

Schulte Roth & Zabel



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**SCHULTE ROTH & ZABEL LLP RELEASES
2014 SHAREHOLDER ACTIVISM INSIGHT REPORT**

New York, October 29, 2014 – **Schulte Roth & Zabel LLP** ("SRZ"), a leading law firm serving the financial services sector, today announced key findings from its **2014 Shareholder Activism Insight** report, published in association with **Mergermarket**. Most notably, the biannual publication reveals that shareholder activism is expected to continue to rise over the next 12 to 24 months, with numerous and wide-ranging drivers behind the increase.

The report is based on a series of interviews with corporate executives and activist shareholders from the U.S., and for the first time, Europe, about their experiences in their respective regions. The report provides deep analysis of the issues impacting activism and unveils expectations for activity in 2015 and beyond.

SRZ M&A partners **Marc Weingarten** and **David E. Rosewater**, co-heads of the firm's global shareholder activism practice, along with SRZ International corporate and funds partner **Jim McNally**, M&A partner **Eleazer Klein** and litigation partner **Michael E. Swartz**, contributed to the report, which will be released today at [SRZ's 5th Annual Shareholder Activism Conference](#).

Key findings from the report:

- Some 98% of U.S. respondents expect an increase in activism, with more than half expecting the increase to be substantial.
- Sixty percent of U.S. respondents expect upcoming activity to be driven by hedge funds, while 24% said union funds will lead the charge.
- Fifty-two percent of U.S. respondents say that keeping an open dialogue with shareholders is the best company strategy to counter activist investors.
- Eighty-three percent of U.S. respondents believe shareholders should be represented in the boardroom.
- Europe is set for an activism boom. Among the European respondents, 77% of corporates and 67% of activists expect activism to pick up pace, due largely to the volume of underperforming assets left behind by the Eurozone crisis.
- European respondents believe the U.K., France and Spain will see the sharpest uptick in activism.
- An increase in European activism does not mean an increase in European activists; rather, the majority of European respondents (76%) expect that European activism will have U.S. roots, with more and more U.S.-based funds turning their attention overseas.
- A large majority of U.S. respondents (88%) expect the use of social media to bolster campaigns to become a trend within the activist community.

Click [here](#) for a PDF of the complete report.

"As long as activists can continue to deliver alpha returns, there is no reason to expect this trend to recede. We hope that the information provided in this report will assist in the continued understanding of activist situations," Mr. Weingarten and Mr. Rosewater stated in providing commentary to the report. The pair were named "Dealmakers of the Year 2014" by *The American Lawyer* magazine, which highlighted their work on the "fiercest shareholder activism campaigns and proxy contests in the market."

SRZ has long provided counsel to many of the most recognized names in activism, and earlier this year, the firm expanded its shareholder activism practice into the U.K. "Our highly regarded lawyers have truly become a go-to resource for activists and target companies alike. With this new report, we are pleased to share our market knowledge with the industry overall," commented **Alan S. Waldenberg**, chair of the firm's Executive Committee and chair of the Tax Group.

SRZ's Shareholder Activism Resource Center, built from the firm's unparalleled expertise and current state of market practice, is updated regularly and includes SRZ attorney-authored articles, alerts on cases and emerging rules and regulations, practice highlights, and industry news and publications.

To visit SRZ's Shareholder Activism Resource Center, click [here](#).

About Schulte Roth & Zabel

Schulte Roth & Zabel LLP (www.srz.com) is a full-service law firm with offices in New York, Washington, D.C. and London. As one of the leading law firms serving the financial services industry, the firm regularly advises clients on corporate and transactional matters, as well as providing counsel on regulatory, compliance, enforcement and investigative issues. The firm's practices include shareholder activism; mergers & acquisitions; proxy contests; litigation; bank regulatory; business reorganization; distressed investing; distressed debt & claims trading; employment & employee benefits; environmental; finance; individual client services; intellectual property, sourcing & technology; investment management; real estate; regulatory & compliance; securities & capital markets; structured products & derivatives; and tax.

About Mergermarket

Mergermarket, part of The Mergermarket Group, is an unparalleled, independent M&A intelligence tool used by the world's foremost financial institutions to originate deals. It provides proprietary intelligence on potential deal flow, potential mandates and valuations via the world's largest group of M&A journalists and analysts who have direct access to the most senior decision-makers and corporates. The Mergermarket Group has over 450 employees worldwide and regional head offices in New York, London and Hong Kong. Visit Mergermarket at www.mergermarket.com.

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