

ISSUE 12

Snowball Research Notes

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AND EVENTS



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A few updates

Dear Members:

A few updates-

1. We started researching new CEOs for companies up to \$5 billion market capitalization. This is a significant expansion of our research coverage.
2. We are in the process of launching our second project ("Project X"). Moreover, we have moved the "In Search of Moat" section to "Project X."
3. From last week, we started sending weekly alerts (13D filings) for interested members.

Thank you.

Best,
Raghuraman. S.S
Founder & Head of Research,
Snowball Research

MANUAL

What is the objective of the report?

It is not the scarcity of "money"; instead, it is the scarcity of "time" that underscores the importance of idea generation. Even if a fund manager has an army of analysts and a huge research budget, he/she is still required to "prioritize" the stock to spend time re-searching and thinking—that's where "filters" play a significant role.

The stocks that we flag are worthy of "further research." In other words, the best outcome after reading our report is this – you pick a stock highlighted in the report for the next level of research and/or add it to your watch list.

We believe our time is well spent on highlighting interesting stocks. You pay for the information that isn't well-publicized.

What is the advantage? What is the expected outcome?

- Hidden qualitative factors: Unlike focusing on quantitative data, we focus mostly on "qualitative information" to filter ideas. Our process is tied heavily to plenty of reading. As such, many qualitative factors that we highlight are typically hidden in quantitative screening techniques.
- Most ignored section in the equity research process: At one end of the spectrum, you have plenty of services that help in the "initial phase" of research to narrow down thousands of stocks with quantitative metrics, providing financial statements, ratios, etc. In the other segment of the services, you have free and paid services to review stock ideas. Snowball Research focuses on the "most ignored" section in the equity research process: narrowing down ideas from plenty of screens.

NINE SCREENS

1. CEO/MANAGEMENT CHANGES

Every time a company (under \$2.5 billion Market Capitalization) appoints a new CEO, we research the track record of the CEO.

Every year, hundreds of new CEOs are appointed. CEOs who have an A+ track record get hidden among others.

By uncovering an excellent CEO, you can uncover a great investment idea. The newly-appointed CEO is not a magician that is able to bring changes in the blink of an eye. It takes time to fix things. The CEO's impact can be noticed only in the long run. So, this provides ample time for value investors to research the stock.

Q&A #1 Isn't business more valuable than jockey?

- Well, this is not a "business vs. jockey" debate. We are not arguing that the CEO is more important than the business. Our message is simple: a CEO with a good track record generally gravitates to good companies.
- By tracking good CEOs, we can uncover unique investment ideas, and the odds of success are higher for a company that has appointed a CEO who has a proven track record.

Q&A #2 Why reading the CEO's bio isn't sufficient?

- Not all CEOs explain their achievements. We dig it out for you.
- Some CEOs' backgrounds are full of self-praise and obfuscations. We cross-check and validate their claims.

2. 8-K (KEYWORDS)

- We predominantly use keywords to narrow down filings from the thousands of 8-K filings. The objective of this project is to capture "significant events" and "significant changes" that are not captured in the remaining screens that we run.
- One example is to search for keywords like "strategic alternative" in SEC filings.

3. 13D/ACTIVISM

Even though we summarize all significant 13Ds filing, we flag companies with notable points – companies that experienced majority board changes, companies making substantial changes after activist involvement, significant settlement agreement terms and valuation insight, etc.

4. CHANGES AFTER APPOINTING NEW CEO

We research the changes the newly hired CEOs are making after their appointment. We manually read the SEC filings and conference call transcripts to find out the list of changes a CEO is making.

5. ACCOUNTING PROBLEMS

Accounting irregularities, restatement, delisting, and failure to file financial statements on time provides a unique opportunity to find both long and short ideas.

- For long ideas, patience is required to identify the companies that emerge "clean" from the accounting problems. Typical characteristics include the termination of the responsible management/board members, consistent improvement in solving the accounting problem, and a solid business. A falling business that emerges from an accounting fiasco is not the right candidate. So, the ideal situation is to identify an operationally strong company that faces temporary airplane turbulence.
- For a short idea, identifying poor management/board's action and motivation is important.

6) 13G , 7) 13F 8) INSIDER BUYING

Self-explanatory.

Six Flags Entertainment Corporation (SIX) appoints a new CEO who built a multi-billion-dollar company and generated more than 100X return; majority board change by H Partners; insider buying

- Market Cap: \$3.2 billion | Six Flags Entertainment Corporation is the world's largest regional theme park company and the largest operator of waterparks in North America.
- Major shareholders - H PARTNERS MANAGEMENT, LLC – 9% | VANGUARD GROUP INC – 8% | BLACKROCK INC – 8% | CITADEL ADVISORS LLC – 2% | NINETY ONE UK LTD – 2%
- Screen: New CEO appointment

I. BASICS

- The company operates 26 regional theme parks and waterparks, 23 are located in the United States, two are located in Mexico and one is located in Montreal, Canada.

II. WHAT WE LIKE

1. Total board change by H partners:

- In January 2020, H Partners entered into a cooperation agreement with the company and added one representative, Arik Ruchim, to the board.
- The agreement also stated that the company added three new independent directors to the board. In February 2020 and in August 2020, the company added new directors.
- Incumbent CEO resigns: In November 2021, Michael Spanos resigned as CEO and as a director. In November 2021, the company appointed Selim Bassoul as CEO.
- Total board change: With his resignation, all the current directors serving the board were appointed after January 2020.

2. New CEO with a stellar track record

In November 2021, the company appointed Selim Bassoul as CEO.

- Mr. Bassoul served as a director of the company since February 2020.
- Built a billion-dollar revenue-generating company:

- Mr. Bassoul served as CEO of The Middleby Corporation, a manufacturer of foodservice and processing equipment, from 2001 to February 2019. Mr. Bassoul joined Middleby in 1996.

- During his tenure as CEO of Middleby, Mr. Bassoul led growth initiatives of the Commercial Foodservice Group and was responsible for successfully launching the Middleby National Accounts team.

- Growth: Middleby's revenue increased from \$101 million in 2001 to \$2.7 billion in 2018. During the same period, net earnings increased from \$1.6 million to \$317 million.

- 100X return in 18 years: The aggregate market value of the voting stock increased from \$56 million in 2001 to \$5.7 billion in 2018.

- During his tenure as CEO, the company acquired more than 70 companies.

• Suggested further reading:

<https://gulfnews.com/uae-success-stories/when-to-say-no-4-rules-of-success-by-selim-bassoul-1.1611740256447>

3. \$40 million worth of shares bought by insiders

- In November 2021, the company's insiders (including H partners) bought

\$40.3 million worth of shares at an average price of \$40.0 per share.

- In November 2021, H partners and its representatives bought \$35.9 million worth of shares.
- The newly appointed CEO, Selim Bassoul, bought \$4.4 million worth of shares.

4. Transformation plan

- In March 2020, the company announced a transformation plan to generate an incremental \$80 to \$110 million in annual run-rate adjusted EBITDA.
- Modernizing the guest experience:
 - In Q3 2021, the company enhanced its guests' experience during its annual Fright Fest Halloween event by offering electronic Fright Passes.
 - The company expanded the number of locations that offer mobile dining across its parks.
 - The company launched a new culinary partnership with Starbucks in two of its parks.
- Improving operational efficiency through cost structure: The company closed two satellite offices, initiated centralized negotiations with several vendors to reduce procurement costs,

and piloted a program to use its variable labor more efficiently.

- Strategic reorganization:
 - In October 2020, the company reduced its full-time headcount costs by approximately 10%.
 - In December 2021, Laura W. Doerre departed from her role as EVP, general counsel & chief administrative officer. As a part of the reorganization, the company eliminated the role.
- Outcome? For the nine months ended September 2021, the company realized more than \$23 million in fixed cost benefits. The company expects \$30 to \$35 million of fixed cost benefits in 2021.

5. Recent improvement

- Attendance during the Q3 2021 indexed 92% of 2019 levels, excluding pre-booked group sales.
- In Q3 2021, guest spending per capita was up 23% versus 2019. As of October 3, 2021, Active Pass Base was up 3% compared to Q3 2019.
- Year-to-date net cash flow for Q3 2021 was \$232 million, an increase of \$26 million compared to Q3 2019.

The Beauty Health Company (SKIN) attracts a new CEO who led the sale of Allergan (\$84B), Forest Laboratories (\$28B), and Bausch + Lomb (\$8.7B)

- Market Cap: \$3.4 billion | BeautyHealth is a category-creating beauty health company focused on bringing innovative products to market.
- Major shareholders – LCP EDGE HOLDCO LLC – 27% | FMR LLC – 15% | SAUNDERS BRENT L – 9% | BLS INVESTOR GROUP LLC – 8% | VANGUARD GROUP INC – 5% | BLACKROCK INC – 5% | REDMILE GROUP, LLC – 5% |
- Screen: New CEO appointment

I. BASICS

The company's HydraFacial signature treatment utilizes an innovative approach using a delivery system to provide, within approximately 30 minutes, a three-step experience to cleanse, extract and hydrate skin, offering an immediate outcome and a gratifying glow.

- Delivery Systems (53% of revenue) – Manufactures and sale of HydraFacial and Perk Delivery Systems.
- Consumables (47% of revenue) - Sells consumable single- and multi-use serum solutions, tips and boosters. Serums, tips, and boosters sold for a single use for each treatment by the HydraFacial delivery system

Note: In May 2021, Vesper Healthcare Acquisition Corp acquired HydraFacial to form BeautyHealth.

II. WHAT WE LIKE

1. Track record of the new CEO

- In November 2021, the company announced that Brenton L. Saunders would become CEO of the company effective January 1, 2022. He has served as executive chairman of the company since May 2021.
- Led the sale of Allergan plc (formerly known as Actavis plc) for \$84 billion
 - It is a global pharmaceutical leader focused on developing, manufacturing, and commercializing branded pharmaceutical, device, biologic, surgical, and regenerative medicine products.

- Mr. Saunders served as its CEO from 2014 to 2020.

- During his tenure, the company's revenue increased from \$12.6 billion in 2015 to \$16.0 billion in 2019. In 2015, Actavis plc acquired Allergan, Inc. for approximately \$77.0 billion

- Sale: In May 2020, the company was acquired by AbbVie for approximately \$84 billion.

- Led the sale of Forest Laboratories for \$28 billion

- Forest Laboratories was a pharmaceutical company. It generated \$3.2 billion in revenue in FY 2013.

- Mr. Saunders served as CEO of the company for roughly ten months (Oct 2013-July 2014).

- Appointed after Carl Icahn's involvement: In June 2013, the company entered into a settlement agreement with Carl Icahn. Within four months, in October 2013, Brenton L. Saunders was appointed as its CEO.

- Sale: In June 2014, Actavis acquired Forest Laboratories for approximately \$28 billion.

- Led the sale of Bausch + Lomb Holdings for \$8.7 billion

- Bausch + Lomb was a global eye health company. Bausch + Lomb generated revenue of approximately \$3.3 billion and adjusted EBITDA in 2013 of roughly \$720 million

- Mr. Saunders served as its CEO from March 2010 to 2013.
- Sale: In 2013, Bausch + Lomb was acquired for approximately \$8.7 billion

- **Notable directorship:** He is currently serving as a director of Cisco.
- **Ownership:** Mr. Saunders owns a 6.2% stake in the company.

2. Recurring revenue business model

- The company offers a non-invasive and accessible skin treatment experience.
- HydraFacial's business model is based on selling delivery systems that use a stream of consumables.
- HydraFacial's consumables include core serums, tips, and boosters sold for a single use for each treatment by the HydraFacial delivery system.
- The company generates roughly 47% of its revenue from consumables.

3. Strong revenue growth

- From 2016 to 2019, revenues grew at a CAGR of 52%, while adjusted EBITDA grew at a CAGR of 33%. Due to the COVID-19 pandemic, in 2020, revenue decreased by 28% compared to 2019. Nevertheless, in Q3 2021, the company's net sales increased by 97% to \$68.1 million compared to \$34.6 million in Q3 2020 and 72% compared to \$39.6 million in Q3 2019
- **Growing delivery base:** HydraFacial currently has an install base of over 17,000 delivery systems. HydraFacial placed more than 2,000 delivery systems between March and December 2020.
- **Improved outlook:** In 2021, the company expects its net sales to be \$245 million to \$255 million, compared to the prior guidance of \$230 million to \$240 million. Adjusted EBITDA of approximately \$30 million, compared to the prior guidance of approximately \$25 million.

4. Patented: HydraFacial's product offerings are protected by a trademarked

HydraFacial brand as well as 41 patents, with another 21 pending patents.

5. Highest NPS

- HydraFacial has also generated high Net Promoter Scores ("NPS"), a customer loyalty and satisfaction measurement assessed by asking customers how likely they are to recommend a certain product or service to others.
- Based on a study performed by a major consulting firm, HydraFacial enjoys a strong NPS of 40, which is much higher than the NPS scores for other skin care regimens reported as commonly used by HydraFacial users, which are typically between 2 and 25. HydraFacial's NPS score among estheticians and providers, where awareness is higher, is 80.

Our comments

- Mr. Saunders served as the CEO (also a "sponsor") of Vesper Healthcare Acquisition Corp (SPAC) and acquired HydraFacial.
- Given his background, he would grow the company through acquisitions and finally sell the company. In the company's presentation, the company mentioned that it would acquire companies with substantial recurring revenue.

Onespan (OSPN) attracts a new CEO who recently led the sale of the company for \$1.5 billion; Legion Partners' active involvement

- Market cap: \$640 million | The company designs, develops, and markets digital solutions for identity, security, and business productivity worldwide.
- Major shareholders – HUNT T KENDALL – 17% | BLACKROCK INC – 13% | LEGION PARTNERS ASSET MANAGEMENT, LLC – 7% | LEGAL & GENERAL GROUP PLC – 5% | VANGUARD GROUP INC – 5%
- Screen: 8-K keywords

I. BASICS

- The company is a leader in digital identity and anti-fraud solutions to financial institutions and other businesses.
- The company generates a significant percentage of revenue from financial institutions – traditional banks, credit unions, and online-only banks.

II. WHAT WE LIKE

1. Transition from legacy hardware to cloud-based security solutions

- Hardware revenue declined from \$127mm in FY 2019 to \$82mm in FY 2020.
- Moreover, hardware sales as a percentage of total revenue declined from 50% in FY 2019 to 34% of revenue in the recent three months ended September 2021.
- The company expects its hardware product sales to decline over the long term in its traditional markets.
- The demand for the company's hardware offerings declined in favor of its mobile and cloud security solutions as customers increasingly adopted digital alternatives in 2020.

