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Stifel’s Bonifacino on Third Point, Campbell, BlackRock, ISS and Unsolicited Bids

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Activists seeking to take control of boards don’t need to have a CEO candidate in mind but they should produce a clear position about what they would do on day one. At least that’s the view of Juan Bonifacino, director of shareholder activism defense at boutique investment bank Stifel. Bonifacino spoke to The Deal’s Activist Investing Today podcast about why activists seeking to take control of boards need to provide a really compelling reason to forgo the “checks and balance” position that would come with a minority slate. The boutique investment banker spoke about Third Point’s director battle at Campbell Soup as well as why he thinks companies and activists will need to spend more time talking to index funds in the years to come. He also offered up some pros and cons associated with hostile bids coupled with proxy contests. “Change of control [contests] really ratchet up the risk for a lot of unintended consequences for a company,” Bonifacino said.