai Lucas. He led the Hurricanes to a 26-9 record in 2025.

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Aug. 12 (UPI) -- Tampa Bay Buccaneers wide receiver Emeka Egbuka limped off the field with an apparent injury at training camp Wednesday in Florham Park, N.J.

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## Josh Kushner, Bob Iger to buy Los Angeles Lakers for record $12.5B

Aug. 12 (UPI) -- Bob Iger and Josh Kushner agreed to buy the Los Angeles Lakers, they announced Wednesday. Sources told UPI that the deal is worth $12.5 billion.

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## Messi writes letter to late father; uncertain about his soccer future

Aug. 12 (UPI) -- Lionel Messi wrote a letter to his late father, Jorge, on Wednesday, detailing his struggles and expressing uncertainty about his soccer future.

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## Cristiano Ronaldo marries model Georgina Rodriguez in Portugal

Aug. 12 (UPI) -- Cristiano Ronaldo married longtime partner Georgina Rodriguez in a civil ceremony in Cascais, Portugal. The couple started dating in 2017.

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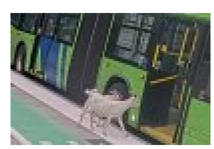

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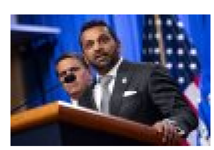

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