2. Growing recurring revenue

- Annual recurring revenue at the end of Q3 was \$119 million, representing a growth rate of 24%.
- The recurring revenue component of the revenue increased from 22% in FY 2015 to 62% of total revenue in FY 2020.

3. Settlement with Legion Partners

- Legion Partners Asset Management has been an active shareholder since 2018.
- In February 2021, Legion Partners Holdings (6.83%) nominated a slate of four candidates to the board. In May 2021, the company entered into a settlement agreement with Legion Partners.'
- Legion Partners' core argument: divest legacy hardware business and transform the company into a pure-play software company.

#1 Divest Legacy hardware business

- The legacy Hardware authenticator token business is in secular decline and the revenue base is shifting towards software-based mobile and identity cybersecurity solutions.
- The Hardware segment has become difficult for management to predict, contributing to multiple debacles on earnings calls.
- The Hardware segment carries inferior gross margins, produces volatile quarterly results, and is perceived to have high customer concentration. #2 Transform OneSpan into a pure play software company
- Sale of Hardware would immediately transform OneSpan into a pure play software company and likely rerate its shares closer to peer levels.

- The implied valuation of OneSpan's recurring revenue (SaaS, term licenses and maintenance) trades at ~80% discount to direct peers.
- Average ARR growth for OSPN's direct software peers is 41%, resulting in an average EV / ARR of 28.6x. Given OneSpan's overall ARR is growing roughly 30% per annum, with its term license and SaaS ARR growing north of 50% per annum, we conservatively utilized a discounted 13.5x EV / ARR in our valuation analysis below to imply a fair value of OneSpan shares at roughly \$43 per share, or nearly 80% higher than current level

4. Track record of the new CEO

In November 2021, the company appointed Matt Moynahan as CEO.

a) Led the sale of the company

- From 2016 to 2021, Mr. Moynahan served as CEO of Forcepoint, a cybersecurity company.
- He claims that, during his tenure, he transformed the company's offerings from predominantly on-premises to a cloud-consumption model and drove record new business growth.
- Sale of the company: In January 2021, the company was sold to Francisco Partners for \$1.5 billion.

b) Arbor Networks: From 2012 to 2016, he served as president of Arbor Networks. He claims that during his tenure, Arbor gained a leading share in the distributed denial-of-service (DDoS) market, launched the world's foremost cloud-based DDoS service (Arbor Cloud), and successfully moved into the advanced threat detection market.

c) From 2006 to 2011, he served as CEO of Veracode, a spin-out from Symantec.

d) Prior to that, he served as VP-general manager of Symantec.Veracode

Our comments

(a) The company is trading at an EV/revenue multiple of 2.7X.

(b) The current transition is painful. For example, in the recent nine months ended September 2021, the company's hardware and perpetual license declined significantly compared to the growth in recurring revenue.

(c) The new CEO has rich experience in the cloud business. At the same time, we don't know much about the operational performance of the company under his watch.

(d) We are not clear whether there the divestment of the "hardware" business is feasible or not. The company argues that hardware is an integral part of the offering and cannot be sold.

OneSpan does not have a "Hardware segment" or a "Hardware business." Hardware-based authentication remains integral to our authentication solutions and is used by more than half of OneSpan's 200 largest customers, almost always in tandem with OneSpan's mobile authentication solutions and combined server or cloud software.

Selling the hardware component of our authentication solutions would greatly hinder OneSpan's ability to serve current customers and compete for new business – ultimately destroying value and customer relationships.

(e) This company accounts for roughly 10% of Legion Partners' portfolio. Moreover, the current stock price below the average purchase cost of Legion Partners is \$18.4 (current stock price: \$16.03). As such, we expect Legion Partners to push things hard to improve shareholder value.

BurgerFi International appoints a new CEO who has sold two companies under his watch; a PE firm which is a major shareholder of the company has appointed the new CEO in its prior investment; recent acquisition

- Market Cap: \$150 million | BurgerFi is among the nation's fastest-growing better burger concepts with 116 BurgerFi restaurants domestically and internationally.
- Major shareholders - JOHN ROSATTI REVOCABLE TRUST – 21% | CARDBOARD BOX LLC – 16% | LION POINT CAPITAL, LP – 15% | VANGUARD GROUP INC – 3% | M&T BANK CORP – 2%
- Screen: New CEO appointment

WHAT WE LIKE

(1) Acquisition of Anthony's Coal Fired Pizza & Wings (ACFP)

- In November 2021, the company acquired Anthony's Coal Fired Pizza & Wings from L Catterton for roughly \$157 million.
- Pro forma revenue of the combined company: \$141 million, out of which revenue from Anthony's Coal Fired Pizza is \$107 million.

(2) PE firm and the appointment of its representative as CEO

- L Catterton is a private equity firm and currently holds a 13.9% stake in the company after the above transaction.
- New CEO: In November 2021, the company appointed Ian Baines as CEO.
- Ian Baines served as CEO of two portfolio companies of L Catterton.

(3) Past track record of the new CEO

- Sale of Anthony's Coal Fired Pizza:
 - Mr. Baines served as CEO of Anthony's Coal Fired Pizza, from January 2020 until November 2021. The company is a portfolio company of L Catterton.
 - In November 2021, the company was sold to BurgerFi.
- CEO of Del Frisco
 - In September 2019, Del Frisco's Restaurant Group (Revenue: \$380mm) was acquired by L Catterton for approximately \$650 million. Mr. Baines was appointed as its CEO in 2019.

- Mr. Baines oversaw the company's transition from a public company to three independent brands and ultimately the sale of the steak division.

- Sale of Cheddar's Scratch Kitchen

- From 2014 to 2018, Mr. Baines served as CEO of Cheddar's Scratch Kitchen. Cheddar's Scratch Kitchen is an American restaurant chain.
- Cheddar's was also a portfolio company of L Catterton.
- Sale of the company: In March 2017, Cheddar's was acquired by Darden Restaurants for \$780 million from its stockholders, L Catterton and Oak Investment Partners.

- Others

- From 2013 to 2014, Mr. Baines served CEO for Uno Restaurant Holdings Corporation. Uno Restaurant Holdings Corporation includes 143 company-owned and franchised restaurants.
- Prior to Brinker, Mr. Baines served as CEO of Smokey Bones Bar & Fire Grill of Darden Restaurants Inc.
- Sale of Smokey Bones Bar & Fire Grill: In 2008, Smokey Bones Bar & Fire Grill segment was sold to Sun Capital for approximately \$80 million.
- Mr. Baines served as SVP of Strategic Innovation for Brinker International and Chili's® Grill & Bar. He was responsible for the brand's remodeling efforts for more than 800 company-

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owned Chili's locations nationwide as well as the design and construction of the new Chili's prototype unit.

Our thoughts

We expect the company to grow by acquiring plenty of companies.

Talkspace (TALK): Abrupt exit of co-founders; founder of Hudson Capital appointed as interim CEO

- Market Cap: \$330 million | Talkspace is a leading virtual behavioral healthcare company enabled by a purpose-built technology platform.
- Major shareholders - HUDSON EXECUTIVE CAPITAL LP – 14% | NORWEST VENTURE PARTNERS XIII, LP – 9% | SPARK CAPITAL FOUNDERS FUND IV, L.P. – 8% | REVOLUTION GROWTH III, LP – 5% | REVOLUTION GROWTH MANAGEMENT COMPANY, INC. – 5% | QUMRA CAPITAL II, L.P. – 5% | FIRSTTIME VENTURES G.P. LTD. – 5%
- Screen: New CEO appointment

I. BASICS

1. Online therapy?

- Online therapy is psychotherapy over the internet and mobile platform rather than in person.
- Benefits?
 - It is a great option if you have a busy schedule or if you are on a tight budget.
 - You can switch therapists easily.
 - Since the data is stored in the database, you need not repeat your medical history when switching to another therapist.
- Talkspace connects its customers with licensed mental health providers.
- As of September 2021, over 2 million people have used Talkspace, and over 75 million lives were covered for Talkspace through insurance and employee assistance programs.

2. Hudson Executive acquired Talkspace

- In 2012, Oren Frank and his wife, Roni Frank, founded the company.
- In January 2021, Hudson Executive Investment Corp. entered into an agreement to acquire Talkspace for approximately \$1.4 billion and to provide the company with \$250 million of cash. Hudson Executive Investment Corp. is a SPAC formed by Hudson Executive Capital (HEC).
- In June 2021, the transaction was completed, and Talkspace began trading on the NASDAQ under the new ticker symbols "TALK."

II. WHY ARE WE FLAGGING THIS?

1. Abrupt exit of co-founders; the exit of COO

- Co-founder: On November 15, 2021, the company's co-founders, Oren Frank and Roni Frank, stepped down as CEO and head of clinical services, respectively.
- COO resigns due to internal review: On November 22, 2021, Mark Hirschhorn resigned as president and COO following an internal review of Mr. Hirschhorn's conduct in connection with a company offsite that took place in November 2021.

2. Appointment of Braunstein as CEO

- In November 2021, the company appointed Douglas L. Braunstein as interim CEO.
- Mr. Braunstein has been the founder and a managing partner of Hudson Executive Capital since 2015. Hudson Executive Capital holds an 8.3% stake in the company.
- Mr. Braunstein has over 30 years of industry experience and held a variety of positions during his tenure at JPMorgan Chase & Co.

III. WHAT WE LIKE

- The company's revenue increased from \$18mm in FY 2017 to \$76mm in FY 2020.
- Recent growth
 - 28% growth in therapy in Q3 2021: In Q3 2021, the company provided therapy to approxi-

mately 119,700 members on platform, as compared to approximately 93,000 in Q3 2020.

- 214% growth in clinician's sessions in B2B channel: For the nine months ended September 30, 2021, the company's clinicians completed 192,100 B2B sessions as compared to 61,100 completed B2B sessions for the nine months ended September 30, 2020.
- Outlook: The company expects to achieve \$285 million revenue and \$176 million gross profit by 2023.
- Active members: As of September 30, 2021, the company has over 60,000 active members. Active members are the members who initiate contact with a provider on the company's platform until the term of their monthly, quarterly or bi-annual subscription plan expires.

(\$,mm)	2017	2018	2019	2020
Revenue	18	29	38	76

OUR THOUGHTS

1. Talkspace is one of the top two players

- (a) There are two popular online therapy companies in the USA: Betterhelp, and Talkspace.

- (b) Betterhelp has a wider reach and great reviews compared to Talkspace.

- (c) Betterhelp.com attracts 8.17 million visitors compared to Talkspace's 1.47 million visitors.

- (d) Any edge for Talkspace? Yes - Talkspace has a network of a psychiatrists who practice psychiatry and prescribe medication. This is not available at Betterhelp.

2. Timing of exit of founders

- On the same day the company's founder resigned (November 15, 2021), the company posted its Q3 2021 results.

- In Q3 2021, the company's gross margin was 54% compared to 70% a year ago. This decline was due to the increase in the reserve for credit losses on receivables, revenue mix shift towards B2B, and the continued investment in W2 therapist network.

- On this news, the company's stock price crashed by 36%. Within a week's time, the COO resigned due to an internal review.

We will continue to track the situation.

Velodyne Lidar (VDLR): A short note on the CEO change

- Market cap: \$2.2 billion | Velodyne Lidar, Inc. develops and produces lidar sensors for use in industrial, 3D mapping, drones, and auto applications in North America, the Asia Pacific, Europe, the Middle East, and Africa.
- Major shareholders - HALL DAVID S – 42% | VANGUARD GROUP INC – 4% | GRAF ACQUISITION LLC – 3% | BLACKROCK INC – 2%
- Screen: New CEO appointment

I. BASICS

- The company's revenue comes from the sale of its sensors directly to end-users and through its distributors. The company also generates a portion of its revenue from intellectual property licensing, royalties, and the sale of services.
- Velodyne Lidar is a leader in lidar technology, providing real-time 3D vision for autonomous systems. Lidar stands for light detection and ranging. The company's first products were commercially launched in 2010.
- In September 2020, Graf Industrial Corp, a SPAC, acquired Velodyne Lidar, Inc. for \$1.8 billion to form Velodyne Lidar under the ticker symbol "VLDR."

II. WHAT WE LIKE

- Switching cost: Once a customer chooses Velodyne's product, he customizes his product and services accordingly. So switching from one company to another would require structural changes to the customer's product.
- Patents & IP:
 - The company has 71 granted patents and 250 pending patents as of November 2021.
 - The company currently has proprietary intellectual property, including in its embedded software, real-time 3D vision for autonomous systems, manufacturing processes, and calibration methodology, which is protected by patents.

• Activism by David S. Hall

- David S. Hall founded the company. Mr. Hall served as CEO of Velodyne Lidar from 2015 to January 2020.
- Mr. Hall created the world's first lidar solution for the Grand Challenges for autonomous vehicles. He was named Inventor of the Year in 2018 by the Intellectual Property Owners Education Foundation.
- Ownership: 43% of the o/s shares.
- Ongoing activism
 - Within one month after his resignation as executive chairman, in February 2021, David S. Hall nominated Eric Singer, managing member of VIEX Capital Advisors, for election to the board at the 2021 AGM. In June 2021, Eric Singer was elected to the board.
 - In October 2021, David Hall announced his intention to nominate two directors at the 2022 AGM.

III. A short note on the new CEO

In November 2021, the company appointed Theodore L. ("Ted") Tewksbury, Ph.D., as CEO.

Three hard facts

- In the last five years (2013 to date), Dr. Tewksbury served as CEO in two companies that generated less than \$20 million in revenue.
- During his tenure as CEO of Energy Focus (2017-2019), the company's stock price crashed by roughly 70%.
- During his tenure as CEO of Integrated Device Technology (2008-

[Go to index page](#)

2013), the company's revenue declined significantly, and the stock price remained flat.

Our comments

- Velodyne Lidar's revenue is declining due to a reduction in average selling price for lidar sensors and increased sales in low-margin products. Right now, the company needs a CEO who can reverse this trend.
- Even though Dr. Tewksbury sold a company for \$287 million within six months of his appointment, his track record does not give us confidence that he will be able to reverse the current challenges faced by the company.

