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paidContent.org - Rustic Canyon Sells Part of Its Portfolio To Give Liquidity To Chandler Family, Its LP

Rafat Ali
paidContent.org
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A crazy but true story, along with a strange co-incidence: [Rustic Canyon](#) (RC), one of the largest VC firms in Southern California that has invested in a bunch of digital media companies, has sold off a part of its portfolio to [Saints Capital](#), a San Francisco-based VC firm which specializes in such secondary acquisition of VC and PE investments. The two companies **have formed a new fund, called Saints Rustic Canyon, L.P.**, which has purchased the interest of **19 different portfolio firms of Rustic Canyon Ventures, and a portion of eight other firms**, structured as a strip purchase of 20 percent of RC's position in each of the companies.

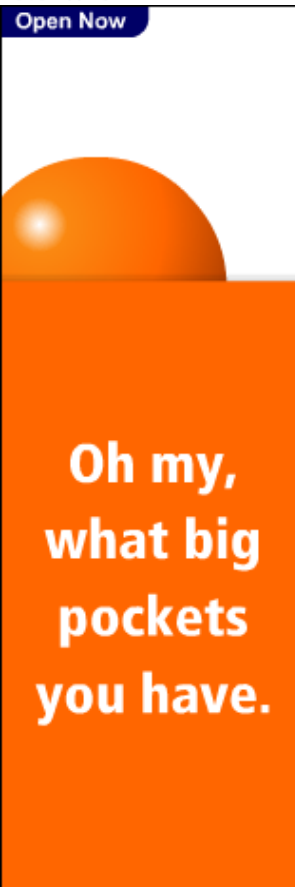
That part was disclosed [in the release](#) the two companies put out. What they didn't say is that Rustic Canyon's single limited partner is the Chandler Family Trust, the trust of the Chandler Family?former owners of the Times Mirror Co., the parent firm of the Los Angeles Times before its acquisition by the [Tribune Company](#). And they cashed out handsomely during Tribune's sale to Sam Zell's firm; and now, Tribune is in Chapter 11 bankruptcy proceedings. This connection was [picked up by SoCalTech earlier today](#). History [of RC is here](#).

Among the firms sold by RC were Cooking.com Internet Brands, iCopyright, MediaSpan Group, and Visto Corporation, among others. The firms which it sold part of its stake in were Trion World Network, Untangle and others.

From RC's managing partner Tom Unterman: "Our first fund was supported by a single investor [this is Chadler Trust money] who wanted to rebalance his asset allocation. This investor remains the largest investor in our second and new third fund that closed in October. After much deliberation, we found the right partner in Saints to meet the needs of our LP, our portfolio companies and the Rustic team. With this transaction, we have fresh capital to support our companies' growth plans."

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