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## Kodak May Seek \$900 Million Cash to Keep Going

By David Zielenziger

Eastman Kodak, the ailing imaging giant, met with hedge funds including Cerberus Capital and Silverpoint to raise as much as \$900 million in bridge financing.

Kodak, which last reported cash and investments of \$957 million in the second quarter, has been the subject of speculation for weeks. The Rochester, N.Y.-based photography giant is scheduled to report third-quarter results Nov. 3.

The latest report, by DebtWire, said Kodak met with the hedge funds to raise cash. It didn't report terms the company would have to meet.

Kodak last month issued a statement denying it was considering a bankruptcy filing but confirmed it had hired Jones Day, a top law firm known for bankruptcy and reorganization. Subsequently, it paid \$160 million under a current debt obligation.

The report also said Kodak bondholders including Avenue Capital, Solus Alternative Asset Management, DE Shaw and P Schoenfeld Asset Management, were talking to law firms.

Kodak shares Monday fell 2 cents to \$1.30, leaving the former blue-chip company's market capitalization at \$349.8 billion. The shares are off nearly 76 percent this year.

Meanwhile, the company still hasn't disclosed results of the two-month-old auction of as many as 1,100 patents of older technology managed by Lazard. The auction had been intended to raise at least \$2 billion, which would have been sufficient to tide over the company's immediate cash needs.

Last week, Kodak licensed patents for movies to Imax, the Canadian-based operator of ultra-wide movie theatres. Terms were not disclosed.

Kodak traditionally reports its biggest sales in the fourth quarter, with holiday camera and imaging buying, but it also needs money to support extensive advertising and marketing. Kodak also competes against Hewlett-Packard, Lexmark and others in the printer sector.

Investors including private equity company Kohlberg Kravis Roberts have invested in Kodak for years with little return. KKR currently owns about 17 percent of the company.