Harsco Corporation (HSC): Transformation into a pure-play environmental solution provider; potential divestment; insider buying

- Market Cap: \$1.2 billion | Harsco Corporation is a global market leader providing environmental solutions for industrial and specialty waste streams and innovative technologies for the rail sector.
- Major shareholders - BLACKROCK INC – 15% | VANGUARD GROUP INC – 10% | CHANNING CAPITAL MANAGEMENT, LLC – 3% | ARISTOTLE CAPITAL BOSTON, LLC – 3% | NEUBERGER BERMAN GROUP LLC – 3%
- Screen: Multiple screens – 8-K Keywords & Insider buying

I. BASICS

- Harsco Environmental (49% of revenue) – Provides critical environmental services and material processing to the global steel and metals industries, including zero waste solutions for manufacturing byproducts within the metals industry
- Harsco Clean Earth (33% of revenue) - Provides waste management services including transportation, specialty waste processing, recycling
- Harsco Rail (18% of revenue) – Provides equipment, after-market parts and safety and diagnostic systems which support railroad.

II. WHAT WE LIKE

I. Transformation into a pure-play environmental solutions provider: acquisitions & divestments

- Strategic shift: In May 2019, the company announced the strategic transactions to accelerate the transformation of its portfolio into a leading provider of environmental solutions to focus on less cyclical markets and to pursue higher-margin businesses.
- Clean Earth acquisition: In June 2019, the company acquired Clean Earth for roughly \$628 million. Clean Earth processes special waste and hazardous and non-hazardous waste.

- Exit Harsco Industrial Segment (HIS):

Between July 2019 to January 2020, the company sold the entire business operated under the segment for \$745 million (Air-X: \$600mm; Patterson-Kelley-\$60mm; IKG: \$85mm)

- ESOL acquisitions:

- In April 2020, the company acquired ESOL, a waste transportation, processing, and services provider, for roughly \$429 million.
- ESOL contributed revenue of \$368.0 million (19% of total revenue in 2020) and operating income of \$7.4 million in 2020.

- Improving financials:

- Revenue for the nine months ended September 30, 2021, increased approximately 21% to \$1.6 billion compared with the same period in 2020.
- In Q3 2021, adjusted EBITDA increased 22% to \$72 million compared to \$58.8 million in Q3 2020. Adjusted EBITDA margin (%) increased from 11.6% in Q3 2020 to 13.2% in Q3 2021.
- The company expects the free cash flow before growth capital expenditures from continuing operations in 2021 to be between \$55 million and \$65 million.

WHY ARE WE FLAGGING THIS?

1. Potential divestment of rail business:

- In November 2021, the company announced that it will explore strategic alternatives for the rail business beginning in the first half of 2022, with the intention to sell the business.
- This segment accounted for roughly 16% of the total revenue during the last nine months ended September 2021 quarter.

2. Insider buying: In November 2021, the company's insiders acquired approximately \$0.1 million worth of shares at an average price of \$13.71 per share.

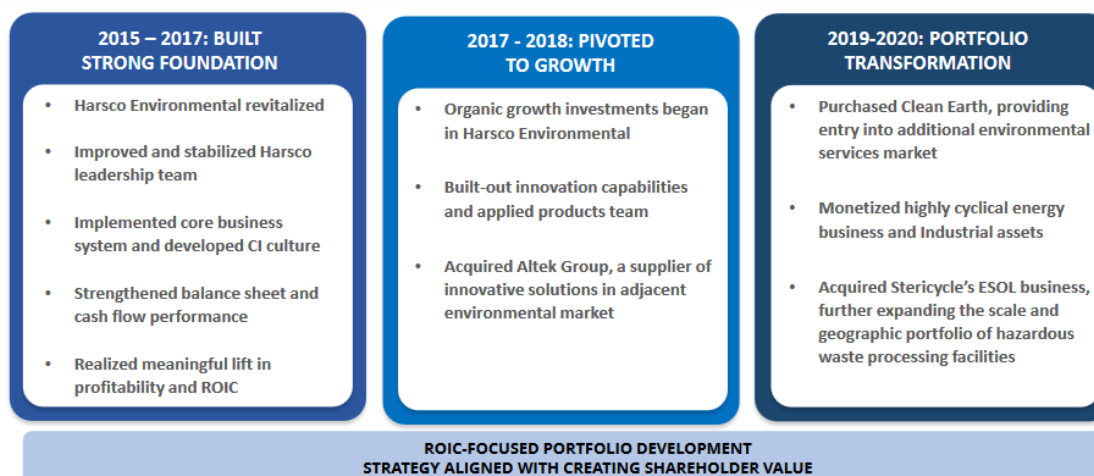
3. Government to spend \$10 billion to clean up PFAS

- In August 2021, Senate passed the Bipartisan Infrastructure Bill – it includes \$10 billion for the cleanup of perfluoroalkyl and polyfluoroalkyl substances (PFAS).
- The company's Clean Earth segment does PFAS treatment, aerosol recycling, and electric waste recycling.
- This bill could boost the Clean Earth segment's revenue in 2022.

Financials:

(\$ in millions)	2016	2017	2018	2019	2020	LTM ended September 30, 2021
Revenues from continuing operations	1,203	1,307	1,347	1,503	1,863	2,150
Income (loss) from continuing operations, net of tax	(102.5)	(6.8)	100.5	28.2	(32.5)	21.4
Net income (loss)	(85.6)	7.8	137.0	503.9	(26.3)	14.7

HISTORICAL PERSPECTIVE



Liberated Syndication (LSYN): Company appoints Brad Tirpak; significant insider buying

- Market cap: \$129 million | The company provides podcast and web hosting services in the United States and internationally.
- Shareholders: CAMAC FUND, LP – 13% | HUDSON EXECUTIVE CAPITAL LP – 6% | RADOFF BRADLEY LOUIS – 5%
- Screen: Multiple screens - New CEO appointment & Insider buying

I. CEO change

In November 2021, the company appointed Brad Tirpak as CEO. Brad Tirpak was appointed as Camac's representative to the board in 2019 and was most recently appointed as chairman of the board.

Brad Tirpak

- Brad Tirpak served as managing partner of Palm Ventures, an investment company focused on investing in and building businesses in partnership with management teams and a small group of substantial investors, from 2016 to 2021.
- Notable performance during his directorship
 - 4X return: Mr. Tirpak served as chairman of Full House Resorts from 2015 to 2021. During his tenure, the company's share price increased almost 4X.

- Sale of Birner Dental Management Services (BDMS): Mr. Tirpak served as director of BDMS from 2018 to 2019. In January 2019, it was acquired by Mid-Atlantic Dental Service Holdings for \$39 million.

- From 2009 to 2016, Mr. Tirpak was the founder and CEO of Locke Partners and managed various investment partnerships that focused on engaging public companies to improve corporate governance and to improve stockholder returns.
- Earlier in his career, he worked for Credit Suisse First Boston, Caxton Associates, Sigma Capital Management, and Chilton Investment Company.
- Mr. Tirpak founded and served as president of Access Telecom, Inc., an international telecommunications company based in Mexico City, Mexico, from 1993 to 1996.

II. Significant insider buying

Transaction Date	Insider	Shares Traded	Average Price	Total Amount
11/24/2021	Kibby Brian (Director)	25,000	\$3	\$75,000
11/24/2021	Tirpak Bradley M (CEO)	50,000	\$3	\$150,000
11/24/2021	Shahinian Eric (Director)	4,38,791	\$3	\$1,316,373
11/24/2021	Charak Jonathan M. (CFO)	25,000	\$3	\$75,000
11/24/2021	Camac Fund LP	4,38,791	\$3	\$1,316,373
06-03-2021	Tirpak Bradley M (Director)	2,66,667	\$3.75	\$1,000,001
06-03-2021	Shahinian Eric (Director)	21,33,334	\$3.75	\$8,000,003
	Total	33,77,583	\$3.53	\$ 11.9mm

The following notes are from June 2021 report

WHAT WE LIKE

1. Majority board & management shakeup

a. Majority board change

- In October 2019, the company entered into a [settlement agreement](#) with Camac Fund (15%, average purchase cost: \$1.9/share) and added two representatives of Camac Fund, Eric Shahinian and Brad Tirpak, to the Board.
- Eric Shahinian founded Camac Partners, LLC.
- Subsequently, two more new directors joined the board. Overall, as of today, four out of the six directors are new (since October 2019).

b. Abrupt exit of CEO and CFO

- In August 2020, the company's CEO and CFO resigned.

c. Notable directors

- [Eric Shahinian](#)
 - Founded Camac Partners, LLC
 - Former Principal at The Baupost Group, LLC
- [Brad Tirpak, Chairman of the Board](#)
 - He is a Managing Director of Palm Ventures, an investment company focused on investing in and building businesses in partnership with management teams and a small group of substantial investors.
 - Mr. Tirpak worked for more than 13 years as a portfolio manager at Credit Suisse First Boston, Caxton Associates, and Sigma Capital Management.
- [Brian Kibby](#)
 - As President of McGraw-Hill Higher Education, he led a business with nearly \$1.0 billion in top-line sales, growing digital revenues from a nascent base to over half of all company revenues.
 - As CEO of MV Transportation, Mr. Kibby oversaw the creation of a new

technology strategy for this \$1.3 billion premiere paratransit provider with 20,000 employees.

- During his time as CEO of Knewton, Mr. Kibby led the creation of Alta, a first-of-its-kind SaaS-based adaptive learning series of products, which led to the acquisition of Knewton by John Wiley & Sons.

2. Insider buying and investment by Camac Partners and Hudson Executive Capital

- In June 2021, the company raised \$25 million through a private placement led by Camac Partners, which was a preexisting shareholder, and a new shareholder, Hudson Executive Capital. Purchase price: \$3.75 per share.
- Bradley Tirpak, Chairman of the Board, bought \$1 million worth of shares at \$3.75 per share in June 2021.

Date	Insider	Shares Traded	Avg Price	Total Amount
2021-06-03 Purchase	Tirpak Bradley M Director	266,667	\$3.75	\$1,000,001
2021-06-03 Purchase	Shahinian Eric Director (Camac Partners)	2,133,334	\$3.75	\$8,000,003

3. Podcast industry play

a. Basics

- According to Edison Research (March 2021), approximately 80 million Americans – 28% of the U.S. population ages 12+ – are now weekly podcast listeners, a 17% increase over 2020.
- When compared to playing video games or watching TV, listening to a podcast can be done while performing some activities.

- **Players in the industry:** Apart from the podcast content creators (individuals or production studios), there are three critical players:
 1. Directories – iTunes, Spotify, Overcast, Castbox, etc.
 2. Hosting companies – these companies help the content creators to park their audio file (e.g., Libsyn, Buzzsprout, Podbeam, Blubrry, etc.)
 3. Advertisement networks – these companies connect content creators and potential advertisers (e.g., AdvertiseCast, Art19, etc.)
- Suggested further reading:
<https://www.edisonresearch.com/the-infinite-dial-2021-2/>
<https://techcrunch.com/2019/08/21/after-a-breakout-year-looking-ahead-to-the-future-of-podcasting/>

b. Libsyn segment

- The company provides a podcast hosting service.
 - This segment accounted for roughly 62% of total revenue. The company's revenue increased from \$5.1 million in 2015 to \$24.2 million in 2019. The company's gross margin increased from 70% in 2015 to 86% in 2019.
 - **Sticky revenue:** Generally speaking, switching a hosting provider is a hassle for content creators. This is simply because one has to resubmit all the shows to all podcast directories, and old data analytics won't show up in the new hosting provider's dashboard.
 - Low churn rate: With more than 75,000 podcasts on its platform, it had a churn rate of under 3% in Q3 2020.
 - The company is the first mover in the industry.
- Podcast shows on the Libsyn platform increased consistently from 28,000 in 2015 to over 69,000 in 2019. This resulted in 5,844,017 active episodes in 2019 versus 2,572,295 in 2015.

c. Libsyn's acquisition spree

- **Three acquisitions in the past five months:** In the last five months, the company acquired Auxbus, a podcast-creation software platform (Feb 2021), and two podcast monetization platforms – Glow (April 2021, \$1.2 million) and AdvertiseCast (June 2021, \$30 million).
- **Recent acquisition – AdvertiseCast**
 - In June 2021, the company acquired AdvertiseCast for \$30 million by raising funds from Hudson Capital and Camac Partners.
 - AdvertiseCast provides podcast advertising services.
 - AdvertiseCast revenue has grown rapidly, increasing 45% year over year in 2020 to approximately \$12 million.
 - This acquisition has helped the company to expand its operations from hosting to advertisement monetization.
- **Podcasting is an active M&A market**
 - Amazon acquired Wondery (Dec '20) and ART19 (June '21), a podcast hosting company and ad company respectively.
 - Spotify has been on an acquisition spree for the past few years – it acquired production studio Gimlet (2019), podcasting tool platform Anchor (2019), podcast ad company Megaphone (Nov 2020, \$235 million), and podcast discovery platform Podz (June 2021).

4. Pair Networks

- This segment accounts for 37% of revenue.
- In 2017, Pair Networks was acquired for \$16 million by the previous management.
- It is an internet hosting company.
- Even though the hosting business is generally sticky in nature, the company is competing against well-funded and reputable giants like Godaddy, Google Cloud, Amazon Web Service, HostGator, BlueHost, Wix, etc.
- The company was started in 1995 – roughly 25 years ago – so it is running the business using its old customers. Given the sticky nature, people cannot be bothered to shift to well-established players. It is VERY difficult for this company to compete against the well-funded giants. As such, the management should treat this segment as a cash cow and use the cash generated in this business to grow the podcasting business.

5. Accounting fiasco

- Tax error: In March 2021, the company [announced](#) that it had incorrectly reported the personal income related to its restricted stock vesting events in 2017, 2018, and 2019. The company underreported such personal income and failed to report the income in a timely fashion.
- Non-reliance of previously issued financial statements: In May 2021, the company announced that its previous financial statements should no longer be relied upon due to errors in recording local sales and income tax, VAT, and withholding tax related to restricted stock vesting events.
- Due to the same, the company is yet to file its FY 2020 10-K and Q1 2021.

- Our comment: Given Camac Partners' active involvement and the presence of activist investors like Brad Tirpak on the Board, we expect the company to solve the accounting problem swiftly.

Overall:

- The company has enviable assets in the podcast industry.
- The company is a potential acquisition target.

