

# Activist investor Elliott shifts attention to takeovers

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Activist investor Elliott Management will increase its focus on outright takeovers and is seeking to raise new money, according to its annual letter to investors seen by the Wall Street Journal.

In order to advance the aim of taking companies private, the hedge fund is seeking \$2 billion from investors. Although it is not entirely new for Elliott to buy out companies, this new effort marks the first time that the activist investor has sought outside assistance from clients.

If successful, the fundraising will enable Elliott to take on bigger companies. Elliott's private equity arm has particularly focused on technology companies, but the investor has recently signaled its intention to focus on other industries as well. Indeed, its clamoring for additional funds is part of that process.

The letter described the partnership of activism and private equity as “a powerful combination,” but did not give specific details of the process. Elliott also noted that its ability to take a company private, whether independently or in conjunction with a partner, is a unique selling point of its activism practice.

“Very few (if any) private equity shops have the ability or willingness to nudge, persuade or push public companies to do anything in particular. We do, and with a full palette of abilities and permutations,” the letter said.

Elliott is already regarded as one of the most successful activist investors, with assets under management increasing rapidly. The New York-based hedge fund is now responsible for managing in excess of \$34 billion, which represents an increase of around 30% in four years from 2015, when the fund was worth \$26 billion.

During 2018, Elliott launched public campaigns at least once every two weeks, which made the firm the busiest activist investor on the planet. Its work encompassed pushing for change at companies including Sempra Energy, Nielsen Holdings and Pernod Ricard, and gaining board seats at Telecom Italia.

Recently, Elliott was close to brokering a buyout deal for Arconic. The activist investor also declared an interest in the online auction site eBay just days ago.



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