

THE ACTIVIST INVESTING HALF-YEAR REVIEW

IN ASSOCIATION WITH OLSHAN FROME WOLOSKY

MORROW SODALI

FTI CONSULTING

GREENBROOK COMMUNICATIONS

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O L S H A N

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SHAREHOLDER ACTIVISM DURING COVID-19

BY OLSHAN FROME WOLOSKY'S SHAREHOLDER ACTIVISM PARTNERS.

It should come as no surprise that COVID-19 had a major impact on the 2020 proxy season. The uncertainty surrounding the pandemic accelerated early-stage settlements and caused some activists to forgo campaigns but there was still plenty of activist activity in the first half of the year. From their basements and home offices, our attorneys have delivered 15 nomination letters and negotiated 17 settlements since the quarantine began. We even took five annual meeting contests to a vote, mostly in "virtual meeting" settings. Already, we are seeing signs there will be more activist activity than usual during the second half of the year.

DEFENSE FIRMS USE COVID-19 TO MALIGN ACTIVIST INVESTORS

As soon as the COVID-19 outbreak grew into a pandemic in mid-March, defense firms took the opportunity to paint investors who dared to engage companies during the crisis as "over-reaching" opportunists, "takeover raiders," and "profiteers." They believed that their public company clients should be permitted to operate with impunity during such uncertain times.

But if there is any period during which shareholders should have a heightened interest in ensuring management and boards are acting prudently and making the right decisions, it's precisely during a crisis such as this pandemic. Moreover, the activist campaigns we have seen in 2020 are ones that were launched well before anyone had even heard of COVID-19.

CONTROL CONTESTS GOING THE DISTANCE

Despite the pandemic environment, there was no shortage of "high-impact" control contests that went to a vote or settled in the late stages this season. Starboard Value scored a major win in a proxy contest at GCP Applied Technologies, seating all eight of its director candidates. This was Starboard's second win for control that went to a vote, the other of course being its groundbreaking victory at Darden Restaurants in 2014. In a settlement agreement forged hours before the annual meeting, Bow Street secured eight board seats at Mack-Cali, ending a particularly acrimonious contest for

control, a rare feat for a shareholder-unfriendly Maryland target.

PRIVATE EQUITY HERE TO STAY

We have been talking for several years about the coming convergence of shareholder activism and private equity, and KKR's recent engagement with Dave & Buster's Entertainment – obtaining a board seat just a few months after filing a 13D showing an intent to engage in talks – marks private equity's full arrival to the shareholder activism scene. Also this year, Oaktree Capital entered into an activist-style settlement agreement with Infinera, gaining a board seat. We expect to see more private equity shops take 13D positions as preludes to their buyout proposals, while some of our activist clients have moved in the opposite direction, as evidenced by private equity-style investments by Engaged Capital with Oaktree at Canada's SunOpta, and Starboard at Papa John's and Acacia Research.

2021 PROXY SEASON OUTLOOK

It now appears evident that COVID-19 will continue to be with us in some shape or form during the 2021 proxy season. Nevertheless, most activist investors have weathered the storm, and we expect to see a resurgence of activist campaigns over the next year. We anticipate the 2021 proxy season will begin earlier – probably right after Labor Day – and be longer than usual. Activists and management will spar over whether poor performance was unavoidable due to COVID-19 or directly attributable to ineffective leadership. Where control is not in play, settlements will be entered into often and early.

And board diversity will continue to be front and center. In the wake of ongoing Black Lives Matter protests, the emphasis on board diversity will expand to also include ethnic and racial diversity, in addition to gender.

O L S H A N

EDITOR'S LETTER

JOSH BLACK, ACTIVIST INSIGHT



Before I even begin to reflect on activism this year, I hope this publication finds our readers and their families healthy and happy. It has been a challenging period for all, and while we are pleased that our editorial output and client services have maintained a high standard throughout, we above all thank our clients and followers for their continued support.

Would the coronavirus pandemic act as a kind of poison pill, deterring activist campaigns for the duration of proxy season, as one law firm predicted in March? Or would it enlighten and inspire institutional investors to vote against activist proposals and bring about the “end of the menace to American companies and their employees,” as another hoped?

“ALTHOUGH THERE WERE UNDOUBTEDLY CAMPAIGNS THAT DID NOT TAKE PLACE AS A RESULT OF COVID-19 AND THE LEVEL OF SHAREHOLDER ACTIVISM IN GENERAL FELL CONSIDERABLY, THE 2020 PROXY SEASON WAS IN FACT AN EVENTFUL ONE.”

Neither scenario quite came to pass. Although there were undoubtedly campaigns that did not take place as a result of COVID-19 and the level of shareholder activism in general fell considerably, the 2020 proxy season was in fact an eventful one. Thanks to control contests, including some that were a continuation of campaigns launched last year, and settlements rushed forward by the crisis, activists won 136 board seats at U.S. companies in H1, more than in the same period in 2019. Notably, Starboard Value and Bow Street Capital won big majorities in proxy contests. For a full statistical breakdown of the first half of 2020, download our data report [here](#).

A fall in the number of investors making public demands suggests that some first-time or occasional activists, and those uncertain about the impact of the COVID-19 crisis on their target companies, did in fact hold their fire this year. But with no sign of a backlash against their peers, those who held back may not do so in the second half of this year, even if there is a second wave of infections. With falling yields and buoyant tech equities likely to make active managers desperate for ways to improve their own performance, activist arguments

about ill-prepared leadership teams, under-utilized assets, and new realities may find fertile ground, even if it will be hard to argue in favor of returning capital to shareholders or slashing operating costs without harming employee welfare.

More disappointing for supporters of activism is the landscape in Europe and Asia. Although both regions had their share of interesting campaigns, including U.S. activists continuing to look overseas for opportunities, activism fell much more sharply and with less evidence of a rebound than in America.

Recent activist activity indicates that the second half of the year will be just as interesting, and in some ways different. Senator Investment Group and Cannae Holdings' joint bid for CoreLogic may set the stage for a period of hostile M&A and more convergence between private equity and activism.

At the same time, ValueAct Capital Partners' founder Jeff Ubben has left that firm, saying he doesn't think his environmental and social impact investing can live within a traditional activist hedge fund. That will challenge activists to continue adapting and grasping the mantle of environmental, social, and governance (ESG) issues, especially if racial diversity becomes as highly-valued on corporate boards as gender diversity in the wake of the Black Lives Matter movement.

We are very glad to have such outstanding contributors to this edition of *Activist Insight Monthly's* Half-Year Review. I would especially like to thank Andrew Freedman and Steve Wolosky at Olshan Frome Wolosky, Jay Frankl at FTI Consulting, Paul Schulman at Morrow Sodali, and Andrew Honnor of Greenbrook Communications for sharing their perspectives on activism during this unique time with us.

If you've taken your eye off Activist Insight for even a moment during the past six months, I highly recommend you go back to our special reports, magazines, and podcasts. There will also be much more to come later this year, alongside more exciting product and company developments, I promise! 📖

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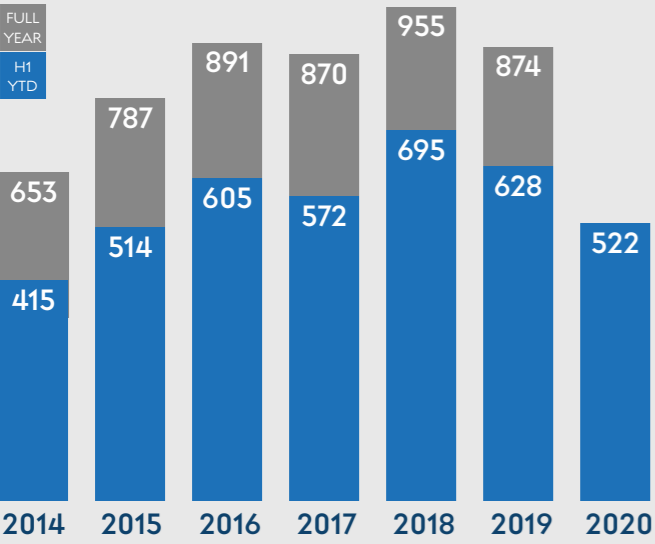
PAUSE II

ON PAUSE

ISSUERS MAY HAVE DECRIED THE DISTRACTION OF SHAREHOLDER ACTIVISM DURING THE COVID-19 PANDEMIC BUT ACTIVISTS THEMSELVES HAVE DIALED BACK THEIR EFFORTS, WRITES JOSH BLACK.

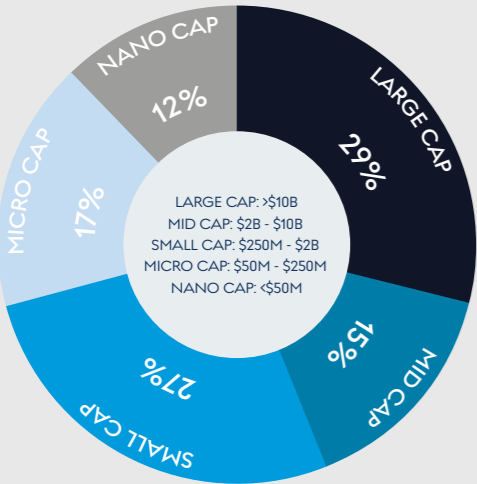
THE HEADLINE FIGURES

ACTIVIST TARGETS BY YEAR



NUMBER OF COMPANIES WORLDWIDE PUBLICLY SUBJECTED TO ACTIVIST DEMANDS BY TIME PERIOD. SOURCE: ACTIVIST INSIGHT ONLINE

ACTIVIST TARGETS IN 2020 BY MARKET CAP



BREAKDOWN OF COMPANIES WORLDWIDE PUBLICLY SUBJECTED TO ACTIVIST DEMANDS IN H1 2020 BY MARKET CAP. SOURCE: ACTIVIST INSIGHT ONLINE

ACTIVIST TARGETS IN H1 BY GEOGRAPHY

	H1 2017	H1 2018	H1 2019	H1 2020
U.S.	330	379	352	329
JAPAN	29	46	53	42
CANADA	36	58	42	24
AUSTRALIA	32	44	38	19
SWEDEN	21	8	6	18
U.K.	23	32	38	17
GERMANY	9	14	12	9
FRANCE	7	6	9	7
SINGAPORE	5	9	4	7
HONG KONG	5	6	8	7

NUMBER OF COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS IN H1 OF RECENT YEARS BY COMPANY HQ. SOURCE: ACTIVIST INSIGHT ONLINE

When stock markets bottomed out in mid-March, it was unclear whether activist investors would respond to the dislocation with a frenzy of new campaigns. The reckoning is in, with the number of companies publicly subjected to activist demands down sharply at the halfway point of 2020, ranging from a 7% drop in the U.S. to around half in the U.K. and Australia.

BENCHED

Many activists chose to sit on the sidelines altogether. Although some funds fought their first proxy contests, including Driver Management at U.S. bank holding company First United, they were the exception. According to *Activist Insight Online* data, the 332 activists making public demands worldwide represented a 31% decline on the number in the first six months of 2019.

Some pulled proxy contests, including real estate activist Land & Buildings at American Homes 4 Rent. Others, such as Engaged Capital, worked with existing portfolio companies to shore up balance sheets. Glen Welling’s fund participated with Oaktree Capital Management in a \$60 million private placement by Canada’s SunOpta, and also announced it would forgo director fees where its employees served on boards.

“Proxy season was generally quiet but that seems to be changing,” Credit Suisse’s activism defense chief Chris Ludwig told *Activist Insight Monthly* in June. “Activity and engagement has turned on its head; we expect more public campaigns.”

“THE NUMBER OF COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS IS SHARPLY DOWN AT THE HALFWAY POINT OF 2020.”