Farmers National Banc (FMNB): Insider buying; recent acquisition; 17th best performing bank in the USA

- Market Cap: \$624 million | Farmers National Banc Corp. is a diversified financial services company with \$3.3 billion in banking assets. It has a full-service national bank engaged in commercial and retail banking with 41 banking locations.
- Major shareholders - BLACKROCK INC – 6% | VANGUARD GROUP INC – 4% | DIMENSIONAL FUND ADVISORS LP – 3% | STATE STREET CORP – 1%
- Screens: 8-K keywords and insider buying

I. WHAT WE LIKE

1. Strong revenue growth

- The company's net interest income consistently increased from \$36.6 million in FY 2011 to \$104 million in LTM September 2021. During the same period, net income increased from \$9.2 million to \$57.5 million.
- The company delivered 155 consecutive quarters of profitability.
- Record net income: In Q3 2021, the company posted a record net income of \$16 million.
- 5-year CAGR: Book value growth: 11%; total asset growth: 11.6%

2. Market share; #1 in Ohio; 17th in the USA

- #1 Performing bank headquartered in Ohio: As per the Bank Director Magazine 2021 Bank Performance Scorecard, the company was named the 17th top-performing bank in America and was ranked as the number one top-performing bank in all of Ohio.
<https://www.vindy.com/news/business-news/2021/08/farmers-national-named-no-1-performing-ohio-bank/>
- The company has the #2 deposit market share in its core Columbiana, Mahoning, and Wayne counties. It has a

total market share of 18.7% in these three counties.

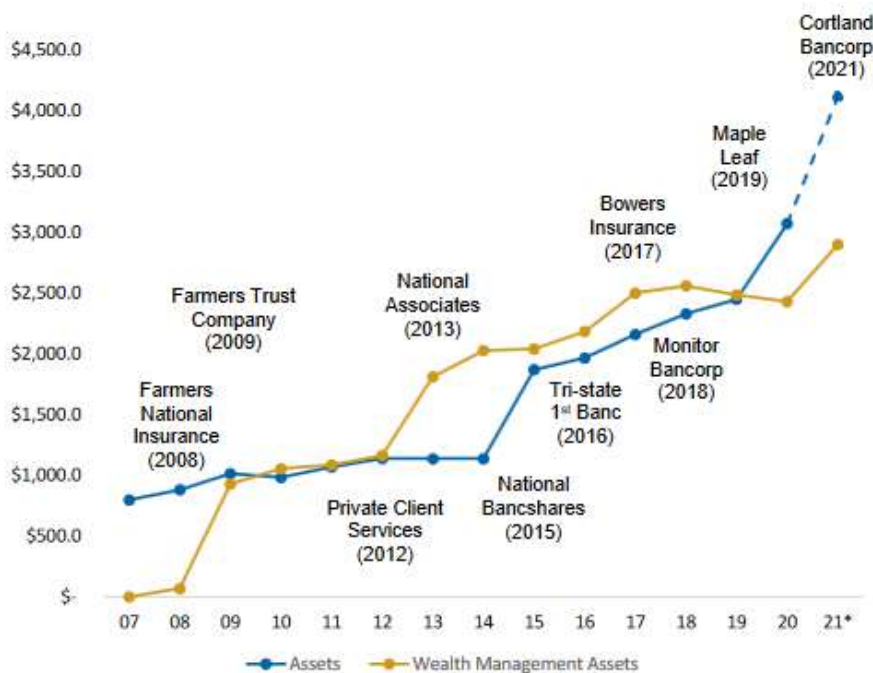
3. Insider buying

- In September 2021, the company's insiders bought \$0.45 million worth of shares at an average price of \$14.9 per share.
- In 2021, the company's insider bought \$0.70 million worth of shares at an average price of \$15 per share (Edward Muransky, a director since 2017, acquired \$0.49 million worth of shares).
- In 2020, the company's insider bought \$0.61 million worth of shares at an average price of \$13.4 per share.

II. WHY ARE WE FLAGGING NOW

Recent acquisition: Cortland Bank

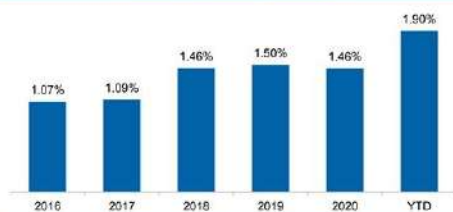
- The company has acquired five companies since 2015.
- In November 2021, the company acquired Cortland Bank for \$124 million. Cortland Bank generated a net income of \$8.26 million in FY 2020.
- The acquisition increased the company's asset by 25%.
- This acquisition increased the company's market share to #2 in Trumbull County and #3 in Mahoning County.
- Presentation link – [Source](#)



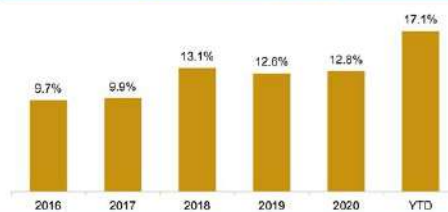
Graph in millions. * 2021 at March 31, 2021, and includes Cortland Bancorp

Profitability

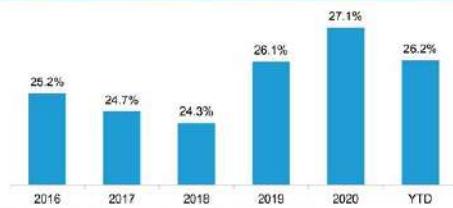
Return on Average Assets



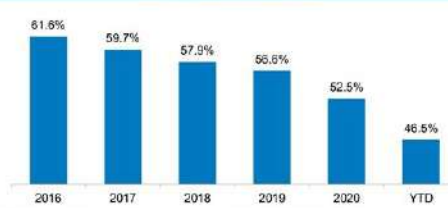
Return on Average Equity



Non-Interest Income / (Net Interest Income + Non-Interest Income)



Efficiency Ratio (FTE)⁽¹⁾



(1) Represents a non-GAAP financial measure. See Slide 26 for a reconciliation of the most comparable GAAP equivalent.
 Note: Annualized YTD figures shown for Return on Average Assets and Return on Average Equity.
 YTD dates as of 9/30/2021



CSG Systems International (CSGS): Significant changes after the appointment of new CEO

- Market Cap: \$1.7 billion | CSG Systems International is a leader in innovative customer engagement, revenue management and payments solutions.
- Major shareholders – BLACKROCK INC – 17% | VANGUARD GROUP INC – 12% | LSV ASSET MANAGEMENT – 4% | STATE STREET CORP – 3% | DIMENSIONAL FUND ADVISORS LP – 3%
- Screen: Significant changes after appointing new CEO

I. BASIC

The company is a platform-based, SaaS business provider. It is a leading business support solutions and services company that serves the majority of the top 100 global communications service providers.

- Cloud and Related Solutions (89% of revenue) - Software-as-a-Service (“SaaS”) + operate software solutions on behalf of customer + cloud-based payment processing transaction services
- Software and Services (6% of revenue) - Software license sales + professional services to implement the software
- Maintenance (5% of revenue) – Support services to the installed software.

II. WHAT WE LIKE

- SaaS business model: The company generates a significant percentage of revenue from a SaaS-based business model that generates strong recurring cash flows.
- Potential high switching cost?
 - The company provides a real-time revenue management framework in either a cloud-based or stand-alone environment.
 - The company handles a lot of confidential and sensitive data about its customers' customers. It supports more than 555 million end-users worldwide on behalf of its customers.
 - The company has a broad offering and strategic partnerships with

more than 65,000 merchants, resellers, and independent software vendors.

- The company's contract tenure is five-year.

- Magic Quadrant: In 2021, the company was included for the first time in Gartner's 2021 Magic Quadrant™ for Field Service Management. The company was named a "Niche Player" based on its complete vision and ability to execute. ([Source](#))

- Strong free cash flow

Year	FCF (\$,mm)
FY 2017	98.3
FY 2018	86.2
FY 2019	113.8
FY 2020	143.6
LTM Sep 2021	117.5

III. Significant changes after the appointment of new CEO

1. Background of the new CEO:

- In January 2021, the company appointed Brian Shepherd as CEO.
- Mr. Shepherd joined the company in 2016 as EVP and President - Broadband, Cable & Satellite.
- TeleTech: From 2013 to 2015, he served as EVP of \$1.2 billion TeleTech and President of two stand-alone divisions: Customer Technology Services ("CTS") and Customer Strategy Services. He grew the combined division's revenue from \$144 million in 2012 to \$243 million in 2015 while shifting CTS solutions and the revenue-base to the Cloud.

- **Amdocs:** From 2005 to 2013, he served Amdocs in various executive positions. As Group president from 2010 to 2013, he was responsible for \$3 billion in revenue and 19,000 employees.

2. Significant management changes

- Since 2021, after the appointment of the new CEO, the company either changed OR promoted five out of the top ten executives.
 - COO – January 2021
 - Chief Strategy and Product Officer – January 2021
 - Chief People & Places Officer – February 2021
 - EVP & Chief Marketing and Customers Officer – May 2021
 - President, Forte Payments SSU – April 2021

3. Record growth:

- **Highest quarterly organic revenue growth since Q3 2010:** In Q3 2021, the company's revenue was \$263.2 million, a 7.8% increase when compared to Q3 2020. Q3 2021 was the best quarterly organic revenue and adjusted revenue growth results since Q3 2010.
- **Migration of 1 million customers from a competitor's product:** During the second quarter of 2021, the company successfully migrated over 1 million customers of Charter (300K in Q2 2021 and 800K in Q3 2021) from a competitor's billing platform to CSG.
- **50% to 100% revenue growth in next four years:** The company expects to achieve \$1.5 billion to \$2 billion in revenue by 2025. It also intends to add over \$500 million in profitable recurring revenue by 2025.

4. Acquisitions

- Prior to the appointment of the new CEO, from 2018 to December 2020,

the company acquired two companies for \$103 million.

- **2021 acquisitions:** In 2021, after the appointment of the new CEO, the company acquired four companies and made an additional investment in one company for a total value of \$76 million (Tango: \$13 million; Kitewheel: \$40 million; Keydok: \$1 million; DGIT Systems: \$16 million and additional investment of \$6.1 million in Mobilecard).

5. Largest contracts and renewals

- In November 2021, the company announced a six-year contract (till 2017) renewal and extension with Charter Communications, which accounted for 21% of the total revenue. As such, the company has become the SaaS BSS provider of choice for 32 million customers.
- In November 2021, the company announced that DISH Network agreed to a multi-year contract (timid-2026026) extension. DISH is the company's third-largest customer.
- **Note:** We cannot claim that the CEO is solely responsible for the renewal. At the same time, it is important to note that this significant renewal was executed during his tenure.

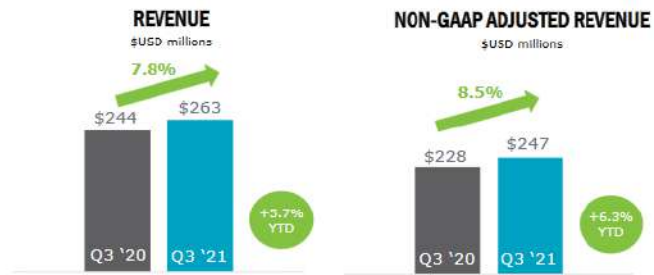
IV. Heads up:

- **Customer concentration:** The company's top two customers (Comcast and Charter) generate over 40% of its revenue.
- **Pricing pressure:** In FY 2020, Comcast accounted for 22% of total revenue. In 2020, the company renewed its Comcast contract for five years only AFTER pricing adjustments. This revised pricing impacted the company's FY 2020 revenue.



Q3 & YTD 2021 Financial Summary

14



Highlights:

- Strong Q3 and YTD 2021 financial performance; fastest quarterly organic revenue growth since Q3 2010
- Reconfirming all 2021 financial guidance targets, which were all raised on Q2 earnings call

NON-GAAP ADJUSTED OPERATING INCOME

\$USD millions & as a % of Adjusted Revenue



NON-GAAP ADJUSTED EBITDA

\$USD millions & as a % of Adjusted Revenue



NON-GAAP EPS

\$USD per share



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Myers Industries (MYE): Significant changes under the new CEO; insider buying

- Market Cap: \$743 million | Myers Industries is a leading manufacturer of a wide range of polymer products and distributors for the tire, wheel, and under-vehicle service industry.
- Major shareholders: BLACKROCK INC – 15% | PRICE T ROWE ASSOCIATES INC – 9% | GAMCO INVESTORS, INC. ET AL – 8% | VANGUARD GROUP INC – 6% | WELLS FARGO & COMPANY – 5% |
- Screen: Significant changes after appointing new CEO

I. BASICS

- Material Handling (67% of revenue) - designs, manufactures, and markets a variety of plastic and metal products such as - Containers and small parts storage bins to plastic recreational vehicle (“RV”) tanks and parts, marine tanks and parts, portable plastic fuel tanks and water containers
- Distribution (33% of revenue) - distribution of tools, equipment and supplies used for tire, wheel and undervehicle service on passenger, heavy truck and the manufacturing of tire repair materials and custom rubber products.

II. WHAT WE LIKE

(a) New CEO and significant changes under his tenure

1. Track record of the new CEO:

- In April 2020, Michael McGaugh was appointed as CEO.
- Prior to joining Myers, Mr. McGaugh served as EVP and COO of BMC Stock Holdings Inc., a \$3.6 billion building materials provider, from 2017 to 2019.
- Prior to that, Mr. McGaugh spent over 20 years in various roles at the Dow Chemical Company, including, most recently, serving as global director and leader of the Integration Management Office for the proposed Dow/E.I. du Pont de Nemours merger from February 2016 to February 2017.

2. Majority management change

- 11 out of 12 top executives are appointed after 2020.
 - VP, Material Handling Segment - Blow Molding – April 2020
 - VP, Purchasing and Supply Chain - September 2020
 - VP, Sales, Marketing, and Commercial Excellence - September 2020
 - VP, Integration & VP, Material Handling Segment – Injection Molding - September 2020
 - VP, Material Handling Segment – Rotational Molding - November 2020
 - VP, Distribution Segment in March 2021
 - CFO – April 2021
 - Senior Director, Strategy and Corporate Development - August 2021
 - Senior Corporate Counsel and Secretary - July 2021
 - VP, Human Resources - October 2021

3. Strategic vision for \$3+ billion revenue:

- In October 2020, the company announced a multi-phased strategic vision.
 - (a) Horizon 1 (2020-2023)
 - Organic growth initiatives + pursuing bolt-on acquisitions in value-added plastics molding to achieve \$1 billion revenue.
 - Top-level management changes are executive, and a new marketing & sales structure is in place.

