

The Weinstein Company Reaches Deal to Sell Assets By Hilarie Bellis, J.D. Candidate 2019 | March 4, 2018

On March 1, 2018, the board of directors at The Weinstein Company confirmed that the company is to [sell its assets](#) to an investor group led by Maria Contreras-Sweet and Ron Burkle. New York Attorney General Eric T. Schneiderman confirmed the deal and also announced that the parties had committed to create a victims' compensation fund at the new company along with new HR policies that would protect employees. The Attorney General stressed that his office would work with the parties to ensure they honor their commitment.

The announcement comes days after The Weinstein Company said it would [pursue bankruptcy](#) after talks with Contreras-Sweet and Burkle initially failed to reach a signed agreement. The Weinstein board of directors criticized Contreras-Sweet and Burkle's investor group for failing to provide financing to keep Weinstein afloat in the meantime. However, the parties managed to reach a last-minute deal last week. Contreras-Sweet, the [former head of the U.S. Small Business Administration](#), said she will bring a new vision to the company.

Attorney General Schneiderman had [initially criticized the sale](#), arguing that it did not do enough to compensate Weinstein's victims and protect employees from sexual harassment and assault, going so far as suggesting that the sale actually rewards those Weinstein Company officials who did nothing to stop Weinstein while he was at the company. The New York Attorney General's office [filed a lawsuit](#) against Harvey and Bob Weinstein and the Weinstein Company for violating New York human rights, civil rights, and business laws; the suit is filed in New York State Supreme Court in Manhattan. The lawsuit threatened the sale of the company, but it appears that the parties have been able to work through any potential issues regarding the sale while also gaining the Attorney General's support.

Contreras-Sweet and Burkle's investor group will install a new board of directors, the majority of which will be female, and the group promises to issue in a new era at Weinstein. The financial details have not been made public, but people familiar with the deal said the previous bid was worth \$500 million, with a \$225 million assumption of debt.