SEARCHING FOR A VACCINE

Many American companies took no chances, even though advance notice deadlines guaranteed most boards a safe passage through this year’s proxy season. A total of 46 shareholder rights plans were adopted by Russell 3000 companies in the first half of 2020 – almost as many as in the past three years put together. Many companies worldwide held up the coronavirus as a reason shareholders should defer to boards and management teams.

That only carried so far, however. Starboard Value, which received some of the sternest lectures from incumbents in response to the four proxy contests it threatened, won a settlement at Commvault Systems and then engaged in its

first vote since 2014 at GCP Applied Technologies, sweeping the board after telling shareholders it would support the company’s poison pill to counter fears it would demand a fire sale.

“MANY COMPANIES WORLDWIDE HELD UP THE CORONAVIRUS AS A REASON THAT SHAREHOLDERS SHOULD DEFER TO BOARDS AND MANAGEMENT TEAMS.”

Starboard, however, was less aggressive than some activists. Of the 24 dedicated activist funds that publicly subjected more than one company to demands globally in the first six months of 2020, Starboard was one of just five to target fewer than in the same period of 2019. Seventeen activists in this group targeted more companies in 2020 than in the comparable period of 2019, most notably closed-end fund specialists Bulldog Investors and Saba Capital Management and Japan focused Oasis Management, Asset Value Investors, and Strategic Capital.

Although almost all kinds of activism were down in absolute terms, there was some difference between the U.S. and the rest of the world. In America, business strategy demands were down sharply, whilst remaining stable in other countries. By contrast, balance sheet demands ticked up in the U.S. while falling elsewhere. M&A-related activism took one of the biggest hits, falling 51% in the U.S. year-on-year and 19% elsewhere.

Yet what activists say they want and what they actually seek, particularly if board representation is an initial hurdle, may be quite different. “It’s still largely been around asset ownership and M&A - how do you maximize the value of assets?” says David Hunker, head of shareholder activism defense at JP Morgan.

“MY EXPECTATION IS WE SEE A HIGHER LEVEL OF ACTIVITY GOING INTO NEXT YEAR.”

THE ROAD AHEAD

Activists were more successful during proxy season than many expected. While the worldwide total of 210 board seats won via contests and settlements is the lowest in recent years, the number won in the U.S. was actually higher than 2019.

In part, that was because internationally dissenting shareholders were less ambitious, while in the U.S. activity

ACTIVIST TARGETS BY REGION

	H1 2020	CHANGE VERSUS	
		H1 2019	H1 PEAK (YEAR)
U.S.	329	↓ 7%	↓ 13% (2018)
ASIA	68	↓ 19%	↓ 28% (2018)
EUROPE (exc. U.K.)	58	↓ 15%	↓ 40% (2016)
CANADA	24	↓ 43%	↓ 59% (2018)
AUSTRALIA	19	↓ 50%	↓ 57% (2018)
U.K.	17	↓ 55%	↓ 55% (2019)

NUMBER OF COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS IN H1 2020 BY COMPANY HQ, AND CHANGE VERSUS H1 2019 AND THE PEAK H1 LEVEL. SOURCE: ACTIVIST INSIGHT ONLINE

ACTIVE ACTIVISTS IN H1 2020



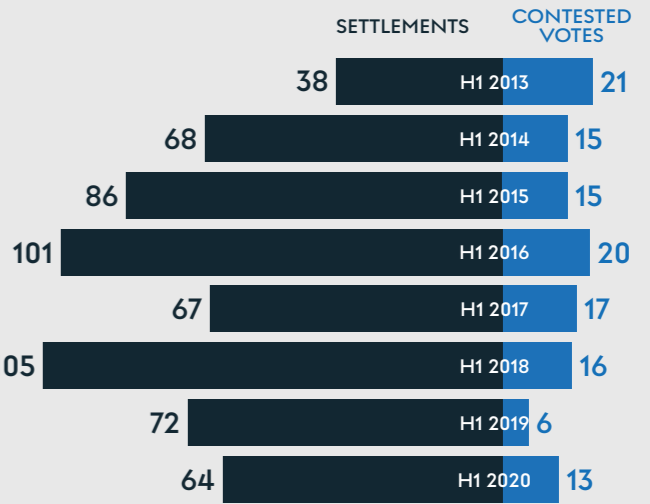
NUMBER OF INVESTORS MAKING A PUBLIC ACTIVIST DEMAND OF A COMPANY IN H1 2020, AND PERCENTAGE CHANGE VERSUS H1 2019. SOURCE: ACTIVIST INSIGHT ONLINE

MOST ACTIVE ACTIVISTS IN H1 2020

	H1 2020	VERSUS H1 2019
BULLDOG INVESTORS	18	↑ 16
SABA CAPITAL MANAGEMENT	10	-
STRATEGIC CAPITAL	7	↑ 3
ELLIOTT MANAGEMENT	6	↓ 3
OASIS MANAGEMENT	5	↑ 3
STARBOARD VALUE	5	↓ 4
GAMCO INVESTORS	4	↑ 3
TRILLIUM ASSET MANAGEMENT	4	↑ 3
RMB CAPITAL MANAGEMENT	4	↑ 2
VALUEACT CAPITAL PARTNERS	4	↑ 2
ENGINE CAPITAL	4	↑ 1

TOP ACTIVISTS BY THE NUMBER OF COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS IN H1 2020 AND PERCENTAGE CHANGE VERSUS H1 2019. PLEASE NOTE BULLDOG AND SABA FIGURES INCLUDE MULTIPLE AFFILIATED FUNDS. SOURCE: ACTIVIST INSIGHT ONLINE

US SETTLEMENTS AND VOTES FOR BOARD SEATS



NUMBER OF SETTLEMENTS AND CONTESTED VOTES FOR BOARD SEATS AT U.S.-BASED COMPANIES IN H1 BY YEAR. SOURCE: ACTIVIST INSIGHT ONLINE

held up and, in many cases, paid off. “High-profile successes are encouraging activists to come back to activism more quickly than they otherwise would have,” says Hunker. “But it’s a fine line. It would be very easy to alienate other investors.”

“I WOULDN’T BE SURPRISED IF WE SEE A LOT OF ACTIVISTS RIDE THE WAVE AND ONLY GET AGGRESSIVE IF THEY NEED TO.”

For now, activists nursing losses may rely on stockpicking to return their funds to positive territory, says Alfredo Porretti, head of activism defense at Greenhill & Co. “There are a lot of situations where people don’t want to go public,” he explained. “I wouldn’t be surprised if we see a lot of activists ride the wave and only get aggressive if they need to.”

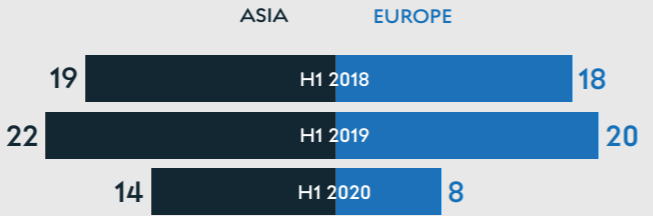
Because the market recovery started just a few days before the end of the first quarter, many activism-watchers expect August’s portfolio disclosures, which track positions as of the end of June, to show what activists were buying following the crash.

Hunker reckons activists will take stock of their refreshed portfolios in the fourth quarter, when the market recovery will hopefully be more secure and nomination deadlines necessitate decisions about which positions need an extra push. “They could feel consolidation may be only answer for some companies,” he predicts. “My expectation is we see a higher level of activity going into next year.”



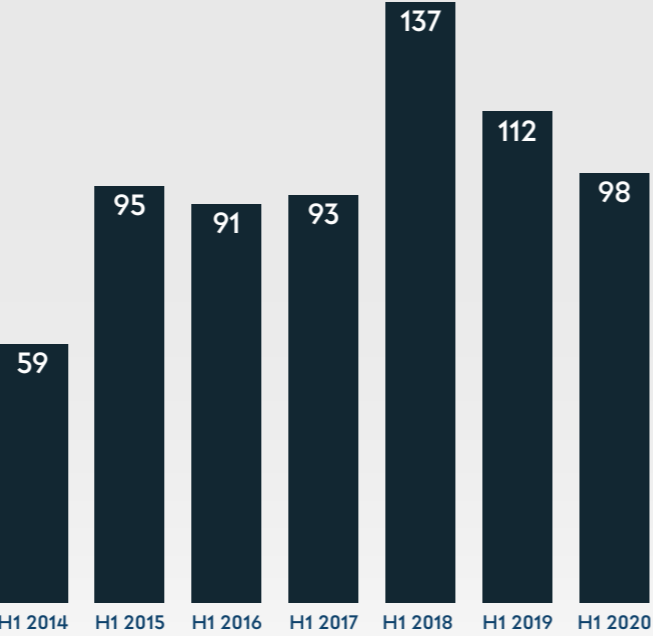
HP, GANNETT, Groupon, AND THE CHEFS WAREHOUSE WERE FOUR OF 46 COMPANIES TO ADOPT A POISON PILL IN H1 2020.

PROXY CONTESTS IN ASIA AND EUROPE



NUMBER OF PROXY CONTESTS AT ASIA- AND EUROPE- (INCLUDING U.K.)-BASED COMPANIES IN H1 BY YEAR. PROXY CONTEST DEFINED AS WHEN THE COMPANY PUBLICLY REJECTS THE ACTIVIST NOMINEE(S).
SOURCE: ACTIVIST INSIGHT ONLINE

BALANCE SHEET DEMANDS BY YEAR



NUMBER OF PUBLIC BALANCE SHEET-RELATED DEMANDS MADE BY ACTIVISTS IN H1 OF RECENT YEARS.
SOURCE: ACTIVIST INSIGHT ONLINE



ACTIVIST INSIGHT

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A TEMPORARY CEASEFIRE

AN INTERVIEW WITH PAUL SCHULMAN, MANAGING DIRECTOR AND CO-HEAD OF M&A AND
ACTIVISM ADVISORY GROUP AT MORROW SODALI.

What was the initial activist response to COVID-19 and did that change over the proxy season?

Prior to the rumblings surrounding the virus outbreak in late February and early March, when the implications were still very uncertain, we had a very robust pipeline of activism situations in-house. Most public companies' nomination deadlines had passed before the pandemic took its dramatic toll on the stock market, creating significant uncertainty.

The initial reaction to this uncertainty was that the volatility in stock prices would render companies more vulnerable and bolster an activist's case, leaving activists less likely to settle. In the end, many companies prioritized the need to hold on to precious capital – just to survive in many cases, rather than spend it on a costly proxy fight – while activists were uncertain as to the support they would get from other shareholders for attacking companies during a global pandemic. More situations found a suitable middle ground and were resolved.

How has the shift to virtual meetings been received? Are these the way of the future, even in contested situations?

For many public companies the shift to virtual meetings has generally been very smooth but I believe there will be a return to live meetings, including hybrid formats, once those are possible again. Historically Glass Lewis and a number of funds have opposed the virtual-only format and will exercise their displeasure through director election votes.

In contested situations, virtual shareholder meetings still lack certain features that are desirable, and as a result, there have had to be procedural changes to the meeting protocol and conduct that have now become standard. Going forward, the risk of being attacked by an activist for hiding behind a virtual wall is not worth taking for what is almost always a perfunctory event, even in the most contentious battles.

How has the importance of ESG in activism evolved this year?

Environmental and social issues were clearly becoming more prominent topics generally for investors coming out of 2019,

and we see activists adding these more frequently to their attack theses in the future as their importance for institutional voters increases. We've just seen the announced launch of Jeff Ubben's ESG-focused activist firm as further evidence that ESG will start to become a core theme in activist campaigns.