- Investment in E-commerce has led to year-to-date sales up approximately 30%. The company uses e-commerce as a flywheel for volume.
- Acquisitions: In a span of 19 months, Mr. McGaugh acquired three companies for approximately \$117 million, which added approximately \$155 million in revenue annually.
 - (a) Horizon 2 (2023-2026) – To acquire larger firms in North America = to achieve \$2 billion revenue
 - (b) Horizon 3 (2026-2029) – Expand globally via M&A + maintain focus on plastic manufacturing to achieve \$3+ billion revenue

4. Acquisitions: There had been no acquisition in the company since 2015 until the arrival of the new CEO.

- In July 2021, the company acquired assets of Trilogy for approximately \$34.5 million. Revenue: \$35 million.
- In November 2020, the company acquired Elkhart Plastics for approximately \$64.2 million. Revenue: \$100 million. Elkhart is the 7th largest rotational molder in the US. The acquisition positioned the company as the 5th largest rotational molder in the US.
- In August 2019, the company acquired Tuffy, a warehouse distributor of tire repair equipment and supplies,

for approximately \$18.7 million. Revenue: \$20 million.

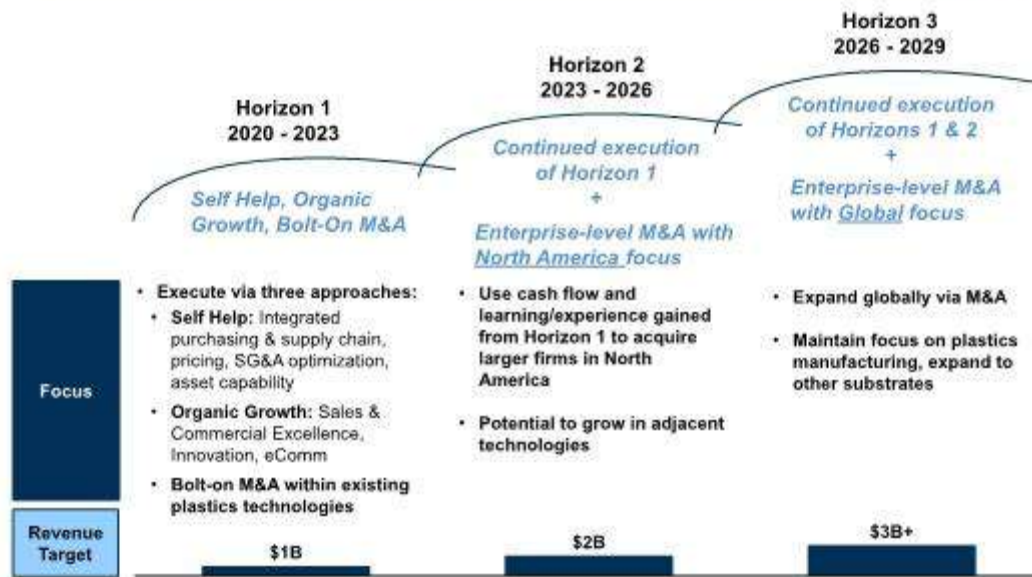
5. Revenue growth

- After seven quarters of consecutive decline in revenue from the quarter ended December 2018, the company's revenue started to grow from the quarter ended September 2020 and has been consistently growing for the last five quarters.
- Recent quarterly performance: In Q3 2021, net sales increased 51.3% (or \$67.8 million) to \$200 million, including \$40.8 million from the Elkhart and Trilogy acquisitions, compared with Q3 2020. Organic net sales increased 20%.
- Outlook: The company expects sales to grow in the mid-to-high 40% range in 2021

III. Significant insider buying

- Since 2021, the company's insiders bought \$0.9 million worth of shares at an average price of \$20.6 per share. In 2020, insiders bought \$0.78 million worth of shares at \$13.5 per share.
- In November 2021, insiders bought \$0.12 million worth of shares at an average price of \$20.6 per share.
- Since 2021, the company's CEO bought \$0.43 million worth of shares at an average price of \$21.2 per share.

Myers has outlined a long-term vision that emphasizes the importance of top-line growth



Amerant Bancorp (AMTB): Significant changes after the appointment of new CEO

- **Market Cap:** \$1.0 billion | The Company provides deposit, credit, and wealth management services. The Bank was founded in 1979 and is the second-largest community bank headquartered in Florida.
- **Major shareholders:** WELLINGTON MANAGEMENT GROUP LLP – 8% | PATRIOT FINANCIAL PARTNERS GP, LP – 7% | VOLLMER A. GUSTAVO J – 5% | BLACKROCK INC – 5% | PERRY CREEK CAPITAL LP – 4%
- **Screen:** Significant changes after appointing new CEO

RESEARCH

1. New CEO has a stellar track record and is a representative of a major shareholder.

In March 2021, the company appointed Gerald P. Plush as CEO.

- **Patriot Financial Partners** owns 7.2% of the o/ shares of the company. Patriot Financial is a private equity fund specializing in investments in the financial services sector.
- **The new CEO is a former partner of a private equity firm:** Mr. Plush was a partner at Patriot Financial Partners from 2019 to February 2021.
 - He represented Patriot on the board of directors for multiple portfolio banks, specialty finance, and fintech companies
- **A top executive of Santander US / Webster**
 - He served as CFO and chief administrative officer of Santander US, a bank with over \$147 billion assets. Prior to that, he served as COO of Webster, a bank with over \$20 billion in assets. Most recently, he served as a partner of a PE firm that invests exclusively in banks and thrifts.
 - In contrast, Amerant Bancorp's total assets were roughly \$7.7 billion. Attracting a top executive from a bank that is roughly 19 times larger than Amerant Bancorp is a big positive.

2. Significant changes after the appointment of new CEO

- **Recent improved performance:** After seven consecutive quarters of declining growth in interest income, the company's last two quarters experienced positive growth.
- **Simplify capital structure:** In November 2021, the company completed its merger to simplify its capital structure. It converted the company's Class B shares into Class A shares to have one class shares to trade under the symbol "AMTB."
- **Multi-year outsourcing agreement:** In November 2021, the company entered into a new multi-year outsourcing agreement with financial technology leader FIS® (NYSE: FIS) to assume full responsibility for a significant number of the bank's support functions and staff. The company expects an annual savings of approximately \$12 million.
- **\$135mm divestment:** In November 2021, the company entered into an agreement to sell its certain lot or parcel of real estate for approximately \$135 million. The closing is expected to occur no later than December 15, 2021.
- **Formation of Amerant Mortgage:**
 - In January 2021, the company formed "Amerant Mortgage" by entering into a JV with industry ex-

- perts. In May 2021, the company acquired First Mortgage Company and launched its mortgage operations.
- In the third quarter of 2021, Amerant Mortgage, Inc. received 108 applications and funded 39 loans totaling \$17.9 million.
 - In October 2021, the company closed its Wellington, Florida, branch and got approval to open a new branch in downtown Miami.
 - Expansion:
 - In the third quarter of 2021, the company accelerated its digital transformation by executing agreements with leading fintech Numerated Growth Technologies and Marstone.
 - In the third quarter of 2021, the company added talent to its treasury management sales force and support team in both Florida and Texas.
 - Relocation: In Q3 2021, the company signed a 10-year lease for a 56,494-square-foot office space in the Miramar Park of Commerce, in Miramar, Florida, where it will relocate its operations center by the end of 2022.

3. Insider buying:

In 2021, Mr. Plush acquired \$0.2 million worth of shares at an average price of \$16.88 per share.

Alimera Sciences (ALIM): Insider buying [Short notes]

- Market Cap: \$40 million | Alimera Sciences is a global pharmaceutical company.
- Major shareholders - HIRSCHMAN ORIN – 7% | AIGH CAPITAL MANAGEMENT LLC – 7% | HBM BIOVENTURES CAYMAN LTD – 6% | MORGAN STANLEY – 6% | PALO ALTO INVESTORS LP – 2%
- Screen: Insider buying

RESEARCH

I. WHY ARE WE FLAGGING THIS?

Stock price crash

- The company's only commercial product is ILUVIEN.
- Through a non-surgical procedure, the company's product is inserted into the back of the patient's eye. The product releases medicine for up to 3 years!
- Since Mid-August 2021, the company's stock has been down by more than 40% due to poor financial performance.
- During the six months ended September 30, 2021, the company did not generate sufficient revenue to meet the trailing six-month revenue covenant included in the 2019 loan agreement.

Insider buying during the recent stock price crash

- In November 2021, the company's insiders bought \$0.26 million worth of shares @ an average price of \$4.38 per share.
- CEO bought \$0.17 million worth of shares @ \$4.48 per share.

II. WHAT WE LIKE

1. Strong revenue growth

- The company's revenue grew from \$1.9 million in FY 2013 to \$58.8 million in LTM Sep 2021.
- Rapid expansion in the global market: The company aggressively launched ILUVIEN in the following regions.

Moreover, the company plans to expand geographically in additional countries.

- FY 2013: Germany and the U.K.
- FY 2015: U.S. and Portugal
- FY 2017: Ireland and Austria
- FY 2018: Middle East, Italy and Spain
- FY 2019: France
- FY 2020: Netherlands
- FY 2021: Luxembourg, Denmark, Finland, Norway and Sweden.
- FY 2021: Expansion into Asia: In April 2021, the company entered into an agreement with Ocumen-sion Therapeutics and received \$20 million in cash. Ocumen-sion to commercialize ILUVIEN in China, East Asia, and the Western Pacific

2. Declining losses

- The company's losses declined consistently from an operating loss of \$39 million in FY 2015 to an operating income of \$2.3 million in LTM Sep 2021.

3. Less likelihood of a generic competitor

- The company believes that it is less likely to face a generic competitor for ILUVIEN for the treatment of DME because of the bioequivalence requirements of a generic form of ILUVIEN.
- A generic pharmaceutical competitor to ILUVIEN would need to establish bioequivalence through the demonstration of an equivalent pharmacodynamic endpoint in a clinical trial. The company believes that conducting such a clinical trial would be cost-prohibitive and time-consuming.

4. Asset-light

The company does not have an in-house manufacturing capability for its products.

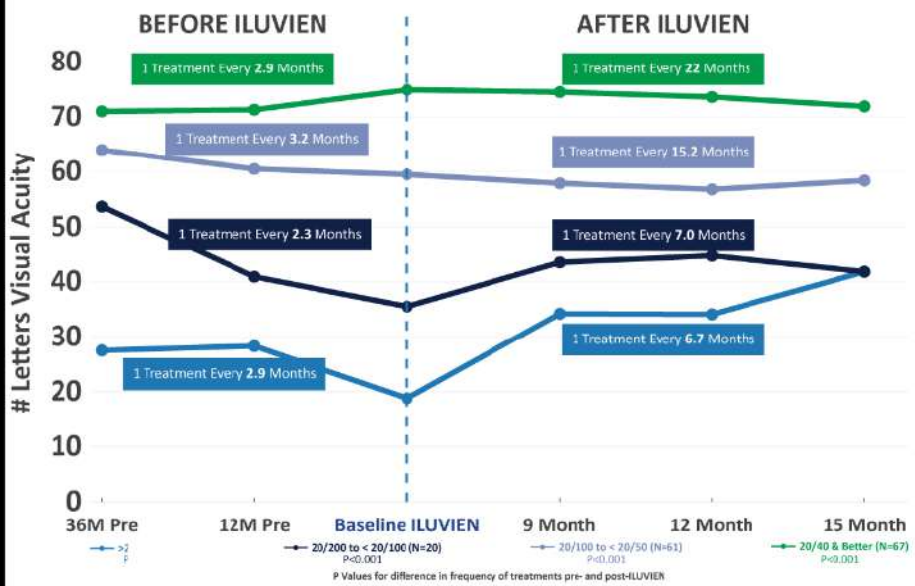
5. Why is COVID-19 affecting the company's sales?

- Prior to the pandemic, most of the ILUVIEN sales were driven by the use of ILUVIEN to treat diabetic macular edema, or DME.

- Given that health authorities have cited diabetes as a factor that places a person at higher risk for severe illness from the COVID-19 pandemic, many DME patients have been hesitant or even unwilling to visit their physicians in person (even if otherwise permitted) for fear of contracting the COVID-19 coronavirus.

USER Study

- Reducing disease recurrence
- Reducing treatment burden
- Improving and maintaining vision



Inotiv (NOTV): 13D filing by P2 Capital Partners; significant changes after the appointment of CEO in 2019

- Market Cap: \$1.1 billion | Inotiv, Inc. is a leading contract research organization dedicated to providing nonclinical and analytical drug discovery and development services and research models and related products and services.
- Major shareholders: P2 CAPITAL PARTNERS, LLC – 36% | Jermyn Street Associates LLC – 17% | PORTOLAN CAPITAL MANAGEMENT, LLC – 5% | BENDELE PHILLIP – 5% | NEXT CENTURY GROWTH INVESTORS LLC – 4%
- Screen: 13D

SC13D: In November 2021, P2 Capital partners initiated an 11.8% active stake in the company and has added a representative to the board. P2 Capital Partners is a strategic equity investment firm focused on generating long-term capital appreciation by owning significant stakes in high-quality public companies.

RESEARCH

Significant changes after the appointment of new CEO

1. New CEO:

- In January 2019, the company appointed Robert Leasure, Jr. as CEO.
- Background: Robert Leasure, Jr., serves as the managing partner and president of LS Associates LLC, a management consulting firm formed in 2002. Mr. Leasure acted as a financial consultant for the company through LS since 2016. Over the last 16 years, LS has worked with over 300 companies in various industries and served clients in the United States and internationally.

2. Situation at the time of appointment of the new CEO:

- Prior to the appointment of Robert Leasure as CEO, for six years, from FY 2013 to FY 2018, the company's revenue hovered between \$20mm and \$26mm.
- Strategic plan: In fiscal 2017, the company announced that it changed leadership and direction and focused on improving the balance sheet, improving liquidity, stabilizing employee

turnover, and developing a vision for the future.

3. Significant changes after the appointment of CEO in 2019

• Strong growth

- Subsequent to the appointment of Mr. Leasure in January 2019, the company's revenue increased by roughly 2.4 times, from \$26 million in FY 2018 to \$89.6 million in LTM June 2021.

- In FY 2021, the company's revenue increased by 48% compared to FY 2020. During the same period, gross profit increased from \$18.2 million to \$30.2 million, up 65.4%.

- Backlog was \$81.4 million as of September 30, 2021, up 31.3% compared to \$62.0 million in June 2021.

- Total employees: The company's total employees have increased from 240 persons in FY 2018 to 544 in Q3 FY 2021.

• Acquisitions:

- During his tenure as CEO, the company acquired nine assets/companies for over \$83 million.

- List of significant acquisitions - Bolder BioPATH (\$54.4mm, 2021), HistoTox Labs (\$22.3mm, 2021), Pre-Clinical Research Services (\$5.8mm, 2019) and the toxicology business of Smithers Avanza (\$2.5mm, 2019).

• Expansion:

- In the last two years, the company rapidly expanded its annual capacity.

