

28th Annual Technology Law Conference

Influence of Activist Shareholders on M&A and Corporate Governance

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PROFESSIONAL CORPORATION

May 2017

Topics to be Covered

- Background of activists
- Target companies
- Playbook for activist campaign
- Being prepared
- Goals and outcomes
- Appendix: Case study

Background of activists



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What is an activist shareholder?

- An outside shareholder who takes action to influence corporate practices in one or more areas:
 - Financial
 - Operational
 - Strategic
 - Board or Management
- Ultimate goal is shareholder returns/value creation

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Who are the major activists?

| | | | | | |
|--|--|--|---|---|--|
| <p>Paul Singer</p>  <p>ELLIOTT</p> <p>\$39.5bn</p> | <p>Carl Icahn</p>  <p>ICAHN ENTERPRISES L.P.</p> <p>\$32.9bn</p> | <p>Daniel Loeb</p>  <p>THIRD POINT</p> <p>\$18.0bn</p> | <p>Jeffrey Ubben</p>  <p>VAC ValueAct Capital</p> <p>\$15.7bn</p> | <p>Bill Ackman</p>  <p>PERSHING SQUARE</p> <p>\$15.2bn</p> | |
| <p>David Einhorn</p>  <p>GREENLIGHT</p> <p>\$11.4bn</p> | <p>Barry Rosenstein</p>  <p>JANA PARTNERS LLC</p> <p>\$11.4bn</p> | <p>Nelson Peltz</p>  <p>TRIAN PARTNERS</p> <p>\$8.6bn</p> | <p>Keith Meister</p>  <p>Corvex</p> <p>\$8.2bn</p> | <p>Thomas Sandell</p>  <p>SANDELL CAPITAL PARTNERS</p> <p>\$1 bn</p> | <p>Jeffrey Smith</p>  <p>STARBOARD VALUE</p> <p>\$2.6bn</p> |

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... plus many others

Other Funds Deploying Activist Strategies

| | | |
|---|---|---|
| <ul style="list-style-type: none"> Appaloosa Management Arcadia Capital Advisors Atlantic Investment Management Audley Capital Barington Capital Group Becker Drapkin Management Biglari Capital Blue Harbour Group Breeden Capital Management Brigade Capital Management Brooklyn Capital Management/ Bulldog Investors Cannell Capital Casablanca Capital Carlson Capital Citadel Advisors Clinton Group Coppersmith Capital Management Crescendo Advisors Discovery Group Dolphin Ltd Partnership Engaged Capital Engine Capital EverPoint Asset Management (f/k/a SAC Capital Advisors) First Manhattan Co. | <ul style="list-style-type: none"> Franklin Mutual Advisors Front Four Capital GAMCO Investors Glenview Capital Management Harbinger Capital HealthCor Management Highfields Capital Highland Capital Management JCP Investment Management Jewelcor Management Karpus Investment Management Lawndale Capital Management Locksmith Capital Management Loeb Capital Management Luxor Capital Group Marcato Capital Management Mason Capital MCM Management Millennium Management Mustang Capital Management Newcastle Partners Nierenberg Investment Management Norges Bank Investment Management Oliver Press Partners Pardus Capital Management Paulson & Co. | <ul style="list-style-type: none"> Perry Capital PL Capital Potomac Capital Management Privet Fund Management Raging Capital Management Red Mountain Capital Partners Riley Investment Management Roark Rearden & Hamot Sabby Management Sarissa Capital Management Scepter Holdings Scopia Management Seidman and Associates SMP Asset Management Southeastern Asset Management Spotlight Advisors Steel Partners Stillwell Value TCI Fund Management Western Investment Wynnefield Capital Management York Capital <p>... and many more</p> |
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First appeared as part of the conference materials for the
30th Annual Technology Law Conference session

"Influence of Activist Shareholders on M&A and Corporate Governance"