Board diversity, which has been almost exclusively focused on gender, will likely be more broadly applied to include racial and other diverse characteristics.

Has there been much concern among issuers that there will be activism around capital raises?

We have seen some concern but had only one situation we were involved in where activism escalated into a public battle. Clearly not every capital raise needs a shareholder vote and it remains to be seen whether activists will argue that the terms surrounding the funding are not in shareholders' best interests, that funds are being misused, or that a dilutive raise was, in hindsight, unnecessary as a key component of any 2021 campaigns.

Do you anticipate that U.S. activists will continue to explore foreign markets, or will they focus on opportunities closer to home in the near future?

We fully expect that activism will continue to play out across the globe, with U.S.-based funds primarily picking their targets domestically, but as we have seen, continuing to expand primarily into Europe and Japan.

The major unknown is still the impact that the COVID-19 pandemic and the risk that a resurgence would have on the activism landscape generally both here and abroad. But with so many campaigns put on the back burner during the 2020 proxy season, and the opportunity for bargain buying when the market dropped earlier this year, there is plenty of speculation that 2021 and possibly the back half of this year will be a very busy time in the shareholder activism arena. 📈

VALUE ADDED

ASSET VALUE INVESTORS HAS BEEN INVESTING GLOBALLY FOR DECADES, BUT IN RECENT YEARS ACTIVISM AT JAPANESE SMALL CAPS HAS BECOME A KEY PART OF ITS STRATEGY, WRITES IURI STRUTA.

ASSET VALUE INVESTORS

FOUNDED	1985
HQ LOCATION	LONDON, U.K.
ACTIVISM FOCUS	PRIMARY
AUM	£1.2 BILLION (JUNE 2020)



Asset Value Investors, established in 1985, has invested money in Japan for years. But it wasn't until Joe Bauernfreund took over as chief investment officer in 2015 that its Japanese activism really took off. Around a third of Asset Value's 1 billion-pound main closed-end fund, AVI Global Trust, is currently invested in Japan, and in October 2018 the activist launched AVI Japan Opportunity Trust, which manages around 140 million pounds.

Bauernfreund and his team of London-based analysts typically fly to Japan four or five times a year to meet with executives, directors, and other shareholders of his portfolio companies. The COVID-19 pandemic put these trips on hold, but not the engagements. The asset manager recently hired investment consultant Jason Bellamy in Tokyo to conduct meetings on its behalf, and Bauernfreund himself makes calls via Skype or phone.

Asset Value continues engaging with most portfolio companies, but unlike other foreign activists, it rarely goes public. In every company there are people that "understand the objectives of the corporate governance code" and others that are "more old-fashioned and resistant to change," Bauernfreund said in an interview with *Activist Insight Monthly*. "Our job is to win the argument."

MEASURED STYLE, STRONG RESULTS

Historically an investor in undervalued global closed-end funds, Asset Value has used discreet, behind-the-scenes activism to prompt changes at funds such as Aberdeen Private Equity, Vietnam Phoenix Fund, and Eurocastle Investment Trust. In Japan, it has used a similar playbook, but

in a few cases was forced to go public as management was especially resistant to its suggestions.

According to *Activist Insight Online*, Asset Value has initiated four public campaigns in Japan since 2017, including two this year at elevator maker Fujitec and SoftBank Group. Still, the investor has never launched a proxy contest in Japan, limiting its activism to letters, meetings with managements, and shareholder proposals. Bauernfreund does not rule out a proxy fight down the road but says he would have to "assess" his chances of success because it is a "costly process."

"HISTORICALLY AN INVESTOR IN UNDERVALUED GLOBAL CLOSED-END FUNDS, ASSET VALUE HAS USED DISCREET, BEHIND-THE-SCENES ACTIVISM TO PROMPT CHANGES."

"Typically, our approach is to engage with companies privately and go public only as a last resort," Bauernfreund said.

This measured style of activism does appear to yield results. The fund trades at a 2.5% premium to its NAV, as of June 30, a rarity in the closed-end fund world, and even more so for an activist fund. Bill Ackman's Pershing Square Holdings and Dan Loeb's Third Point Offshore have been trading at double-digit discounts for many years. Even Asset Value's AVI Global fund trades at a 10% discount.

Bauernfreund attributes the premium to the concentrated shareholder base, and structural features such as the possibility to redeem shares at NAV four years after inception and a promise to buy back shares if the discount falls below 5%.

TWO-PRONGED APPROACH

Bauernfreund has a two-pronged investment approach. "We're looking for good quality businesses and valuations that are attractive. In order to perform, we need to engage with the managements of these companies to build a relationship and try to encourage them to do things to eliminate that undervaluation," Bauernfreund said.

According to an investor presentation seen by *Activist Insight Monthly*, freezer manufacturer Daiwa Industries doubled its payout ratio to 40% following letters from Asset Value, while car seat manufacturer Tachi-S, electronic components maker Kanaden (an affiliate of Mitsubishi Electric), medical monitors provider Fukuda Denshi, and machinery manufacturer C Uyemura also announced enhanced capital return programs after private engagements and letters. Since AVI Japan's inception, 16 portfolio companies announced capital return programs, including eight following pressure from Asset Value, while three were acquired.

In two previously unreported campaigns, Asset Value invested in and wrote detailed letters suggesting capital allocation and corporate governance improvements at NuFlare Technology and Toshiba Plant, prior to the two companies being acquired

"INCREASINGLY, WE FELT THAT THERE IS AN OPPORTUNITY TO ENGAGE WITH COMPANIES ON HOW TO IMPROVE THE STRATEGIC OUTLOOK, [AND] HOW TO MAKE OPERATIONAL IMPROVEMENTS."

by majority shareholder Toshiba. While other investors had shunned the companies out of fear their interests would be deprioritized in any takeover transaction by the parent, as is often the case in Japan, Bauernfreund saw an opportunity. Toshiba ultimately paid a 45% premium for NuFlare and 28% for Toshiba Plant, prices Bauernfreund said were close to the companies' true value.

EVOLVING STRATEGY

Asset Value's strategy continues to evolve. One thing Bauernfreund's experience taught him is that domestic investors have a "much more long-term perspective" and are less inclined to back short-term proposals such as buybacks. So instead of calling for dividends and share repurchase programs, this year Asset Value launched a campaign at escalator manufacturer Fujitec calling for improved governance, capital discipline, and a strategic review, including the exploration of consolidation opportunities.

The escalator manufacturing space has seen considerable interest from private equity firms recently, but Fujitec has a poison pill in place and the founding family is still heavily involved, despite owning just 7.7% of the shares. Bauernfreund will remain patient until next year's annual meeting, but Oasis Management is also on the share register and threatened in late June to call a special meeting to change the leadership. If Asset Value cannot "win the argument," Fujitec may have to answer to shareholders.

"Increasingly, we felt that there is an opportunity to engage with companies on how to improve the strategic outlook, [and] how to make operational improvements. Particularly at the small-cap end of the universe, these issues have largely been overlooked by managements for many years," Bauernfreund said. To help identify such opportunities, he's now looking to hire more Japan-focused analysts in London to work under Daniel Lee, his top Japan analyst. 🇯🇵



ASSET VALUE TARGETS NUFLARE TECHNOLOGY AND TOSHIBA PLANT WERE BOTH ACQUIRED BY TOSHIBA.

A MARATHON CAMPAIGN

WINNING BOARD SEATS AT E.L.F. BEAUTY WAS NO SPRINT BUT TURNING AROUND THE BRAND WILL TAKE TIME FOR ACTIVIST MARATHON PARTNERS, WRITES ELEANOR O'DONNELL

E.L.F. BEAUTY

SECTOR	CONSUMER DEFENSIVE
MARKET CAP	\$953 MILLION (SMALL CAP)
EXCHANGE	NYSE
TICKER	ELF
HQ	OAKLAND, CA



After almost two years of agitating for changes at e.l.f. Beauty, Marathon Partners Equity Management finally reached a settlement with the company on July 2, seating a new independent director in the process.

"ASTUTE, SHAREHOLDER-FOCUSED DIRECTORS MUST RECOGNIZE THAT AN OVER-COMPENSATED MANAGEMENT TEAM WILL ALWAYS PROMISE GREENER PASTURES RIGHT AROUND THE CORNER AS THEY EAGERLY AWAIT THEIR NEXT SET OF GRANTS."

Mario Cibelli's Marathon, which owns 5.2% of the shares, had been vocal in its praise of the company's growth rates since its initial public offering in 2016, but complained that it favored insiders, including management and its private equity sponsor TPG Growth.

BUILT FOR THE LONG RUN

Back when Marathon started its campaign in September 2018, the shine was off e.l.f.'s initial public offering of a year earlier, but the company was still protected by near-controlling shareholder TPG. The activist began by calling on the cosmetics company to refocus on core operations or sell itself to a large competitor. Four months later, Marathon publicly

asked the board to undertake a comprehensive review of the firm's operating strategy, corporate governance practices, and executive compensation.

Specifically, Marathon suggested e.l.f. separate the role of chairman and CEO, which remains outstanding. However, it has had more luck prompting the appointment of a lead independent director with no link to TPG, which e.l.f. did in February 2019.

It was not until December, when TPG dropped its stake to 7% and scrapped a stockholder agreement that Marathon said disproportionately benefited the private equity firm, that a proxy fight became a live possibility. Marathon threatened to advance three candidates to the staggered board.

Instead of risking a fight in a year many activists have seen unexpected success at the ballot, e.l.f. settled, appointing Lori Keith as an independent director and a member of the nominating and corporate governance committee. The company will also offer shareholders votes on a "say on pay" proposal, and a proposal regarding the frequency of future remuneration votes.

SETTLEMENT WINS

Unusually for an activist campaign, management's compensation had held an outsized importance, which may be the result of TPG offering a protective cover to the board for so long. And though many activists would hesitate to go up against a company that was majority controlled by a single

stockholder group at the time Marathon started agitating, its prolonged efforts have finally been rewarded.

In one of the many letters sent to the company, Marathon noted that "astute, shareholder-focused directors must recognize that an over-compensated management team will always promise greener pastures right around the corner as they eagerly await their next set of grants." Cibelli's firm had previously targeted restaurant chain J. Alexander's, forcing the company to drop an external advisory contract that its CEO, Bill Foley, had an interest in.

E.l.f., which went public in 2016, has yet to offer shareholders a vote on its executive compensation and has consistently clocked up significant opposition votes against its directors, who serve staggered three-year terms, according to *Proxy Insight*. The settlement therefore gives Marathon the outlet for shareholder disappointment it hoped for, after its years-long frustration at the absence of such a platform for shareholders. "Preaching patience when patience pays millions of dollars per year to senior executives is unquestionably disingenuous," the activist had previously said.

"PREACHING PATIENCE WHEN PATIENCE PAYS MILLIONS OF DOLLARS PER YEAR TO SENIOR EXECUTIVES IS UNQUESTIONABLY DISINGENUOUS."

As part of the settlement, e.l.f. also agreed to reduce the automatic increase in the number of shares issued under the company's 2016 equity incentive award plan which Marathon had called "evergreen dilution," from 4% to 2%.

Now, Marathon sees e.l.f. as "uniquely positioned" to maximize value for shareholders after committing to policies that will serve them. Marathon expressed satisfaction with Keith's appointment, despite the candidate not being on the activist's original slate. "We introduced Lori Keith to the board and believe she will make an excellent director given her unique qualifications," the activist stated in a press release.