- In March 2020, the company began doing operations in its expanded facilities in Evansville, Indiana - annual capacity expanded from ~\$13 million to ~\$27 million.
- In 2020, the company invested in Gaithersburg capacity improvements and in Fort Collins facility - annual capacity has increased from ~\$7 million to ~\$18 million.
- In May 2021, the company announced the buyout of St. Louis facility with the build-out of an additional 20,000 square feet of wet laboratory and office space.
- In November 2021, the company announced the opening of its newly-constructed scientific laboratories at its St. Louis facility.
- New service offerings: Under the new CEO, the company expanded its new

service offering through both acquisition and internal development - clinical pathology; SEND data reporting; cardiovascular safety pharmacology; genetic toxicology; biotherapeutics; and medical device histology and pathology.

4. Recent big-ticket acquisition (\$545mm) - Envigo acquisition

In November 2021, the company acquired Envigo RMS Holding for approximately \$545 million.

- Envigo RMS Holding Corp. is a leading global provider of research models and services.
- Financials: Envigo's revenue for the year 2020 was \$246 million.
- Pro forma revenue of the combined company in FY 2020: \$328 million (300% increase).
- Valuation: As per the company, the combined company's enterprise value is approximately \$1.2 billion.

(\$ in millions)	FY 2018	FY 2019	FY 2020	FY 2021
Total revenue	26.3	43.6	60.4	89.6
Gross profit	8.1	14.0	18.2	30.2
Operating (loss) income	0.0	(0.1)	(3.0)	NA
Comprehensive loss	(0.1)	(0.7)	(4.6)	NA

DIRTT Environmental Solutions (DRTT): Must-watch proxy campaign

- Market cap: \$211 million | DIRTT Environmental Solutions is an interior construction company that uses proprietary software to design, manufacture and install fully customizable environments.
- Major shareholders - 22NW Fund, LP – 18% | 22NW, LP – 18% | NOLL SHAUN – 13% | MAK CAPITAL ONE LLC – 10% | 683 CAPITAL MANAGEMENT, LLC – 7% | IRON COMPASS NORTH PARTNERS LP – 5%
- Screen: 13D

RESEARCH

1. Termination of the founder and exit of the founders and senior executives

- In 2004, Mogens Smed, Barrie Loberg, and Geoff Gosling co-founded the company. Smed served as CEO, Loberg as VP of software development, and Gosling as VP of product development.
- In January 2018, the company fired Smed as CEO, but he continued as director of the company.
- Within eight months, in September 2018, he left the company.
- Subsequently, In January 2019, the company's COO (Tracy Baker) and its co-founder and VP of software development (Barrie Loberg) resigned.

2. Resigned founders started another company

- **Falkbuilt:** In February 2019, Mogens Smed and Barrie Loberg founded Falkbuilt, a manufacturer of digital construction components and a developer of software, bringing efficiencies

to design, manufacturing and construction.

- On May 9, 2019, the company filed a lawsuit against Mogens Smed and Barrie Loberg.
 - The company alleged that its co-founders had started an interior construction and manufacturing company that it believes competes with the company.
 - The litigation is still ongoing. Please read the latest 10-Q.

3. Declining revenue AFTER the exit of the founders

- The company appointed Kevin O'Meara as CEO in September 2018. He revamped the executive team and unveiled his plan to hit \$500mm in revenue by 2023.
- Nevertheless, the company's revenue started to decline after the exit of the founders. Revenue declined by 47% from \$275mm in FY 2018 to \$147mm in FY 2021.

Growth rate during the founder's tenure

(\$,mm)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenue	111	139	132	162	171	199	227	275
Growth rate		26%	-6%	23%	5%	17%	14%	21%

Growth rate AFTER the exit of the founders

(\$,mm)	FY 2019	FY 2020	FY 2021
Revenue	248	172	147
Growth rate	-10%	-31%	-14%

Quarterly performance	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
Revenue growth	-1%	-12%	-29%	-37%	-34%	-29%	-21%	-28%	-3%	-26%

4. 22NW Fund, LP, wants to replace the entire board:

- In November 2021, 22NW Fund (18.9%) requested the company to call for a special meeting in order to remove six of the independent directors and replace them with 22NW Fund's nominees.
- The company responded to it, stating that it will disrupt the company's operations and strategy and will divert the attention of directors and the management team in executing its strategic plan.
- Special meeting to be held in April 2022: On December 7, 2021, the company announced that its board of directors, in response to a requisition made by 22NW Fund, LP, has called an annual and special meeting

of shareholders to be held on April 26, 2022.

OUR COMMENTS

- DIRTT Environmental Solutions is the largest position of 22NW Fund – 14% of total portfolio value; 1st largest position. So, we expect the 22NW Fund to be aggressive in improving the shareholder value.
- It is not surprising that 22NW Fund wants to remove the entire board – the board is responsible for the termination and exit of the entire founder team.
- We don't know the plan of 22NW Fund. The fund may push the company to acquire the founder's company and bring him and his team back on board.

Digi International (DGII): Migration to recurring revenue business model; recent big-ticket acquisition

- Market Cap: \$777 million | Digi International is a leading global provider of business and mission critical Internet of Things products, services and solutions.
- Major shareholders – BLACKROCK INC – 15% | MAIRS & POWER INC – 7% | DIMENSIONAL FUND ADVISORS LP – 6% | VANGUARD GROUP INC – 6% | FMR LLC – 6% | ROYCE & ASSOCIATES LP – 5%
- Screen: 8-K keywords

I. BASIC

- The company is a global provider of business and mission-critical Internet of Things ("IoT") connectivity products, services and solutions. The company helps its customers deploy, monitor and manage critical communications infrastructures that deliver important information in demanding environments with high levels of security and reliability.
- IoT Products & Services (86% of revenue) - Offers products and services that help original equipment manufacturers ("OEMs"), enterprise and government customers create and deploy, secure IoT connectivity solutions.
- IoT Solutions (14% of revenue) - Offers wireless temperature and other condition-based monitoring services as well as employee task management services.

I. WHAT WE LIKE

1. Strong financial performance

- 11% CAGR growth: In the last five years, the company's revenue has grown at a CAGR of 11.2%.
- In the last five years, the company's gross margin increased from 48.9% in FY 2018 to 55.5% in LTM June 2021. This increase is due to the greater mix of recurring revenue.
- 16th consecutive year of profitability: FY 2021 marks the company's 16th consecutive year of profitability.
- Strong outlook: The company expects its revenues to grow between 16% and 23% in FY 2022 and the adjusted

EBITDA to grow at a faster rate of between 35% and 55%.

2. Asset-light business

- The company spends roughly 3%-4% of the revenue on CAPEX.
- The company owns the design and relies on third-party manufacturers for the manufacturing of its products.

3. Strong growth in IoT solutions segment (predominantly recurring in nature)

- The company's IoT solutions segment, which accounts for roughly 15% of total revenue, primarily consists of SmartSense by Digi® business.
- Recurring revenue: This segment generates a significant portion of its revenue through subscription-based contracts. These subscriptions are generally in a range from one to five years.
- Strong growth: This segment grew from \$0.7 million in FY 2016 to \$44 million in LTM June 2021.
- SmartSense by Digi helps customers monitor temperature and other conditions important to preserve the quality of perishable or other sensitive inventories and tracks the completion of employee tasks.
- Site growth: As of September 30, 2021, SmartSense by Digi served nearly 81,000 customer sites for many leading brands in the following vertical markets: foodservice, healthcare (primarily pharmacies), and supply chain. Sites that Digi serves grew to 81,000 sites from 70,000 sites in FY 2020.

4. Strategy going forward: Some of the hardware products that are sold by the company are approaching the end of their product life cycles. As part of its long-term strategy, the company intends to sell software applications and IoT solutions such as SmartSense by Digi® and its newly acquired Ventus offerings, which will provide recurring revenues at relatively high gross margins.

5. Awards: In November 2021, the company received the IoT Deployment of the Year Award from IoT World for its pilot project with the Chicago Transit Authority (CTA) and City Tech Collaborative.

II. WHY ARE WE FLAGGING THIS NOW?

Acquisition of Ventus Holdings:

- Ventus is the 9th acquisition under the current CEO's 7-year tenure.

- Transaction: In November 2021, the company acquired Ventus Holdings for approximately \$347 million, which is just over eight times annualized recurring revenues (ARR).
- Ventus acquisition is the largest in Digi's 36-year history.
- Annual recurring revenue (ARR) was \$45 million as of June 2021.
- Recurring revenue & low churn rate: Ventus services >170,000 sites, and its annual churn over the past five years was less than 1%.
- Ventus is a leader in managed network as a service (MNaas).
- Growing revenue: Ventus revenue for the first six months of 2021 increased by 17% to \$25.9 million.



Gross Margins >50%; A-EBITDA Margins >15%

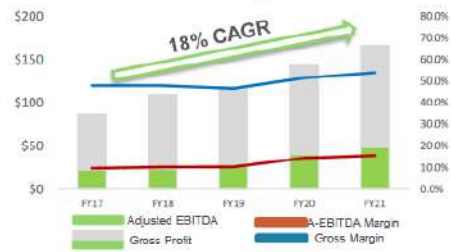
Margin Drivers:

- ↑ Increase of High-Margin Recurring Revenues
- ↑ Opengear Acquisition
- ↑ Increase in IoT Solutions

A-EPS Drivers:

- ↑ Revenue Growth
- ↑ Improved Profitability
- ↑ Non-Dilutive Acquisitions

Gross Profit and Adjusted EBITDA



Adjusted EPS



Ichor Holdings (ICHR): Huge market share; high switching cost; recent acquisition

- Market Cap: \$1.4 billion | Ichor Holdings is a leader in the design, engineering, and manufacturing of critical fluid delivery subsystems for semiconductor capital equipment.
- Shareholders: Major shareholders – BLACKROCK INC – 18% | VANGUARD GROUP INC – 8% | DIMENSIONAL FUND ADVISORS LP – 3% | STATE STREET CORP – 3% | FMR LLC – 2%
- Screen: 8-K keywords

I. BASICS

- The company manufactures critical fluid delivery subsystems and components for semiconductor capital equipment. Fluid delivery subsystems ensure accurate measurement and uniform delivery of specialty gases and chemicals at critical steps in the semiconductor manufacturing processes.
- Mission-critical: Any malfunction or material degradation in fluid delivery reduces yields and increases the likelihood of manufacturing defects in these processes.
- OEMs outsource the gas delivery subsystem: Most OEMs outsource all or a portion of the design, engineering, and manufacturing of their gas delivery subsystems to a few specialized suppliers, including the company.
- Types of fluid delivery subsystems:
 - Gas delivery subsystems deliver, monitor, and control precise quantities of the specialized gases used in semiconductor manufacturing processes.
 - Chemical delivery systems and subsystems precisely blend and dispense the reactive liquid chemistries used in semiconductor manufacturing processes.
 - The company also manufactures precision machined components, weldments, and proprietary products for use in fluid delivery systems.

II. WHAT WE LIKE

1. Signs of moat

- Market share
 - In the gas delivery market, the company enjoys roughly 33% market share.
 - In chemical delivery, the company serves less than 10% of the market.
- High switching cost: The company and its customers engage very early in the process for new product development. With this process, the company has early insight into customers' technology roadmaps, which helps the company to become the sole source supplier when the product is initially introduced.
- Strong relationship
 - In 2020, the company's two customers, Lam Research and Applied Materials, accounted for approximately 52% and 35%, respectively, of sales.
 - Since 2014, Lam Research and Applied Materials have been the top two customers of the company.
 - In 2020, the company's revenue from these two customers contained 42 different product lines utilized in 13 unique manufacturing process steps.
- Patents: As of December 25, 2020, the company has 52 patents.

2. Strong financial performance

- Strong revenue growth: The company's revenue grew from \$250 million in FY 2014 to \$1.05 billion in LTM September 2021, predominantly due to

organic growth and, to a lesser extent, due to acquisition.

- In the Q4 2020 conference call, the CEO claimed that over the last five years, the company's revenue grew by 26% compared to the 13% growth experienced by the wafer fab equipment (WFE) industry.
- **Strong profitability**
 - Operating income steadily grew from \$5.8 million in FY 2014 to \$82 million in FY LTM Sep 2021.
 - **Hiccups**: The company's profitability declined in 2019 due to lower factory utilization, resulting from reduced demand for semiconductor capital equipment during much of 2019. The company's profitability again took a hit in 2020, primarily due to increased costs to operate the company's production facilities in response to the COVID-19 pandemic. Subsequently, in the LTM September 2021, the company's profitability improved significantly due to increased demand.
- **Strong free cash flow**
 - In the last ten years, the company has generated a strong free cash flow. In the LTM September 2021, the company generated \$82 million, which is roughly 8% of trailing 12-month revenues.
 - The company is not capital intensive. The company spends less than 2% of sales towards CAPEX.

III. WHY ARE WE FLAGGING NOW?

a) Acquisition of IMG:

- In November 2021, the company acquired IMG Companies, LLC ("IMG") for approximately \$270 million. IMG

provides precision machining, welding, brazing, and surface treatment to the semiconductor, medical, and defense & aerospace industries.

- This acquisition will expand the company's customer base, with positions in rapidly-growing segments of the medical, aerospace, and defense industries.
- On an annual basis, the company expects IMG to contribute \$70 to \$80 million (approximately 7.5% of the company's revenue) of incremental revenue. It expects the acquisition to contribute adjusted EBITDA of \$20 to \$22 million.

b) Significant acquisitions under the new CEO?

- **New CEO**: In January 2020, the company appointed its CFO (since 2017), Jeffrey Andreson, as CEO. For seven years, Mr. Andreson served as CFO of Intevac, Inc., a leading supplier of thin-film processing equipment and digital night vision technologies.
- In the Q4 2020 conference call, the CEO announced that "acquisitions are an important part of our growth story."
- The recent acquisition is peculiar for two reasons-
 - The current \$270 million IMG acquisition is the largest in the company's recent history. Why?
 - Between 2016 and 2020, the company acquired six companies for roughly \$200 million, and the combined revenue of the acquired company was over \$230 million. As such, the recent acquisition seems very pricy – the company paid 3.4-4 times of revenue.

Turtle Beach Corporation (HEAR): Amendment of severance plan; potential sale?

