FIRM NEWS

Schulte Roth & Zabel, Activist Insight and Okapi Partners Release *Shareholder Activism Insight*

October 8, 2018

Schulte Roth & Zabel (SRZ) today announced key findings from its 2018 *Shareholder Activism Insight* report, published in association with Activist Insight and Okapi Partners. The report is the result of an August 2018 survey of activist funds that have engaged almost 300 companies since 2013.

The survey was filled out by 36 respondents from different activist firms, including participants in some of the largest and most high-profile activist situations to date. They were asked about their experience with shareholder activism in their respective regions and their expectations for activity in the next 12 months.

Highlights from the report:

- 72% of respondents are raising "some" or "a lot" of capital.
- 17% of respondents said settlements with management teams had become "somewhat more difficult" to reach, up from 3% in 2016.
- Activist investors see more opportunity in consumer products than in any other industry.
- 46% of respondents are currently considering making an activist investment in Canada and 21% in the United Kingdom.

Click here for a PDF of the report.

Copyright © 2024 Schulte Roth & Zabel LLP

Attorney Advertising

Marc Weingarten and Ele Klein, SRZ partners and co-chairs of the firm's global Shareholder Activism Group, contributed expert commentary. The report also features Aneliya S. Crawford, New York-based shareholder activism and M&A and securities partner, Jim McNally, London-based shareholder activism, corporate and funds partner, and Michael E. Swartz, SRZ litigation partner who serves as co-chair of the Litigation Group and head of the shareholder activism litigation practice.

In addressing the emerging trends, Mr. Weingarten noted, "While the major players will likely continue to go it alone, other activists may work together more often to increase their impact." Mr. Klein added, "Investors are focused on economic fundamentals and are taking steps to protect their capital at companies that are underperforming or otherwise not maximizing their potential."

"We are pleased to partner with Activist Insight and Okapi Partners in presenting the Shareholder Activism Insight report. The survey reveals the views of leading activists and what we can expect to see in the marketplace," commented Alan S. Waldenberg, chair of SRZ's Executive Committee.

Josh Black, editor-in-chief of Activist Insight, said, "Our survey confirms that activists remain hungry for capital and ready to take on new challenges – overseas and in the United States. Although there has been an increase in the proportion of respondents that believe settlements are harder to come by, for the overwhelming majority, there has been either no change or settlements are easier to come by."

The report also addresses the continued growth of shareholder activism as additional capital is raised by new and existing participants. Bruce H. Goldfarb, president and CEO of Okapi Partners, commented, "Investors of all kinds are increasingly vocal about the companies they own, but major changes in corporate governance and corporate strategy will continue to be driven by investors with a dedicated activist strategy."

To visit Schulte's Shareholder Activism Resource Center, click here.

Copyright © 2024 Schulte Roth & Zabel LLP

Attorney Advertising

Related People

Ele Klein

Partner

New York

Jim McNally

Partner

London

Michael Swartz

Partner

New York

Alan Waldenberg

Partner

New York

Copyright © 2024 Schulte Roth & Zabel LLP

Attorney Advertising

Marc Weingarten

Partner

New York

Practices

SHAREHOLDER ACTIVISM

Attachments

Download Press Release

Download Report

Copyright © 2024 Schulte Roth & Zabel LLP

Attorney Advertising