GOING FORWARD

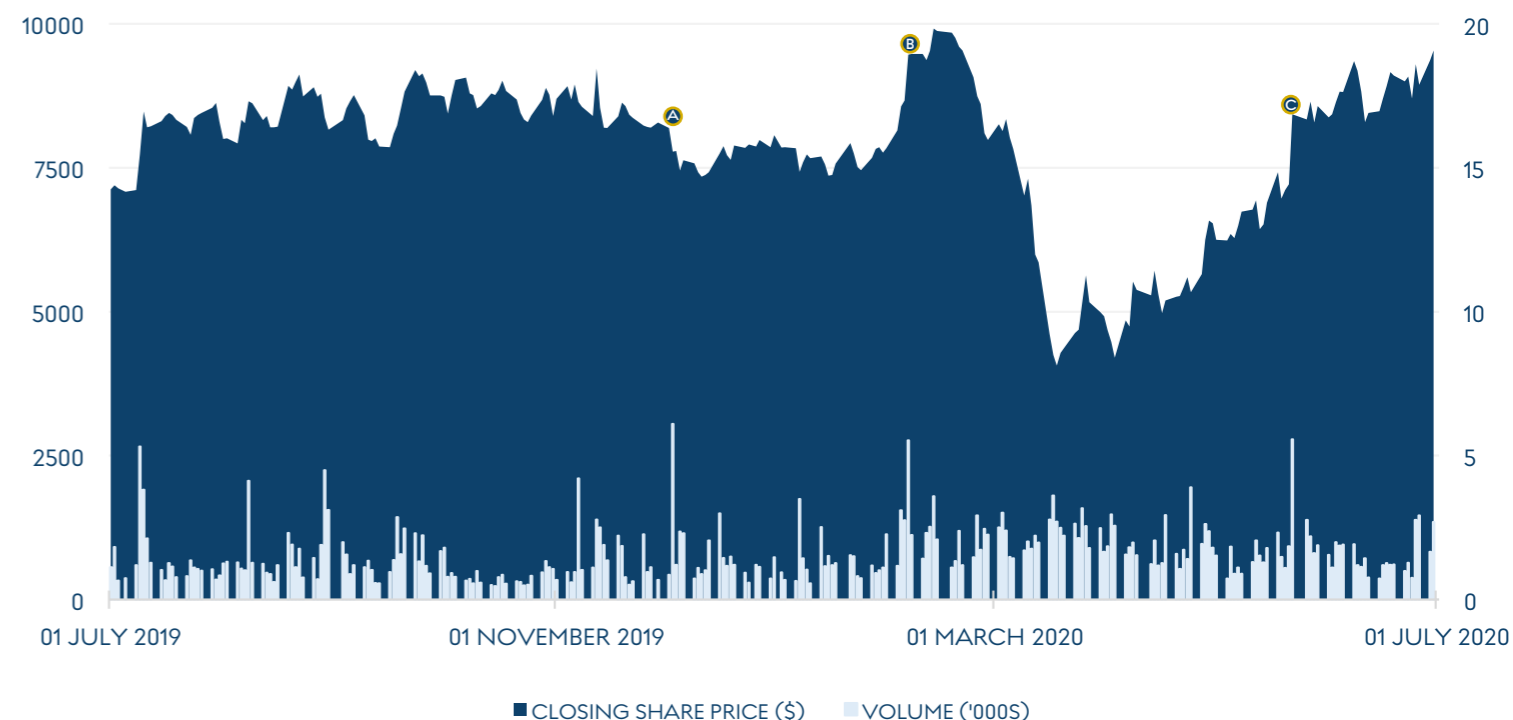
Initial reaction to the settlement was positive, with e.l.f.'s share price rising 4.2% during trading the day that the settlement was announced. That reaction, coupled with a return to the strong returns of 2019, suggest that peace could prevail.

Certainly, Marathon seems happier with the state of the company than in the past, saying Chairman and CEO Tarang Amin "and his team have done a phenomenal job building the e.l.f. Beauty brand over time and in managing through the difficult challenges brought about by the COVID-19 pandemic."

"The company is uniquely positioned to create great value for shareholders by continuing its growth trajectory and further improving operating efficiencies," Marathon concluded. 🙌

E.L.F.'S 12-MONTH SHARE PRICE PERFORMANCE

- A DECEMBER 04, 2019 - TPG GROWTH CUTS STAKE IN E.L.F. TO 7%.
- B FEBRUARY 05, 2020 - E.L.F. REPORTS Q3 RESULTS.
- C MAY 27, 2020 - MARATHON PARTNERS NOMINATES THREE TO E.L.F.'S BOARD.



EMBRACE THE NEW NORMAL

WHILE COMPANIES GENERALLY GET HIGH MARKS FOR THEIR RESPONSE TO THE COVID-19 PANDEMIC, PROXY INSIGHT'S REPORT SUGGESTS SHAREHOLDERS EXPECT SOME CORPORATE GOVERNANCE CHANGES WILL BE PERMANENT, AND ARE READY TO PUNISH COMPANIES THAT DON'T ADAPT, WRITES JOHN REETUN.

Proxy Insight's new report on how COVID-19 is impacting corporate governance paints a picture of shareholders using the pandemic as a catalyst to scrutinize governance across the board, possibly setting the stage for a surge in minority shareholder activism once the current disruption eases.

Proxy Insight's data, based on the answers of 87 market participants, suggest shareholders think companies have in general responded well to COVID-19. Only about 8% of respondents had a bad word to say about issuers' handling of the situation. If anything, they want companies to embrace the "new normal" rather than revert to business as usual.

"Investors are not only watching how companies handle the pandemic right now, but also plan to scrutinize more issues than ever before when the world reopens," *Proxy Insight's* Matt Scott told *Activist Insight Monthly*, adding that "companies that fail to satisfy their shareholders on new or existing fronts could find themselves open to an activist challenge."

The report found that 75% of respondents want companies to do more risk planning and reporting. This extended to wider concerns about governance issues, with over 47% citing cybersecurity and almost 44% saying climate change issues need to take greater precedence.

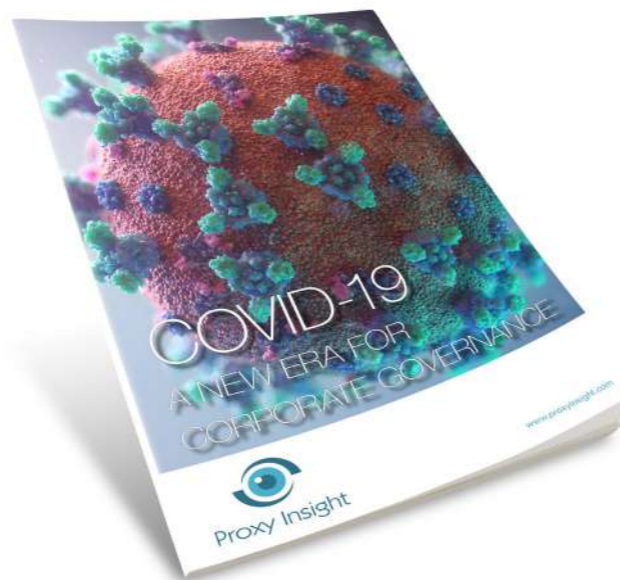
Executive pay was also at the forefront of shareholders' concerns, with 62% saying the issue would remain just as important as it was prior to the pandemic, while another 36% said the issue will be even more important in the wake of the pandemic.

Virtual meetings were thrust into the limelight this year as companies attempted to avoid delaying AGMs due to social lockdown measures put in place across the world. The move was popular among shareholders, with 83% saying they supported the move to a virtual platform rather than delaying votes entirely.

Only 9.5% think the pandemic will have only a temporary effect on annual meetings before normality eventually returns.

A 64% majority believe companies will adopt a hybrid model of virtual and physical meetings going forward while 26% predict virtual meetings will become more popular.

However, some participants voiced concerns over the use of virtual annual meetings, with one noting that the model "fail[s] to give shareholders a proper voice," adding that the platform can be useful, but only when shareholders are given "the same level of information and participation." 🗣️



DOWNLOAD 'COVID-19 A NEW ERA FOR CORPORATE GOVERNANCE,' NOW.

ACTIVISM IN THE UK, UNPAUSED

AN INTERVIEW WITH ANDREW HONNOR, MANAGING PARTNER OF GREENBROOK COMMUNICATIONS.

In your experience, how are activists responding to the challenges of COVID-19?

Activist investors, like everyone else, have had to adapt to a new reality. Right now, we don't know how long this will last and what, if any, nasty surprises may lie ahead. Our clients have weathered big market shocks before and while this one is somewhat different due to the healthcare element, and on a global scale, they are nevertheless well practiced at adapting to challenging market conditions. I suspect this is true of most seasoned activist investors.

In the initial stages of the pandemic, activists shied away from launching new campaigns, and put existing situations on hold to allow management teams time to adapt. Activists were fearful of being seen to be insensitive or opportunistic and keen to avoid unnecessary reputational damage. That said, this initial period of pause is now starting to come to an end. Activists have a fiduciary duty to their own investors, and they are not going to sit on their hands indefinitely, owning stocks they believe to be undervalued or allowing companies to be mismanaged.

Has the stock market volatility in 2020 led to activists focusing on their home markets or are campaigns abroad still in vogue?

We have continued to see a lot of interest from U.S. activists in Europe, and especially the U.K. The U.S. stock market has rebounded far quicker than the U.K.'s and activists are exploring the opportunities arising from this. I wouldn't be surprised if we see a few U.S. activists take stakes in U.K. companies over the coming months. There also continues to be growing interest in Asian markets, particularly Japan.

What advice would you give to a U.S. firm looking at a U.K. business?

As most activists now appreciate, careful planning is required to account for the nuances of investing in different geographies, as several leading North American firms have demonstrated in the U.K. and Europe (ValueAct Capital

Partners at Rolls-Royce Holdings, for example). Those that have charged in with campaigns not tailored for the local market have experienced mixed success.

Some U.S. firms are surprised at how sophisticated and prepared U.K. corporates are; not so many years ago most were hopelessly ill-prepared for an activist appearing on their shareholder register. This absolutely is no longer the case. More U.K. corporates are willing to pay for advice and scenario planning to prepare for, and pre-empt, the possibility of a shareholder campaign. This makes careful consideration and strategizing all the more important for activist investors.

Some of the key things to watch out for: appreciate cultural differences; tailor your campaign and approach; invest time in acquiring insight on the target company's board and its dynamics; understand there may be sensitive issues that are not always immediately apparent (e.g. the company may have strong sentimental value in the U.K.); and hire the right advisers.

Have U.K. companies become more amenable to giving activists board seats?

Compared to five or so years ago, absolutely. Take Browning West, for example, and Domino's Pizza Group; this was a U.S. activist, unknown to the U.K. market, making its first investment in the U.K. – a board seat was achieved without a proxy contest, and with very little of the discussion between the two parties playing out in public. This would have been very unusual in the not too distant past.

That said, we always remind activists seeking a board seat that they should not expect to be greeted with open arms. Much of our work is advising activists on how to engage with companies privately, with the sole objective of securing board representation without a public campaign or proxy contest. It is do-able but requires no small degree of thought. 🗣️

ACTIVISM'S PLACE IN A PANDEMIC

AN INTERVIEW WITH STEVE WOLOSKY AND ANDREW FREEDMAN, CO-HEADS OF OLSHAN FROME WOLOSKY'S GLOBAL SHAREHOLDER ACTIVISM PRACTICE.

Some said there would be a backlash against activists that pushed ahead with campaigns when the pandemic descended. Has there been any evidence of that?

Andrew Freedman: Well, there's certainly been an attempt at inciting a backlash by defense advisers trying to make any activist that did decide to press forward with their campaign seem insensitive to the current environment. Companies were throwing around words like "opportunistic" while defense advisers dusted the cobwebs off their decades-old disparaging labels for activist investors like "raiders" and "attackers." Thankfully, most everyone saw this disingenuous rhetoric for what it was, and their efforts didn't gain much traction.

