

Elon Musk's pause on Twitter takeover triggers a flap

What is Elon Musk up to?

Not for the first time that's the question on the minds of [Twitter](#) executives, global investors and many of his 92 million followers, after the world's richest man announced, in a tweet, naturally, that [his purchase of the social media platform is "temporarily on hold"](#).

The impact was instant, initially wiping 16% off the price of shares that three weeks ago he valued at \$54.20 (£44.50) in a \$44bn (£36.1bn) takeover.

The trigger appears to be a Reuters' news story about a 10-day old Twitter announcement estimating the number of spam or false accounts at less than 5% of the platform's 229 million users, but conceded the figure may not be accurate.

It is the sort of issue that might have been addressed in due diligence – the process by which buyers and their banks closely examine the company they are acquiring – had [Musk](#) not waived that step in order to hustle the Twitter board into a swift decision on his offer.

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Musk has made war on the "spambots", the automated accounts that thrive in Twitter's swamp of anonymous abuse, a central plank of his manifesto alongside "free-speech fundamentalism".

If there are fewer bots than previously thought perhaps there is less scope to quickly transform the user experience.

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If there are more, that's fewer real account holders from whom to raise revenue.

Equally, pressing pause might be a convenient excuse for the rockets-to-Roadsters billionaire to take stock after a

fortnight of tech sell-offs on Wall Street.

While Netflix and others have suffered, Twitter drifted to almost 20% below Musk's offer, suggesting the markets were losing confidence in a deal being done at that price.

For those wondering if he was overpaying it certainly looks like it now.

With his social media statements amplified by a vast and loyal investor following the Tesla boss is a habitual sower of chaos on markets, but wiping billions off the value of a target would be bold even by his standards.

Walking away from the deal would cost him \$1bn (£820m).

So whether the pause is part of a considered play for time, or the product of twitchy fingers and a magpie mind, remains to be seen.

In a second Tweet, posted after two hours of wild speculation, he wrote: "Still committed to acquisition".

It is unlikely to be the final word.