- Market Cap: \$404 million | Turtle Beach Corporation is one of the world's leading gaming accessory providers.
- Major shareholders - DONERAIL GROUP LP – 7% | BLACKROCK INC – 6% | VANGUARD GROUP INC – 5% | HARBERT FUND ADVISORS, INC – 3% | AWM INVESTMENT COMPANY, INC – 3%
- Screen: 8-K Keywords

I. BASIC: The Company provides headsets, keyboards, mice, microphones, and more.

II. RESEARCH

1. Huge market share

- In 2020, Turtle Beach was the leading console gaming headset manufacturer in North America, with an over 45%-dollar share of the market.
- The company makes keyboards, mice, headsets, mousepads, and other PC accessories under its ROCCAT brand.
- In the UK, the company had over 40% of the console market share in 2020, as reported by GfK Global.

2. Patents: The company has over 250 patents.

3. Erratic financials

- The company's past financial performance is very erratic. From 2011 to 2018, the company's revenue hovered between \$149mm and \$287 million. The company generated record revenue in FY 2020 predominantly due to stay-at-home orders. In the recent quarter, the company's revenue declined by 24%.

4. Debt-free balance sheet.

5. Outlook: In 2021, the company expects its revenue to be in the range of \$365 to \$380 million and adjusted EBITDA in the range of \$36 to \$44 million.

III. WHY ARE WE FLAGGING NOW?

1. Proposal to acquire the company:

- Long story short: The company rejected the two offers from Donerail - a \$34.5/share bid and \$36.5/share bid (Aug 2021).
- The board indicated that it would only be willing to re-engage if Donerail were to provide a proposal at a meaningfully higher price.
- Increased ownership: In October 2021, Donerail Group increased its ownership to 7.4% from 6.9%.
- Donerail founder is a former employee of Starboard: William Wyatt, the managing member of the firm, served as the portfolio manager of Starboard Value fund between 2015 and 2018.

2. Amended severance benefits

- In November 2021, the company amended the severance plan for the executives when "changes in control" occurred.

Our comments

1. The board seems to be open to selling the company – that's what the board conveys through its press releases.
2. The recent change in severance package gives a strong hint that the company is seriously considering selling the company.

ArcBest Corporation (ARCB): Acquisition of asset-light brokerage firm

- Market Cap: \$2.9 billion | ArcBest is a leader in supply chain logistics.
- Major shareholders - BLACKROCK INC – 16% | VANGUARD GROUP INC – 10% | DIMENSIONAL FUND ADVISORS LP – 7% | STATE STREET CORP – 4% | GOLDMAN SACHS GROUP INC – 2%
- Screen: 8-K keywords

I. BASICS

- Asset-Based segment (68% of revenue): The company provides Less Than Truckload (LTL) freight transportation services. What is LTL? LTL means smaller shipments through motor carrier operations.
- Asset-light operations (32% of revenue) – It provides logistics services using third-party vendors to provide transportation services. The Company utilizes a third-party carrier for pickup and delivery but remains primarily responsible to the customer for delivery. Through this segment, the company provides both a) supply chain management service and b) commercial vehicle maintenance and repair.

II. WHAT WE LIKE

- One of the top 10 players: In the LTL market, the top 25 companies make most of the revenue. FedEx and UPS are the two significant cross-border and small parcel shipping players. ArcBest is one of the top 10 players in LTL freight transportation services.
- Strong industry demand: LTL plays a significant logistic role in the increased e-commerce play in retail sales.
- **Strong recent quarterly performance**
 - Record 3rd quarter: In Q3 2021, the company achieved the highest quarterly revenue and operating income in the company's history.
 - In Q3 2021, revenue was \$1.0 billion, an increase of 28% compared to the same prior-year period.

- In Q3 2021, adjusted EBITDA increased to \$122 million compared to \$74.8 million in Q3 2020.

- In Q3 2021, the company secured an average 8.6% increase on asset-based customer contract renewals and deferred pricing agreements, which was the highest quarterly increase of any quarter in the company's history.

III. WHY ARE WE FLAGGING THIS?

1. Acquisition of fastest-growing truckload brokerages in America

- In November 2021, the company acquired MoLo Solutions, LLC for \$235 million (+ earnout payments based on 2023, 2024, and 2025 adjusted EBITDA of MoLo).
- Asset light business: MoLo Solution is a Chicago-based truckload broker.
- 100% revenue growth in 2020: MoLo revenue in 2020 was \$274 million, an increase of more than 100% over the previous year, and MoLo expects revenue of approximately \$600 million in 2021.
- Fastest growing company: Ranked #1 in the Transportation & Logistics industry on the "2021 Inc. 5000 Fastest-Growing Private Companies in America."
- Post-acquisition: The combined company's revenue would be \$4.1 billion, a 13.9% increase to LTM ended September 2021 revenue.
- Excellent article about the founder of MoLo. <https://www.freightwaves.com/news/andrew-silver-freight-prodigy-hottest-brokerage-chicago>

2. \$100mm buyback (3.5% of the o/s shares)

- In November 2021, the company announced an accelerated share repurchase program to repurchase \$100 million worth of shares.
- This equates to roughly 3.5% of the o/s shares of the company.

Suggested further readings

- <https://www.joc.com/trucking-logistics/physical-retailers%E2%80%99-e-commerce-shifting-back-stores-us-data-20210830.html>
- <https://www.joc.com/trucking-logistics/joc-rankings-e-commerce-drives-lopsided-us-trucking-revenue-expansion-20210421.html>

COMBINED COMPANY TO BENEFIT FROM ENHANCED SCALE

Leading Customer Delivery Platform in Growing Domestic Transportation Management Marketplace [\$91 Billion*]

	ArcBest		MoLo	ArcBest + MoLo
Revenue ⁽¹⁾	\$1.2B <small>Asset-Light</small>	\$2.3B <small>Asset-Based</small>	\$600M <small>Asset-Light</small>	\$4.1B
Customers	~30,000		~500	~30,500
Employees	~14,000		~500	~14,500
Carriers	~40,000		~45,000	~70,000 <small>(Net of overlap)</small>
Expertise	Nearly 100-year history as a trusted logistics provider		TL brokerage and entrepreneurial mindset	Improved value proposition for customers, carriers, employees and shareholders

*Source: Armstrong & Associates, as of August 2021

6

CONTINUING GROWTH MOMENTUM AND STRATEGY ADVANCEMENT AT ARCBEST

STRONG BUSINESS MOMENTUM

Year-to-Date September 2021 Revenue Growth⁽¹⁾:

Consolidated 32%
Asset-Based 24%
Asset-Light ArcBest 55%⁽²⁾

Year-to-Date September 2021 Asset-Based Operating Ratio of 89.6%⁽³⁾

SOLID FINANCIAL POSITION

(As of 6/30/21)

Cash Balance:
\$423M (\$185M Net Cash)

Debt Maintenance:
0.7X Debt to LTM EBITDAR⁽⁴⁾

Total liquidity:
\$662M

STRATEGIC PROGRESS

Focused hiring/retention initiatives in both Asset-Based and Asset-Light

Increasing investments in Asset-Based equipment and real estate

High customer retention levels (increases by 10 percentage points when multiple solutions are provided)

ArcBest

See footnotes in Additional Information's section of this presentation (3) and (4) reflect Non-GAAP results

3

ANI Pharmaceuticals (ANIP): Recent acquisition

- Market Cap: \$576 million | ANI Pharmaceuticals is developing, manufacturing, and marketing branded and generic prescription pharmaceutical products.
- Major shareholders – BLACKROCK INC – 11% | VANGUARD GROUP INC – 5% | THOMPSON SIEGEL & WALMSLEY LLC – 3% | STATE STREET CORP – 3% | DIMENSIONAL FUND ADVISORS LP – 2%
- Screen: 8-K Keywords

RESEARCH

1. New CEO is a former head of CIPLA USA

- In September 2020, the company appointed Nikhil Lalwani as CEO.
- Prior to joining the company, he led CIPLA USA, a division of Cipla Limited. Cipla is the third-largest pharmaceutical company in India.

2. Notable changes after the appointment of the new CEO

- Significant management changes: Three executives who worked with Mr. Lalwani at Cipla USA joined the company: head of supply chain, head of sales, and director of marketing operations. In fact, Cipla USA filed a lawsuit for poaching. You can find more details at the end of this report.
- Acquisition of new drug applications: In April 2021, the company acquired new drug applications for OX-ISTAT® Lotion, VEREGEN® Ointment, and Pandel® Cream, and the ANDA for ApexiCon® E Cream from Sandoz Inc.
- New drug application: The company is on track to submit a more robust supplemental new drug application in 2Q 2021 – the CEO claims that it has the highest degree of confidence that it will be accepted and ultimately approved by the FDA.

2. Recent acquisition: Novitium Pharma

- At the time of the appointment, he mentioned that he would grow the company through acquisitions.

- In November 2021, the company acquired Novitium Pharma for roughly \$164 million.
- Novitium Pharma is a pharmaceutical company with development, manufacturing, and commercialization capabilities.
- Financials:
 - In 2020, Novitium's revenue was \$53.1 million, and its net income was \$12.4 million.
 - For the nine months ended September 2021, Novitium's revenue was \$47.2 million, and its net income was \$15.5 million.
- Notable points
 - 20+ products in 2021 and 2022: Novitium anticipates launching 25+ additional products in 2021 and 2022, including products with US Food and Drug Administration ("FDA") Competitive Generic Therapy ("CGT") designation.
 - Novitium received thirteen approvals since March 2021, several of which were limited competition launches.
 - 25% revenue increase in Pro-forma: The company's pro-forma revenue in 2020 with Novitium was \$261.6 million (25.5% increase) with a net loss of \$33.9 million.

Notes

Recent lawsuit by CIPLA USA against Nikhil Lalwani and ANI Pharmaceuticals

In November 2021, CIPLA USA filed a lawsuit against Nikhil Lalwani and ANI Pharmaceuticals, alleging poaching and breach of confidentiality agreement.

Corporate executives frequently move between companies and even competitors. However, Lalwani did not just leave to work for a competitor—he concocted, in conjunction with ANI and while he was still an employee at Cipla, a scheme to poach key members of Cipla’s commercial and supply chain leadership team—i.e., Cipla’s Head of Supply Chain, Cipla’s Head of Sales, and Cipla’s Director of

Marketing Operations—to enhance ANI at Cipla’s expense and to obtain Cipla’s trade secrets.

Lalwani and ANI executed this scheme while deceiving Cipla regarding Lalwani’s true intentions and misrepresenting the true nature of Lalwani’s actions. Worse yet, Cipla believes that the scheme may be ongoing, and that Lalwani and ANI continue to attempt to poach Cipla employees.

Franchise Group (FRG): A short note on the recent big-ticket acquisition

- Market Cap: \$1.8 billion | Franchise Group, Inc. is an operator of franchised and franchiseable businesses.
- Major shareholders - VINTAGE CAPITAL MANAGEMENT LLC – 30% | BLACKROCK INC – 5% | HOOD RIVER CAPITAL MANAGEMENT LLC – 4% | B. RILEY FINANCIAL, INC – 3% | VANGUARD GROUP INC – 3%
- Screen: 8-K Keywords

RESEARCH – RECENT UPDATE

We profiled this company in May 2021.

Acquisition of WS Badcock Corporation:

- In November 2021, the company acquired WS Badcock Corporation for roughly \$580 million.
- WS Badcock Corporation is a leading home furnishings company in the Southeast US and has 383 stores in eight southeastern states comprised of 68 corporate locations and 315 independent dealer-owned stores.
- **Financials:** For FY June 30, 2021, Badcock generated consolidated revenue of approximately \$902 million and adjusted EBITDA of roughly \$140 million.

Pro-forma revenue of the combined company (FY 2020): \$3.0 billion, an increase of 41.8% from the company's revenue of \$2.1 billion in 2020.

The following notes are from May 2021 report

a) Roll-up strategy under the new CEO

Initially, the company was a provider of tax preparation services in the US and Canada since 1996 by the name Liberty Tax, Inc.

- **CEO fired and board changes:** In September 2017, the company terminated the employment of John T. Hewitt as

CEO due to inappropriate conduct. Subsequently, in July 2018, Mr. Hewitt sold all his shares to Vintage Capital Management and resigned as directors.

• New CEO:

- The majority of the current board of directors were appointed after the involvement of Vintage Capital.
- In October 2019, the company appointed Brian R. Kahn as CEO. Mr. Kahn is the founder and investment manager of Vintage Capital.
- Brian R. Kahn founded and has served as the investment manager of Vintage and its predecessor, Kahn Capital Management, LLC, since 1998. Vintage Capital is a value-oriented, operations-focused private and public equity investor specializing in the defense, manufacturing, and consumer sectors with a 20-year track record of consistently successful returns.
- **Roll up Strategy:** After the appointment of Mr. Kahn, the company acquired plenty of companies: Pet Supplies Plus (March 2021, \$700 million), American Freight (February 2020, \$358 million), Vitamin Shoppe (December 2019, \$162 million), Sears Outlet (October 2019, \$129 million), Buddy's Home Furnishings (July 2019, \$122 million).
- **Divestiture:** In February 2021, the company entered into an agreement to sell the Liberty Tax business for \$243 million and intends to use the cash proceeds to repay debt.

- Due to acquisitions, the company's indebtedness and capital lease obligations increased from \$20 million to \$1.9 billion as of March 2021.

b) Insider buying

- In May 2021 Mr. Kahn bought \$36 million worth of shares @ \$36 per share.

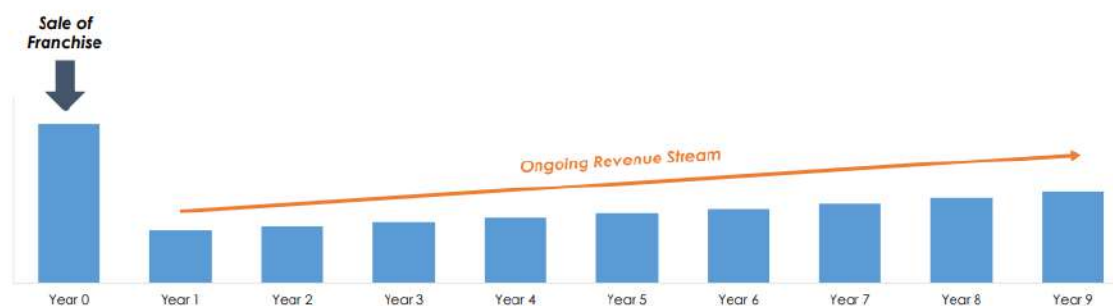
As of May 2021, Vintage Capital holds 30.7% stake in the company.

- In May 2021, Patrick A. Cozza (Directors since 2018) bought \$0.1 million worth of shares @ \$34.35 per share.
- In June 2021, Andrew M. Laurence (Executive Vice President since October 2019) bought \$1.8 million worth of shares @ \$36 per share. He is a Principal of Vintage Capital.