You have to remember that the groundwork for this year's campaigns was laid a long time before March 2020 - dating back in most cases to November, December, January. And not to mention that many of these boards who were looking for clear space to navigate through this pandemic are the same ones that had failed to deliver in the good times. So, to lean in on this concept, that activists should just put down their arms because of the pandemic, it didn't really take hold.

Steve Wolosky: I think there were a fair amount of settlements that were facilitated as a result of the crisis. We

saw a lot of situations settle, probably a little bit more easily than they would otherwise. But the contests that have gone ahead were control contests. In my mind, it's an issue of: the board couldn't run the company in good times, so why should anyone think they could do a better job during a crisis?

Have virtual meetings been as bad for shareholder democracy as feared? Are they the future?

AF: They really have proceeded quite smoothly. Just as we spoke about back in March, there was a big question mark around virtual meetings and I was concerned at that time. But I knew there needed to be a discussion and a meeting of the minds between the dissident advisers and the company advisers on the procedures and the logistics of the virtual meeting, because absent this, a virtual meeting setting is ripe for manipulation.

SW: I agree. If you vigorously work on the meeting procedures beforehand, it makes it easier. The other thing is, I don't think that the contests that have gone to a vote at a virtual meeting this year have been close. Generally, when you have close meetings and you have, you know, the rally of trying to change votes at the last minute, that's when meetings can be delayed or manipulated. And that hasn't been the case.

But I think companies are reluctant to have virtual meetings, particularly in contested situations, and potentially also shareholder vote situations where you can have a large number of shareholders attend virtually and ask questions. It's much easier to attend a virtual meeting than it is to attend in person. So, I think companies are going to have to weigh that.

How concerned have activists been about the record number of poison pills adopted this year?

AF: Generally speaking, activists aren't that concerned about poison pills. But depending on certain specifics, they could be problematic. For instance, we've seen companies trying to chill legitimate shareholder communication with acting in concert provisions. Also, you should never see a 5% pill. Even when there's valuable net operating loss (NOL) assets, 5% is such an extremely restrictive measure to place on shareholders that the company should have an overarching policy to demonstrate and publicly disclose the immediate need for such a restrictive measure. What concerns me more is the 10% pill. Somehow in all this, 10% has started to be viewed as a reasonable percentage for a pill adoption, where I, and I believe ISS also, believe that 20% should be the appropriate threshold.

What kinds of activism do you expect to see in the first wave of new positions post-coronavirus?

AF: It's very fluid. We'll have to see how the M&A environment changes. It's still, obviously, a low interest rate environment but with companies still preserving cash it could be a tough M&A environment for another 12 months or so. But I think what we're going to see is underperformers are going to stand out now that it appears we're coming out on the other side and this is the time of year activists tend to look for targets for the following proxy season.

SW: We're pretty active for the end of the first half proxy season in terms of looking at potential new targets or existing targets that have got to attractive levels for people to really

focus on. I wouldn't use the phrase pent-up demand as much as I would agree with Andy that this year will separate the good performers from the bad and the good boards from the bad boards even more than one would anticipate.

I also think that ESG [environmental, social, and governance] issues probably were less important this year with people focusing on COVID-19. But I foresee that ESG will become more prevalent next season and I think social issues will become a part of next year's campaigns.

What do you think this year means for activism by U.S. funds overseas?

SW: You know, I think for the last couple of years, there were fewer identifiable targets in the U.S. from a valuation point of view. So, people looked outside the U.S. a little more than they historically did. I think there are some great opportunities in the U.S. now, so I would think U.S. activism will increase. But now that it's spread around the world, I don't think it's going to slow down.

I think that our clients are more interested in European opportunities right now than Asian ones. There are obviously a fair number of situations in Japan that continue to attract people and players there that have had success, but I'm not convinced that Japan is the right place for activism in the long term. Let's say there are opportunities. I just haven't seen too many contests go to a vote where an activist won significant board representation. If you don't have the hammer, that changes the risk-reward dynamics of how you evaluate your investment.

AF: I think the pandemic created a bit of an obstacle for the activists to be comfortable in a public campaign overseas. But I think now, given where things are, my guess is that there will be an eventual warming-up in Canada and Europe. Things are already pretty busy in Asia.

O L S H A N



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STATIC ON THE LINE

MOTOROLA SOLUTIONS MAY THINK GIVING TWO OF ITS EIGHT BOARD SEATS TO LONG-TERM DEBT HOLDER SILVER LAKE PARTNERS IS GOOD BUSINESS. BUT EQUITY SHAREHOLDERS ARE SIGNALING CONCERN THAT IT GIVES THE PRIVATE EQUITY GIANT TOO MUCH CONTROL OVER THE COMPANY AT THE EXPENSE OF OTHERS, WRITES JASON BOOTH.

MOTOROLA SOLUTIONS

SECTOR	TECHNOLOGY
MARKET CAP	\$23.1 BILLION (LARGE CAP)
EXCHANGE	NYSE
TICKER	MSI
HQ	CHICAGO, IL



VULNERABILITIES



As of July 1, Motorola Solutions ranked in the 97th percentile of the *Activist Insight Vulnerability* index of companies most likely to be targeted by activists over the next nine months, making it the third most vulnerable large-cap company on the index. An activist might use that distress, combined with a sharp and persistent downturn in the communication technology company's stock price, to agitate for change.

"THE IMPACT OF THE COVID-19 PANDEMIC ON GOVERNMENT BUDGETS COULD BE A SERIOUS THREAT TO MOTOROLA'S BUSINESS."

Motorola makes much of its money selling communications equipment to U.S. law enforcement, military and other government agencies. Years of growth in that sector helped Motorola's stock rise steadily until mid-2019. But it also made the company vulnerable, according to some observers. In 2017, short seller Citron Research argued that the company was dependent on selling "overpriced" handsets into single source contracts in the United States.

Those fears may now prove correct, as the impact of the COVID-19 pandemic on government budgets could be a serious threat to Motorola's business. Indeed, while many large companies have seen their share prices rebound from lows earlier this year, Motorola has not. The company has posted a total shareholder return of negative 13% over the last 12 months, versus a gain of 13% for peer companies and negative 3% for S&P 500 companies.

Another concern is that Motorola's close ties to law enforcement agencies, especially police chief associations, and donations to political groups in support of its business could cause a backlash against the company in a year marked by Black Lives Matter protests and a contentious Presidential election. Notably, a shareholder proposal to require the company to disclose details on its political spending received 48% support at the company's annual meeting in May, according to *Proxy Insight*.

Another sore point, and one more likely to be used as leverage by a financial activist, is the role of Silver Lake's co-CEOs, Egon Durban and Gregory Mondre. The two have sat on the Motorola board since 2015, the year Silver Lake invested \$1 billion in the company via senior convertible notes with a 2% interest rate.

While never entirely popular with shareholders, the two have seen support steadily fall in recent years. Both received over 80% support at the 2017 annual meeting, falling to around 75% in both 2018 and 2019. This year Durban garnered 65% support and Mondre 69%. Several institutional shareholders were particularly opposed to their sitting on key board committees. Durban sits on the compensation and leadership committee, while Mondre serves on both the audit and governance committees.

"CLOSE TIES TO LAW ENFORCEMENT AGENCIES ... COULD CAUSE A BACKLASH AGAINST THE COMPANY IN A YEAR MARKED BY BLACK LIVES MATTER PROTESTS AND A CONTENTIOUS PRESIDENTIAL ELECTION."

And it appears shareholder disapproval is reserved specifically for these two directors. All other incumbent board members received shareholder support of 95% or more, higher than the average at U.S. public companies, according to *Proxy Insight*.

No doubt, Silver Lake has done well by its investment at a time when other shareholders have faced a painful setback. In a series of transactions ending September 5, 2019, the company settled the bonds by giving Silver Lake \$1.8 billion in cash and

5.5 million shares, valued at the time at around \$935 million. Silver Lake appears to have sold all those shares, based on securities filings. The fund also received roughly \$80 million in interest payments.

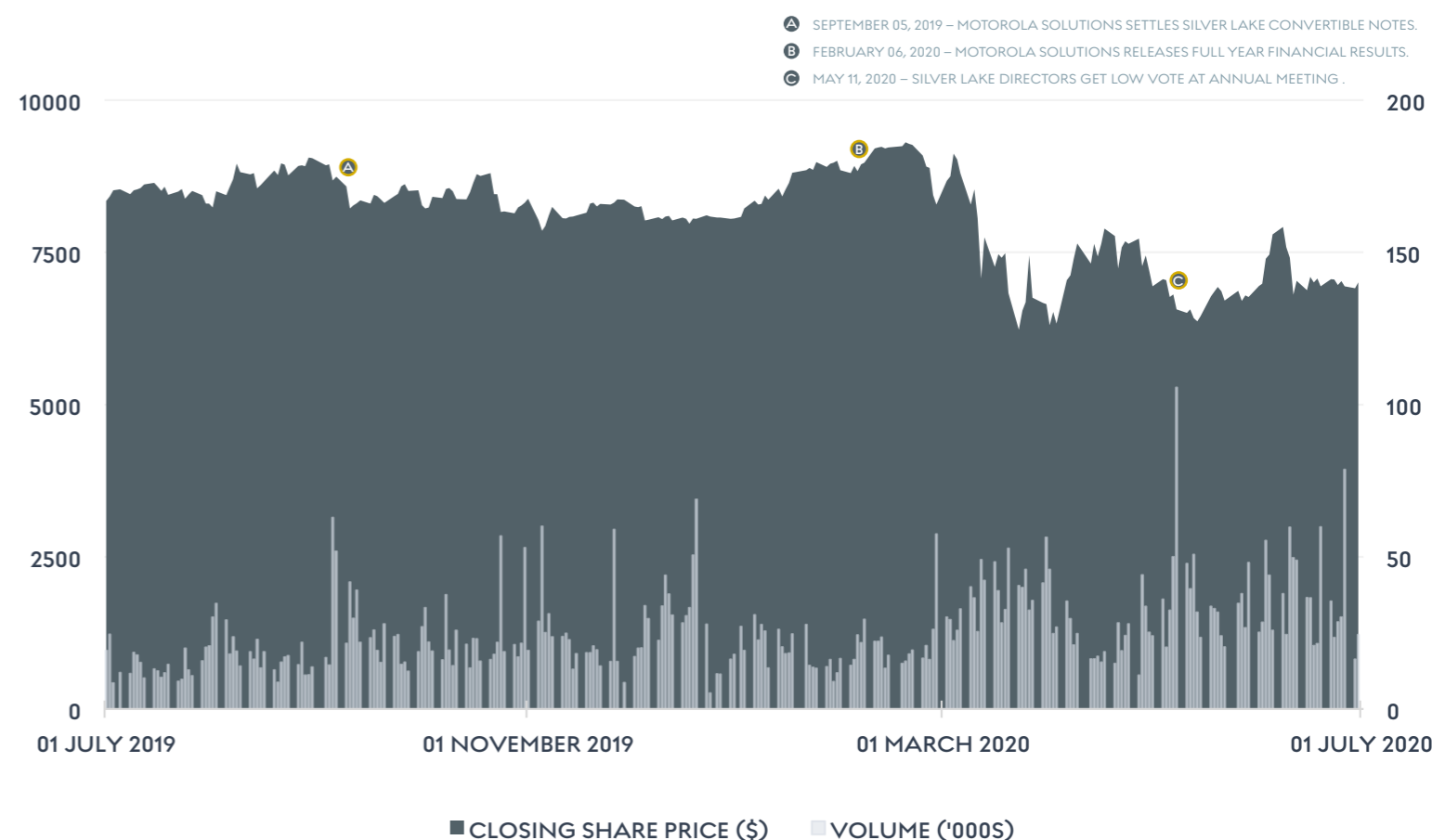
Besides targeting board directors, an activist might also look to rein in cost.

