

What Is a Spinoff?

When a company creates a new independent company by selling or distributing new shares of its existing business, this is called a spinoff. A spinoff is a type of divestiture. A company creates a spinoff expecting that it will be worth more as an independent entity. A spinoff is also known as a spinout or starburst.

Spinout or **Spin Out** may refer to:

- Corporate spin-off, also known as a spin-out, a type of corporate action where a company turns a portion of itself into a separate business

divestiture

noun /daɪ'vestɪtʃə(r)/ (also divestment) [uncountable, countable] (finance)

- the act of selling the shares you have bought in a company or of taking money away from where you have invested it

• **What Is a Stakeholder?**

A stakeholder is a party that has an interest in a company and can either affect or be affected by the business. The primary stakeholders in a typical corporation are its investors, employees, customers, and suppliers. However, with the increasing attention on corporate social responsibility, the concept has been extended to include communities, governments, and trade associations.

What Is a Shareholder? A shareholder, also referred to as a stockholder, is a person, company, or institution that owns at least one share of a company's stock, known as equity.