Selling general and administrative costs were 18% of revenue over the last 12 months, versus less than 12% for peer companies on average. Institutional shareholders who voted against the ratification of the company's 2020 executive compensation plan noted that the pay ratio of Motorola CEO and Chairman Gregory Brown exceeds 1.25 times of a company-selected peer median, and that the long-term incentive plan is not sufficiently performance-based.

Vanguard Group and BlackRock are the two largest shareholders, each with stakes of around 11%, followed by State Street, with 4.7%. Partial activists hold around 1% of the stock, with Artisan Partners holding the biggest stake of around 0.9%. As such, an activist willing to spend around \$800 million, at current market prices, could quickly make activists the third-largest stakeholder group in the company, giving them the moral authority to at least call for changes and a tactical advantage in any proxy fight.

The deadline for making shareholder proposals is November 27, and to nominate directors is January 21, 2021. 🗳️

MOTOROLA SOLUTIONS' 12-MONTH SHARE PRICE PERFORMANCE



EXPERTS WITH IMPACT™

A player surprised is
half beaten.



FTIactivism.com



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ACTIVISM AND
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ARE THERE EYES ON YOU?

AN INTERVIEW WITH JAY FRANKL, SENIOR MANAGING DIRECTOR AND PRACTICE LEADER,
ACTIVISM AND M&A SOLUTIONS AT FTI CONSULTING.

How does FTI calculate vulnerability to activism for its quarterly reports?

Our Activism Vulnerability Screener is a data-driven tool for companies and their advisers to understand more deeply the ever-changing landscape of public company exposure to an activist investment position. Our goal was to make the screener as objective as possible, and with time, we are gaining the benefit of using trend analysis to gain insights into how scores are moving over time. While the score is developed for each company we monitor, we do not believe it is appropriate to publish scores on individual names. Instead, we share data on which industries are experiencing challenges in the most recent quarter, in many cases before activist investments become public.

Which sectors were most vulnerable going into the recent crisis?

The top three industries that were most vulnerable to shareholder activism in the first quarter were media, telecommunications, and publishing. Although these sectors also were the most vulnerable in the fourth quarter, we saw the scores move higher for each industry by several points. There are some commonalities between the three, such as highly levered companies in industries undergoing challenging structural changes.

Perhaps just as interesting are the industries that showed the highest increase in vulnerability, including Professional Services and Energy, Power & Products. Historically we have not seen much publicly reported shareholder activism in Professional Services. By contrast, there has been substantial activism in Energy, Power & Products in recent year. Will activists initiate campaigns again this year despite substantially weaker industry fundamentals, as shown by weaker oil demand and prices? More broadly, it will be interesting to watch over the coming quarters as we begin to see companies report second quarter earnings – the first to highlight the full impact of COVID-19 on their businesses.

How does COVID-19 affect the vulnerability of companies to activism?

Some companies will be unavoidably distracted as they work

to operate in a wholly new environment, with great uncertainty on how they will perform going forward. At the same time, the disruption creates opportunity for other businesses and activists alike, especially those with capital that can be put to work quickly. This is a time where many investors dust off their old watch-lists and begin thinking through the liquidity available to desirable companies that have valuable franchises and durable business models. With M&A volume likely to come down versus the past couple of years, it will be easier to identify great management teams when comparing the businesses they operate to peers.

Does the lack of clarity on the impact of COVID-19 on the profits of companies account for the immediate slowdown in activism?

That partly explains the immediate slowdown. Even management teams had very limited visibility, as shown by abandoned earnings guidance. There are also the optics. Many funds, especially those who think of themselves as constructivists, would have difficulty convincing others of their constructivist nature by continuing a campaign in such an environment, especially as many companies must shift into cost containment mode. No amount of PR by the funds will convince investors that the funds are in it for the long-term by running a proxy contest during a pandemic.

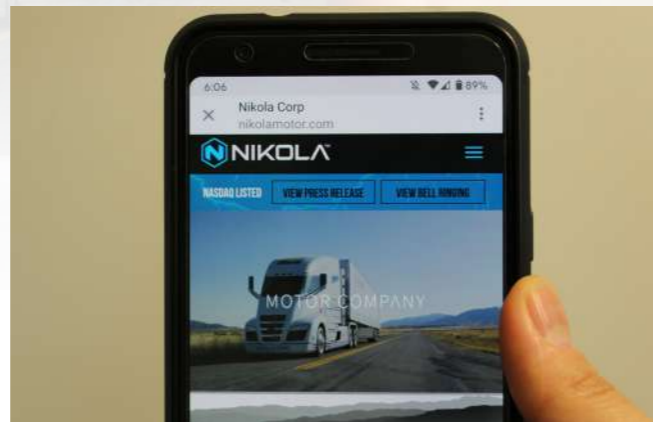
What should companies be doing to reduce their vulnerability to activism?

I think self-awareness is the key in this type of environment. Management teams and boards of directors must be vigilant about liquidity, governance, and performance relative to peers. This comes with the added challenge of tossing out historical metrics, such as general costs and gross margin trends, and below the line expenses and write-offs. ESG has also been on the rise; as such, it is increasingly important to consider how companies have handled their employees, especially in situations where layoffs, furloughs, and pay cuts have been necessary. A lot of scrutiny is being applied to companies that are instituting pay cuts that do not begin in the C-suite.

THE NEXT TESLA?

FOR GOOD OR FOR BAD, MANY INVESTORS VIEW ELECTRIC TRUCK MAKER NIKOLA AS A PROXY FOR NEAR-NAMESAKE TESLA. THANKS TO A FROTHY MARKET AND A WAVE OF NEW SHARES, THE INCENTIVE TO SELL IS HIGH, WRITES JASON BOOTH.

NIKOLA	
SECTOR	CONSUMER CYCLICAL
MARKET CAP	\$24.3B (LARGE CAP)
EXCHANGE	NASDAQ
TICKER	NKLA
HQ	PHOENIX, AZ



On June 16, Canadian short seller Edward Vranic predicted the share price of recently listed electric and hydrogen-powered truck maker Nikola could fall as much as 60% as investors from before the company's initial public offering unload locked-up stocks and warrants. To date, he's the only notable short seller to issue a multi-page thesis explaining his views. But he's certainly not alone in shorting the stock. The interest rate to borrow shares needed to place short bets spiked as high as 400% or nearly \$1 per day per share in mid-June.

OVER-PROMOTED?

Nikola began trading June 4 via a reverse merger backed by a bevy of nameplate investors who mostly paid \$10 per share. Within a week it surged to as high as \$88 per share as largely retail investors vied for a piece of what might be the next Tesla. The enthusiasm has been driven in part by the company's evangelistic founder and executive director Trevor Milton, whose stated goal is to do for trucks what Elon Musk has done for the car industry. To drive home the point, he also named his company in honor of vaunted inventor Nikola Tesla.

At one point, Nikola's market value topped that of Ford, which Vranic called "insane" given the company currently has no factory, no vehicles in production, and no revenue related to vehicle sales. It will also need to build a network of around 700 hydrogen filling stations to support the thousands of hydrogen-powered tractor-trailer trucks it hopes to sell. Citron Research, run by short seller Andrew Left, stated its own skepticism, tweeting on June 11, "If you buy here you deserve

to lose your money" and predicted the stock would be at \$40 within a month. "When [Tesla] had this market cap the Model S was scaled, and X was produced." It also argued Nikola had "no real IP" and had been overly promoted.

"DON'T LISTEN TO FEAR MONGERS. THE SHORTERS HATE YOU BECAUSE THEY CAN'T CONTROL YOU, THE REGULAR GUY! BE LONG IF YOU LIKE NIKOLA OR DON'T FOLLOW US."

Milton has been quick to reject such criticism from short sellers, the media, and any other "haters" of the company, stating in one of his regular tweets, "Don't listen to fear mongers. The shorters hate you because they can't control you, the regular guy! Be long if you like Nikola or don't follow us."

LEGACIES AT STAKE

Long-term value aside, Vranic's prediction of a near-term downside is based on the reasoning that while there are only 23 million shares currently available for trading, more than 52 million shares bought by "legacy shareholders" at \$10 apiece, will start hitting the market in mid-July. On June 15, the company filed an S1 prospectus with the Securities and Exchange Commission stating that legacy shareholders "may sell" in excess of 53.4 million shares in the open market

subject to locked-up periods of between 30 and 180 days after the company's listing. Given Nikola's stock price of around \$65 on July 1, the incentive to sell would seem great.

The biggest stakes listed on the S1 are Norges Bank (the Central Bank of Norway), which could sell 10 million shares, while various Fidelity funds could sell over 16 million. Like most of the names on the list, both funds have indicated they may sell their entire stakes. Only ValueAct Spring Fund, controlled by Nikola board member Jeff Ubben, is retaining half its stake, making 5 million out of a total 11.6 million shares available for sale. Ubben, who invested in Nikola more than a year ago has publicly called it "the next \$100 billion company," thought hasn't predicted how long it will take to get there.

"Hold this stock at your own peril," warned Vranic in his report. "There's a good reason why the mechanisms to hold bearish positions on this stock are so expensive," reckoning its price will crash to \$20 by the end of July.

Milton, in a recent tweet, acknowledged that stocks held by legacy investors "may come online like most IPO's," but added "You have to decide if blue chip investors like [Fidelity, P. Schoenfeld Asset Management] and others are good investors or not." He did not address the fact that Fidelity has indicated a willingness to sell its stake, as has a fund associated with Schoenfeld that holds around 1.1 million shares.

POWER TO DISRUPT

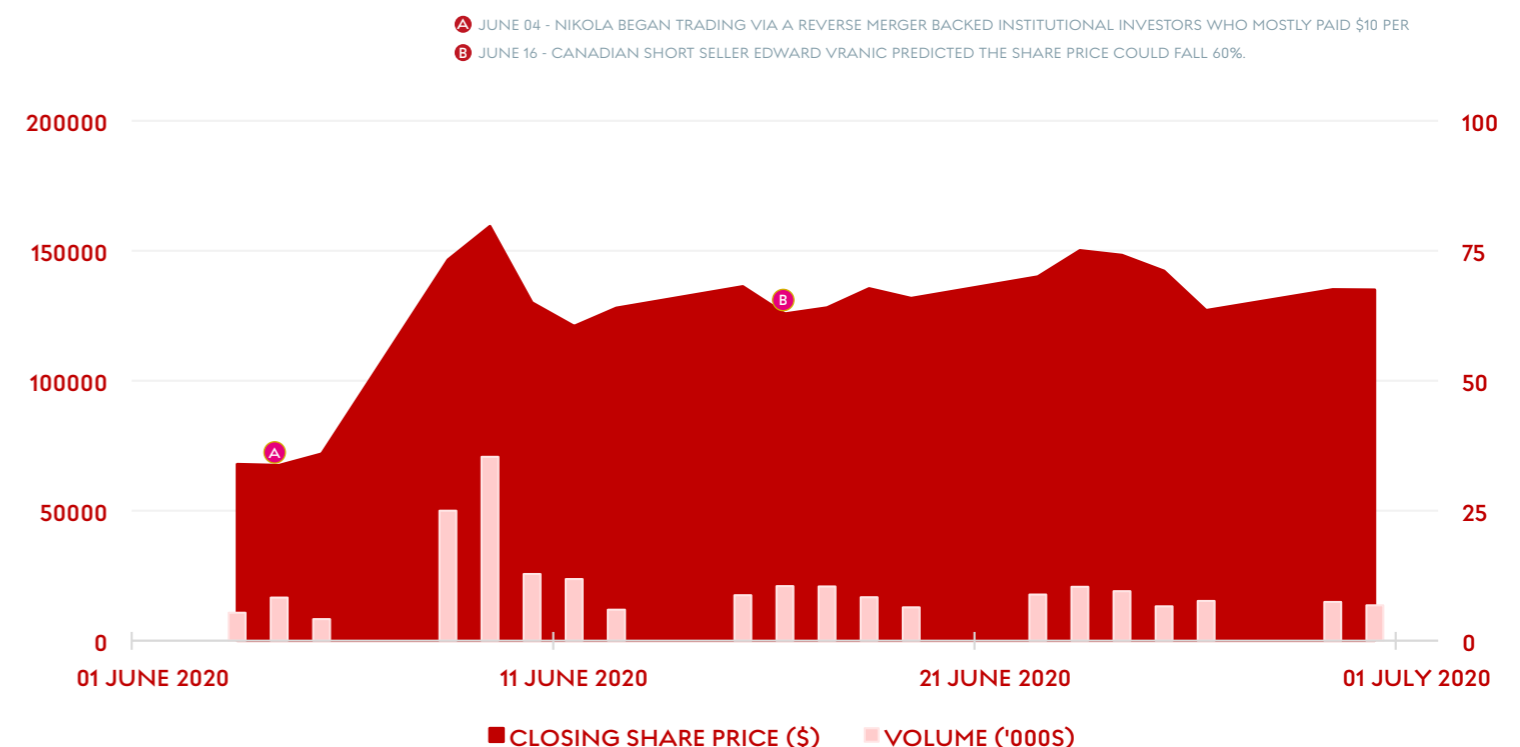
Stock analysts issuing their initial reports appear to support Nikola's long-term vision, but with a strong caveat that the stock price is susceptible to downturns while initial vehicle productions could take longer than anticipated. J.P. Morgan said Nikola is "poised to disrupt the transportation industry," giving the stock its equivalent of a hold rating, but with a price target of \$45.

"It's their job to be skeptical. Most won't give us a fair shot," Milton tweeted after the report came out. "That's ok. The best part is, you and everyone else have more power than a rating from anyone."

Jeff Osborne of Cowen & Co was more optimistic, suggesting a \$79 price target and writing in a report to clients that the company's "innovative business model and partnership ecosystem will help them hit their targets." Though he estimated the company wouldn't be cash flow earnings positive on an EBITDA basis until 2024 and saw production at 25,000 in 2026. Nikola, by contrast, says it expects to start building trucks in 2021 and build 35,000 to 50,000 trucks per year by 2023.

In the meantime, "Nikola is likely to be a controversial stock in the eyes of many investors and onlookers given it is pre-production," Osborne wrote. 📉

NIKOLA'S SHARE PRICE PERFORMANCE SINCE IPO



SHORT NEWS IN BRIEF

A ROUNDUP OF DEVELOPMENTS IN ACTIVIST SHORT SELLING IN JUNE.

Wirecard CEO Markus Braun stepped down from the German payments firm and was later arrested by Munich prosecutors on accounting fraud charges. Braun inflated the company's balance sheet and revenues to make them appear stronger and more attractive to investors. The company, targeted by multiple short sellers, has declared insolvency. [DETAIL](#)

Both J Capital and Hindenburg Research launched short campaigns against Ideanomics, arguing that the company's main business was promoting its own stock by issuing misleading press releases, in this case regarding electric vehicle "group sales" in China. The stock fell more than 50% over the following days. [DETAIL](#) / [DETAIL](#)

Following a 375% spike in Chinese lender Wins Finance's share price, Hindenburg Research disclosed a short report, accusing the company of market manipulation and claiming the stock is worth zero. Nate Anderson's outfit also tweeted that it is short Whiting Petroleum, saying the bankrupt oil producer's stock had been boosted to excessive levels by retail investors. [DETAIL](#)

In a busy month for the short seller, Hindenburg also launched a short campaign against Genius Brands International, saying the company's stock price will crash thanks to "obvious" market mechanics. The short seller believes that the company's historical lack of profitability and poor execution will catch up with it, following a big increase in its stock count. [DETAIL](#)

Canadian short seller Edward Vranic issued a report on high-flying electric truck startup Nikola Corporation, stating that the company's S-1 filing was a "ticking time bomb" for long investors as it indicated that "legacy investors" in the newly listed company were planning to sell nearly all of their shares once lock-up periods end. [DETAIL](#)

White Diamond released a short report on Riot Blockchain, claiming the company has "no innovation or commerce, only the running of bitcoin mining machines," which is unprofitable given current bitcoin prices. The activist short seller projected a near-term downside of around 40% for its stock. [DETAIL](#)

Muddy Waters Research issued a follow-up report on eHealth and said that the company's future cash flows are highly speculative given how long it takes to collect revenue. In a

seven-page report, the short seller claimed it took the health insurance exchange nine years to "fully collect each dollar of Medicare Advantage revenue it books." [DETAIL](#)

Grizzly Research revealed the identity of the man behind the shorts, along with its new target. Siegfried Eggert disclosed his short position in Hebron Technology at ValueWalk's Contrarian Investor Conference, saying the company is an insider enrichment scheme led by Bodang Liu. The short seller said Hebron raised money from investors to buy worthless businesses from his agents, and as a result put more than \$200 million into Bodang Liu's pocket at the expense of shareholders. [DETAIL](#)













The Friendly Bear claimed that new target Collegium Pharmaceutical's image as a responsible opioid company could suffer from scrutiny of its marketing practices, including non-tamper-proof packaging. The short seller noted that shares in the company could fall 80% to \$3.75 following a "massive vote of no confidence" by a pharmacy benefit manager. [DETAIL](#)

Marcus Aurelius Value reignited its campaign against Benefytt Technologies, saying the telemedicine company benefitted from a recently unveiled large-scale telemarketing scheme, which may hinder its sale efforts. The short seller said that filings behind the Federal Communications Commission's case point to ties between Benefytt and a firm accused of making the spoof calls, Rising Eagle. [DETAIL](#)

Enphase Energy shares fell as much as 13% following a report published by short seller Prescience Point Capital Management, in which the activist said the firm's financial reports have been "artificially inflated," and the company was hurtling towards a delisting. [DETAIL](#) [📄](#)

NEW SHORT INVESTMENTS

A SELECTION OF THE LATEST ACTIVIST SHORT INVESTMENTS DISCLOSED IN JUNE.

ACTIVIST	COMPANY	HQ	DATE ANNOUNCED	DETAIL
HINDENBURG RESEARCH	J2 GLOBAL		JUNE 30, 2020	DETAIL
Hindenburg said J2 Global is plagued by insider self-dealing, an "alarming" lack of governance and "looming" financial impairments.				
SPRUCE POINT CAPITAL	PRESTIGE CONSUMER HEALTHCARE		JUNE 30, 2020	DETAIL
Spruce Point claimed Prestige shares will drop as the company's debt grows and its competitors continue to outperform.				
CITRON RESEARCH	CYTODYN		JUNE 30, 2020	DETAIL
Citron argued CytoDyn was a stock promotion scheme that claimed to have the cure for COVID-19 with no data.				
HINDENBURG RESEARCH	IDEANOMICS		JUNE 25, 2020	DETAIL
Hindenburg said the company has carried out a series of "pump and dump" schemes to inflate its share price, which is likely to collapse.				
J CAPITAL RESEARCH	IDEANOMICS		JUNE 25, 2020	DETAIL
J Capital made allegations similar to Hindenburg, adding that Ideanomics only has enough cash flow to survive three months.				
HINDENBURG RESEARCH	WINS FINANCE HOLDINGS		JUNE 17, 2020	DETAIL
Hindenburg saw Wins Finance's stock falling 100% as it appeared to be a pump and dump scheme and its parent company is insolvent.				
EDWARD VRANIC	NIKOLA		JUNE 16, 2020	DETAIL
Vranic argued that the ending of lock-up periods for pre IPO investors will push the stock below \$20.				
THE FRIENDLY BEAR	COLLEGIUM PHARMACEUTICAL		JUNE 11, 2020	DETAIL
The short seller said Collegium's aggressive marketing tactics amid a painkiller epidemic, and a lax clinical study of its Xtampza ER drug, will hurt the stock.				
HINDENBURG RESEARCH	WHITING PETROLEUM		JUNE 09, 2020	DETAIL
Hindenburg claimed a rally by the bankrupt oil producer's shares was due to an unsustainable buying frenzy by misguided retail investors.				
HINDENBURG RESEARCH	GENIUS BRANDS		JUNE 05, 2020	DETAIL
The short seller said Genius Brands' surging stock price is set to fall, citing recent financing efforts by the company at below market value.				
WHITE DIAMOND RESEARCH	RIOT BLOCKCHAIN		JUNE 04, 2020	DETAIL
White Diamond argued Riot's operation costs far outweigh the income it generates from bitcoin farming, noting that bitcoin prices will need to average \$19,000 for Riot to break even.				
GRIZZLY RESEARCH	HEBRON TECHNOLOGY		JUNE 03, 2020	DETAIL
Grizzly accused Hebron of being a company created only to benefit insiders, adding that the firm has completed a series of worthless acquisitions that are linked to its largest shareholder, Bodang Liu.				

NEWS IN BRIEF

A ROUNDUP OF DEVELOPMENTS IN ACTIVIST INVESTING IN JUNE.

NORTH AMERICA

Senator Investment Group and Cannae Holdings, a listed private equity firm, launched a takeover bid for CoreLogic after a purchase right expired on June 1. The bidders plan to requisition a special meeting by the end of July, after CoreLogic rejected their offer. [DETAIL](#)

Concluding one of the year's most contentious proxy fights, Privet Fund Management and UPG Enterprises won three board seats on Synalloy's eight-member board via a shareholder votes, including the man they hoped to make CEO if they won a majority. Five incumbent directors also secured seats on the board. [DETAIL](#) / [DETAIL](#)

Bow Street was awarded eight of nine board seats at Mack-Cali Realty following a last-minute settlement deal, putting an end to a months-long battle for control of the New Jersey-based real estate investment trust. [DETAIL](#)

Hestia Capital and Permit Capital walked away from GameStop's meeting with two board seats following a contentious proxy fight dating back more than a year. [DETAIL](#) / [DETAIL](#)

Driver Management, however, failed to win three board seats at Maryland bank First United's annual meeting. Driver launched the proxy fight as part of a push to get the bank to sell itself. Hours after its loss, Driver called on regulators to investigate whether the leadership of First United has the ability to run the bank. [DETAIL](#)

Starboard Value steamrolled its way to victory at GCP Applied Technologies, winning eight board seats out of 10 after settling for two last year. The activist had been backed by largest shareholder 40 North Management and had supported GCP's poison pill to defuse fears of a takeover bid. [DETAIL](#)

A potential settlement between Mednax and Starboard Investors delayed the company's meeting until late August while the two try to work out a deal. Jeff Smith's fund also reached a settlement at Commvault Systems, gaining one seat on the board as part of an agreement to add three new directors and create a new board committee. [DETAIL](#)

The activist's Senior Partner Peter Feld resigned from AECOM's board due to "strong disagreements" with the way the infrastructure financing company appointed its new chief executive. Similarly, Carl Icahn's representative on the board of Tenneco resigned, citing disagreements about the auto-parts maker's strategy. [DETAIL](#)

ValueAct Capital Partners' Jeffrey Ubben joined the board of highly-valued electric truck maker Nikola, which went public early last month after merging with special purpose acquisition company VectoIQ Acquisition. Ubben also joined Enviva Partners' board following talks with the wood pellet company. [DETAIL](#) / [DETAIL](#)

However, later in the month the environmentally-minded activist resigned from ValueAct Capital itself in order to launch his impact investing fund as a new firm, Inclusive Capital Partners. [DETAIL](#)

Bankrupt car rental company Hertz Holdings suspended plans to sell up to \$500 million in new shares pending an investigation by the U.S. Securities and Exchange Commission. The offering had been criticized by Gamco Investors for diluting current shareholders. [DETAIL](#)

Destination XL announced the decision of two directors to not run for re-election at the August 12 shareholder meeting while the clothing retailer faces a withhold campaign by shareholder Cannell Capital. [DETAIL](#)

A consortium of investment funds, including Osmium Partners, disclosed a combined 40% stake in Leaf Group, and said it plans to push for governance and management changes, as well as considering a sale of its media and marketplace assets. Osmium previously called on the company to sell itself, but Leaf chose to remain independent. [DETAIL](#)

EBay, which narrowly avoided a proxy fight with Starboard in April and has Elliott Management partner Jesse Cohn on its board, was faced with a new challenge in the form of criminal charges against six former employees accused of stalking the editors of a newsletter critical of the e-commerce giant. The company appointed Jamie Iannone as its new CEO. [DETAIL](#)

EUROPE

Elliott Management made a number of suggestions to Dutch Insurer NN Group that it believes could boost its stock price by at least 80%, such as improving efficiency, overhauling its investment portfolio, and divesting its Japanese business. [DETAIL](#)

Scor began working on a succession plan for Denis Kessler, who has held both the CEO and chairman roles at the French insurer for 18 years, following repeated calls to do so by activist fund Charity Investment Asset Management (CIAM). CIAM had also advocated the separation of the top roles and called on the board to initiate a strategic review. [DETAIL](#)

Cerberus Capital demanded two board seats and an immediate change in strategy at German lender Commerzbank but was denied by the company which said it did not see the need for a board change. A person familiar with the situation told *Activist Insight Online*, however, that the board will listen to the investor's ideas and carefully consider their implementation. [DETAIL](#)

Cevian Capital disclosed a 5.4% stake in Pearson and said the new CEO of the U.K. publishing and education company should have a history of shareholder value creation and that it looks forward to working with the company. [DETAIL](#)

U.K. budget airline easyJet announced two more directors will step down, following Chief Financial Officer Andrew Findlay's notice to leave at the end of May. EasyJet founder and 34% shareholder Stelios Haji-Ioannou called the departing directors "two more scoundrels running for the hills." [DETAIL](#)

The dissident group led by Veraison Capital has called on Aryzta to refrain from taking any strategic decisions before shareholders have a chance to reconstitute the board at the special meeting it has requisitioned to appoint three new directors and replace the chairman. [DETAIL](#)

AllianceBernstein said it wants a better deal for Spanish phone company MásMóvil Ibercom than the 22.5 euros per share takeover proposal put forward by buyout firms KKR, Cinven, and Providence. [DETAIL](#)

Months after a Cat Rock Capital Management-backed merger between Just Eat and Takeaway.com, the combined Just Eat Takeaway announced its acquisition of GrubHub in a \$7.3 billion all-stock transaction. [DETAIL](#)

Alpiq Holding shareholder Knight Vinke urged shareholders to follow its lead and oppose a proposed squeeze-out deal at the Swiss energy company by a consortium of "anchor shareholders" that is proposing to acquire the roughly 10% of Alpiq it doesn't already own for CHF 70 per share. [DETAIL](#)

French carmaker Groupe PSA saw its merger agreement with Fiat Chrysler Automobiles approved by shareholders, despite a dissenting opinion by local activist fund PhiTrust. [DETAIL](#)

Windeln.de incumbent director and 16.5% shareholder Clemens Jakopitsch succeeded in electing Maurice Reimer and Irene Tang to the supervisory board. Jakopitsch was also appointed chairman of the supervisory board. [DETAIL](#)



PHITRUST WAS UNABLE TO STOP THE MERGER OF GROUPE PSA AND FIAT CHRYSLER.

REST OF THE WORLD

Kyushu Railway shareholders rejected the three director nominees put forward by Fir Tree Partners, as well as the activist's proposal on increased financial transparency at the Japanese retail operator. [DETAIL](#)

Oasis Management's proposal to cancel treasury shares at Fujitec received favorable votes from 33% of shareholders at the company's annual meeting after the activist gained the backing of ISS. While support for CEO Takakazu Uchiyama was in decline at the meeting, all of its directors were re-elected. [DETAIL](#)

Bank of East Asia (BEA) began seeking to offload its banking businesses in Hong Kong and China, a move seen as a victory for activist investor Elliott Management, which has long criticized the family-controlled lender for poor results. [DETAIL](#)

Elliott also found partial success at SoftBank, where the activist has for months pushed for improved disclosure on the valuation of assets in the fund. The company last month announced that it will look to separate its investment activities from its Vision Fund to ensure greater visibility and responsibility for the positions. [DETAIL](#)

Singapore-based fund Effissimo Capital Management put forward a three-person director slate for election at Toshiba, including its own Yoichiro Imai, in a bid to fix the company's governance issues, following a recently unveiled series of fictitious transactions that inflated sales at one of Toshiba's subsidiaries. [DETAIL](#)

Dalton Investments lost a proxy contest to elect founder James Rosenwald to the board of Japanese lender Shinsei Bank, as

the activist pushed for a 45 billion-yen share buyback and the repayment of a government loan received during the 1998 banking crisis bailout. [DETAIL](#)

Asean Deep Value Fund, the activist shareholder that narrowly failed to gain board representation at Aura Energy in May, returned with a new bid, this time seeking to oust three company directors. [DETAIL](#)

RMB Capital returned to Japan's Musashi, seeking a 100 million-yen share buyback, while also advancing a proposal at Nishikawa Rubber Industry to repurchase 100 million-yen worth of shares. Separately, RMB called on TV Asahi Holdings to repurchase up to 2 billion-yen worth of its shares. [DETAIL](#)

Dissident shareholders urging NZME to break itself up and shift its strategy failed to have their resolutions passed at the media company's annual meeting, but not before Chairman Peter Cullinane abruptly stepped down. [DETAIL](#)

More than two-thirds of votes cast by shareholders of OneSpaWorld approved a \$75 million equity financing despite opposition to the deal by Deep Field Asset Management. [DETAIL](#)

VolitionRX had a number of resolutions rejected by shareholders at its annual meeting amid an activist campaign led by 29.3% shareholder Cotterford, which called for far-reaching changes at the cancer tests developer. A majority of votes were cast against the company's executive compensation and stock incentive resolutions, as well as a resolution proposing the introduction of a staggered board. [DETAIL](#)



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NEW INVESTMENTS

A SELECTION OF THE LATEST ACTIVIST INVESTMENTS FROM AROUND THE WORLD IN JUNE.

ACTIVIST	COMPANY	HQ	DATE NOTIFIED	DETAIL
PHITRUST	GROUPE PSA		JUNE 23, 2020	DETAIL
PhiTrust voiced concern over the proposed merger of Groupe PSA and Fiat Chrysler Automobiles, though the deal was approved on June 25.				
SPECTRUM EQUITY MANAGEMENT GENERATION PARTNERS MGMT. OAK INVESTMENT PARTNERS	LEAF GROUP		JUNE 22, 2020	DETAIL DETAIL DETAIL
The trio are part of a consortium that plans to engage Leaf Group over a host of topics, including a sale of the company.				
WHITE TIGER VENTURE GROUP	HAPPY CREEK MINERALS		JUNE 22, 2020	DETAIL
White Tiger has nominated four candidates for Happy Creek's board of directors.				
3D INVESTMENT PARTNERS	TOSHIBA		JUNE 22, 2020	DETAIL
3D Investment nominated a candidate for Toshiba's board of directors.				
NEW MOUNTAIN VANTAGE ADVS.	VIRTUSA		JUNE 19, 2020	DETAIL
New Mountain nominated three director nominees after it sent a letter to Virtusa's board calling for greater accountability.				
WHITE HAT CAPITAL PARTNERS	SPOK HOLDINGS		JUNE 18, 2020	DETAIL
White Hat disclosed its position after reaching an agreement with Spok that saw Brett Shockley added to the board of directors.				
ALTA FOX CAPITAL MANAGEMENT	COLLECTORS UNIVERSE		JUNE 18, 2020	DETAIL
Alta Fox sent a letter to shareholders saying its intends to nominate six candidates for the board of directors.				
VALUEACT CAPITAL PARTNERS	NIKOLA		JUNE 15, 2020	DETAIL
The fund disclosed its position after Jeffrey Ubben was appointed to Nikola's board of directors.				
RMB CAPITAL MANAGEMENT	TV ASAHI		JUNE 15, 2020	DETAIL
RMB proposed the company launch a share buyback worth up to 2 billion yen.				
VIA ACQUISITIONS	FIRST CHOICE HEALTHCARE		JUNE 15, 2020	DETAIL
VIA nominated four candidates for the board of First Choice. The four candidates were elected to the board on June 25.				
CONCERNED SHAREHOLDERS	ISIGNTHIS		JUNE 12, 2020	DETAIL
Dissidents requisitioned a meeting with the purpose of delisting the company from the Australian Stock Exchange.				
CEVIAN CAPITAL	PEARSON		JUNE 11, 2020	DETAIL
Cevian called for the company to identify a new CEO with proven experience of creating shareholder value.				



SACHEM HEAD DISCLOSED AN INVESTMENT IN U.K.-BASED SECURITY FIRM G4S.

ACTIVIST	COMPANY	HQ	DATE NOTIFIED	DETAIL
SACHEM HEAD CAPITAL MGMT.	G4S		JUNE 10, 2020	DETAIL
Sachem disclosed its position but is yet to make any public demands.				
180 DEGREE CAPITAL	SONIM TECHNOLOGIES		JUNE 10, 2020	DETAIL
The activist revealed its stake but is yet to make any public demands.				
TRILLIUM ASSET MANAGEMENT	CONDUENT		JUNE 08, 2020	DETAIL
In a letter, Trillium urged Conduent to split up its operations, cut costs, and provide greater transparency over transactions.				
TOSHIKI AKIMOTO	WILSON LEARNING WORLDWIDE		JUNE 08, 2020	DETAIL
Akimoto proposed that the company pay a special dividend to its shareholders.				
OAKTREE CAPITAL MANAGEMENT	TORM		JUNE 05, 2020	DETAIL
Oaktree disclosed its stake but has not yet made any public demands.				
CONCERNED SHAREHOLDERS	INUI GLOBAL LOGISTICS		JUNE 04, 2020	DETAIL
Dissidents advanced several governance-focused proposals and a resolution for the company to sell all strategically held shares.				
VALUEACT CAPITAL PARTNERS	BLANCCO TECHNOLOGY GRP.		JUNE 03, 2020	DETAIL
ValueAct disclosed its position but is yet to make any public demands.				
CTW INVESTMENT GROUP	ACTIVISION BLIZZARD		JUNE 03, 2020	DETAIL
CtW urged shareholders to vote against a say on pay proposal at the company's upcoming annual meeting.				

MOST READ

VIEW THE MOST-READ NEWS STORIES FROM ACTIVIST INSIGHT ONLINE OVER THE LAST MONTH.

CERBERUS SEEKS 2 SEATS AT COMMERZBANK, STRATEGY SHIFT

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JUNE 15, 2020

UBBEN TO QUIT VALUEACT

JUNE 23, 2020

IN-DEPTH: PILLS THAT GET HARDER TO SWALLOW

JUNE 30, 2020



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