4 Refranchising strategy creates significant cash inflows to de-lever and encourages area development

Franchising Update
<ul style="list-style-type: none">• Actively evaluating refranchising and new franchising opportunities• Experienced professional staff at FRG and brand level to sell, train and support franchisees• Implementing cloud-based solutions for efficient management and growth• All brands are now available for franchising• PSP is ~60% franchised today; Buddy's is ~85%
Notional Refranchise
<ul style="list-style-type: none">• On November 11th, refranchised 47 Buddy's locations for \$35 million and signed a development deal for 20 new locations

\$, not to scale



Net 1 UEPS Technologies (UEPS): Insider buying; recent acquisition (short notes)

- Market Cap: \$249 million | Net 1 UEPS Technologies, Inc. is a leading financial technology company that utilizes its proprietary banking and payment technology to deliver on its mission of financial inclusion through the distribution of low-cost financial and value-added services to underserved consumers and merchants in Southern Africa.
- Major shareholders - VALUE CAPITAL PARTNERS (PTY) LTD - 20% | GOLDMAN SACHS GROUP INC - 7% | KABOUTER MANAGEMENT, LLC - 3% | MORGAN STANLEY - 3% | THOMPSON SIEGEL & WALMSLEY LLC - 2%
- Screen: 8-K Keywords & insider buying

RECENT UPDATES

1. New CEO

- Chris G.B. Meyer has been the Group's chief executive officer since July 1, 2021.
- Insider buying - In November 2021, the CEO bought \$0.65 million worth of shares at an average price of \$5.6 per share.

2. Connect Group acquisition: In November 2021, the company entered into an agreement to acquire Connect Group for roughly \$242.0 million.

- The Connect Group is a leading provider of financial technology solutions to nearly 44,000 micro, small and medium enterprises ("MSMEs") in Southern Africa.
- **Financials:** For the year ended February 28, 2021, the Connect Group's net revenue was approximately ZAR 1.1

billion (\$67 million) (51% of Net 1 UEPS Technologies' FY 2021 revenue).

- **Increase in the customer base:** The Connect Group provides financial technology solutions to nearly 44,000 micro, small and medium enterprises ("MSMEs") in Southern Africa.
- **Growth:** In its last financial year ended February 28, 2021, the Connect Group grew EBITDA by approximately 30%.

3. Insider buying

- In November 2021, the company's insider (CEO) bought \$0.65 million worth of shares at an average price of \$5.62 per share.
- In 2021, the company's insider bought \$4.0 million worth of shares at an average price of \$5.42 per share.

13D filing – November 1 2021 to 10th December 2021

Van Herk Investments intends to nominate a director candidate to Galapagos, NV

Market Cap: \$3.5 billion | Galapagos NV, a clinical-stage biotechnology company, discovers, develops, and commercializes various small molecule medicines.

On November 2, 2021, Van Herk Investments disclosed a 7.1% active stake in the company and provided notice to the company of its intent to nominate Mr. Dharminder Chahal for election to the board. [Source](#)

Voss Capital initiated discussions with American Outdoor Brands

M.Cap: \$324 million | American Outdoor Brands, Inc. provides outdoor products and accessories for rugged outdoor enthusiasts in the United States and internationally.

On November 29, 2021, Voss Capital disclosed a 4% active stake in the company and stated that it has engaged, and expects to continue to engage, in discussions with management and the board. [Source](#)

Land & Buildings nominate Donna Brandin and Jonathan Litt for election to the Board of Lexington Realty Trust

M.Cap: \$4.3 billion | Lexington Realty Trust (NYSE: LXP) is a publicly-traded real estate investment trust (REIT) that owns a portfolio of real estate assets consisting primarily of equity investments in single-tenant net-leased industrial properties across the United States.

On December 6, 2021, Land & Buildings Investment Management filed proxy materials nominating two director candidates for election to the board at the upcoming 2022 AGM. In connection with its nominations, Land & Buildings stated: "Lexington's track record of underperformance speaks volumes. During the 18-year tenure of CEO T. Wilson Eglin, the management team and the board have consistently failed to close the discount between the company's net asset value and its share price, or deliver shareholder returns on par with peers. Further, LXP's earnings have declined by 60% during the same period, and its dividend has been reduced by over 60%. Inexplicably, Mr. Eglin has been paid more than \$65 million in total compensation for overseeing this value destruction." [Source](#)

Praetorian Capital Management comments on Lee Enterprises and the takeover proposal it received from Alden Global Capital

Market Cap: \$146 million | Lee Enterprises, Incorporated provides local news and information, and advertising services in the United States.

Background

Alden Global Capital and MNG Enterprises

- On November 22, 2021, Alden Global Capital together with MNG Enterprises (together 6.3%) delivered a non-binding proposal to the Board in respect of a potential offer by Alden to acquire all of the outstanding shares of common stock at a price per share equal to \$24.00 in cash. [Source](#)

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- On November 29, 2021, Alden Global Capital, LLC together with MNG Enterprises announced that they delivered a notice of nomination of three individuals to serve on the Board. [Source](#)

Cannell Capital

- On December 27, 2018, Cannell Capital disclosed a 4.22% active stake in the company expressing its disappointment with the performance of the company and stated that it reserves all rights to take action to enhance value for all shareholders and to this end has identified six qualified directors, three of whom are considering consent for inclusion officially as candidates. [Source](#)
- At the [AGM](#) held on February 20, 2019, all the incumbent directors were re-elected to the Board.
- On February 19, 2021 Cannell Capital (8.64%) stated that it has enjoyed a telephone call with Lee Enterprises Chairman Mary E. Junck in which it proposed and requested a reply to a recommendation for the addition of a new member to the Board of Directors. Cannell Capital believes that the company is undervalued and that the appointment of this new member of the Board would go a long way toward decreasing the discount between LEE's market value and its estimate of LEE's economic value. On February 26, 2021, Ms. Junck replied to Cannell Capital dismissing its recommendation and request. While Cannell Capital applauds the progress that the company has made, it believes that there is considerably more work to be done and that changes to the Board of Directors would benefit all shareholders. [Source](#)
- On August 31, 2021, Cannell Capital (6.84%) sent a [letter](#) to the Chairwoman of the Board calling upon all owners to infuse the LEE board with more forward-thinking people to accomplish the mission and increase value for all shareholders. In its letter, Cannell Capital included two attachments, its thesis, which values Lee's current shares at \$205 per share *assuming* (and a very important assumption) new stewardship, and a list of questions for LEE. Cannell Capital reiterates the morality and benevolent intent of LEE's management and the BOD. To read more, kindly [click here](#).
- On September 23, 2021, Cannell Capital increased its stake to 8.21%.

Update:

Praetorian Capital Management

On December 8, 2021, Mr. Kupperman, Praetorian Capital Management (7.31%) sent a [letter](#) to the board expressing his opinion that the Alden's proposed purchase price was clearly insufficient and grossly undervalued the business.

Valuation insight

I believe the shares are worth north of \$100 today and likely worth a few hundred each if the digital transformation continues at the current pace. The only reason that the shares trade where they do, is that investors have yet to realize that while the traditional print newspaper business slowly declines, the digital business has been growing rapidly, becoming an increasingly substantial percentage of the total business. Based on third quarter, 2021 numbers, LEE's digital business grew revenue by 48.3% over the prior year, with digital subscriber count growing by 50.5%. A full 33.4% of the company's revenue and almost half of the company's adjusted EBITDA now comes from this rapidly growing

digital business. I believe that by 2023, approximately half of revenue and two-thirds of adjusted EBITDA will come from the digital business.

LEE has produced Trailing Twelve Month (TTM) Adjusted EBITDA of \$116.2 million and this is despite the effects of COVID on the local marketing business and before the full synergies of the BH Media merger could be realized. I believe the company can earn north of \$150 million of Adjusted EBITDA in 2023 and if LEE traded at 15 times Enterprise Value (EV) to Adjusted EBITDA (adjusted for debt paydown), it would still trade at a discount to more dominant papers like the New York Times (NYT) at approximately 20 times EV/EBITDA, yet trade for north of \$300 per share.

Samuel J. Braun, a private investor, initiated an active stake in KemPharm

Market Cap: \$283 million | KemPharm, Inc., a specialty pharmaceutical company, discovers and develops various proprietary prodrugs to treat serious medical conditions in the United States.

On December 1, 2021, Samuel J. Braun (9.6%) announced that he has engaged, and intends to continue to engage, in communications with the board and management team regarding opportunities to maximize stockholder value, including, without limitation, by terminating the company's at-the-market offering and authorizing and executing a share repurchase program, and regarding potential candidates to serve as directors of the company. [Source](#)

Tremblant Capital Group pushes Skechers for changes to boost company's value

Market Cap: \$7 billion | Skechers U.S.A., Inc. designs, develops, markets, and distributes footwear for men, women, and children; and performance footwear for men and women under the Skechers brand worldwide.

On December 1, 2021, Tremblant Capital Group disclosed a 5.1% active stake in the company and sent a letter (refer, "[Exhibit A](#)") to the board urging it to eliminate dual share class structure, start an aggressive share buyback program, pay a dividend, host an investor day, and hire someone to lead investor relations. While Tremblant praised the controlling Greenberg family's management of the brand, it raised concerns about whether the family's interests are fully aligned with shareholders, a mismatch that it said contributes to Skecher's shares trading at a significant discount to peers. Tremblant said that if its suggestions were implemented, they could add \$4 billion in incremental value to the Greenberg's \$1.1 billion stake over the next decade.

Comrit Investments nominates a Director Candidate for election to New York City REIT's Board

Market Cap: \$86 million | New York City REIT, Inc. (NYSE: NYC) is a publicly-traded real estate investment trust listed on the NYSE that owns a portfolio of high-quality commercial real estate located within the five boroughs of New York City.

On December 1, 2021, Comrit Investments nominated a director candidate to the board. It stated that it is concerned that despite stockholders enduring stock price depreciation

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of approximately 60% over the past 15 months, the company paid more than \$11.2 million in 2020 and \$10.5 million in 2019 in management fees and reimbursements to its advisor and property manager, which are entities owned and controlled by AR Global Investments, LLC. [Source](#)

Kanen Wealth Management delivered a letter to the Board of Lazydays Holdings

Market Cap: \$239 million | Lazydays Holdings, Inc. operates recreation vehicle (RV) dealerships under the Lazydays name in the United States.

On November 30, 2021, Kanen Wealth Management/ Philotimo Fund disclosed an 8.3% active stake in the company and delivered a [letter](#) to the stockholders calling on the board to initiate a CEO search to replace the company's current CEO, William Murnane. While Kanen believes Mr. Murnane has helped stabilize the company over the previous twelve years, under his tenure, the company has underperformed relative to its closest peers and has made poor capital allocation decisions. Moreover, he urged the board to repurchase shares.

Custodian Ventures/ Activist Investing initiates an active stake in Schmitt Industries

Market Cap: \$21 million | Schmitt Industries, Inc., together with its subsidiaries, designs, manufactures, and sells test and measurement products worldwide.

Background:

Sententia Capital Management

On August 16, 2018, Sententia Group (7.5%) delivered a letter to the company nominating two candidates for election to the board at the 2018 AGM. [Source](#). At the AGM held on October 12, 2018, shareholders elected Sententia nominees. [Source](#)

Update:

Custodian Ventures/ Activist Investing

On November 19, 2021, Custodian Ventures/ Activist Investing issued a [press release](#) disclosing a 9.9% active stake in the company. David Elliot Lazar, chief executive officer of Activist Investing, issued the following statement: "We are pleased to announce our significant investment in Schmitt given the meaningful opportunity we believe the Company represents and are eager to begin working with the Board of Directors and management to actively explore potential strategic options to drive shareholder value."

Voss Capital nominates three candidates for Griffon Corp. Board

Market Cap: \$1.5 billion | Griffon Corporation, through its subsidiaries, provides consumer and professional, and home and building products in the United States, Europe, Canada, Australia, and internationally.

On November 23, 2021, Voss issued a [press release](#) and public letter to the board and announced its nomination of three candidates for election as directors of the company.

Voss Capital stated that the best way to remedy the perpetual conglomerate and governance discount to the company's stock is to take the following steps: (i) immediately refresh the board with truly independent directors who will hold management accountable, (ii) bring management compensation in line with comps and base incentive pay on metrics that more accurately reflect value creation for shareholders (e.g., ROIC), and (iii) form an independent committee of the board to conduct a comprehensive strategic review with the goal of maximizing shareholder value.

Valuation insight

Voss Capital stated that "During one of our attempts to share our view on Griffon with Mr. Kramer (Chairman of the Board), he admitted to us that the Home and Building Products business alone, if valued at the current average transaction multiple of 12x EBITDA, would recoup more than Griffon's entire enterprise value. However, despite this admission, he claims that now is not the time to sell".

Engaged Capital delivered a letter to the Board of Quotient Technology

Market Cap: \$712 million | Quotient Technology Inc. operates as a digital media and promotions technology company that offers power integrated digital media and promotions programs for brands and retailers.

On November 17, 2021, Engaged Capital (6%) issued a public [letter](#) to the board expressing its concerns with the company's consistently poor performance, both in regards to share price and operations. Engaged Capital believes that rather than taking decisive action to remedy the weak operating and share price underperformance, the board has selfishly focused on employing strategies to further entrench itself. Also, on November 17, 2021, Engaged Capital delivered a letter to the company formally requesting an exemption to be granted by the board under the NOL Pill to allow Engaged Capital to acquire up to 9.99% of the then outstanding shares.

Neuberger Berman Group initiates active stake in Fluidigm Corporation

M.Cap: \$346 million | Fluidigm Corporation creates, manufactures, and markets technologies and life sciences tools worldwide.

On November 8, 2021, the company announced that its board is undertaking a review of various options to maximize stockholder value, including with regard to strategic alternatives, cost and capital structure, and operations and supply chain. In light of this announcement and Neuberger Berman Group's views regarding the company's significant potential as a stand-alone publicly-traded company, Neuberger Berman Group (5.67%) intend to become actively engaged with the company regarding the company's business, the Board of Director's review of alternatives, its capital raising alternatives and its corporate governance. [Source](#)

Ancora Advisors may seek board representation at Green Plains

Market Cap: \$2.1 billion | Green Plains Inc. produces, markets, and distributes ethanol in the United States and internationally.

On November 17, 2021, Ancora Advisors (7.1%) stated that it was encouraged by the company's recent efforts to improve its corporate governance and refresh its board; however, Ancora Advisors believes these actions only address a portion of the myriad of corporate governance issues plaguing the company. Ancora Advisors expressed its following concerns: (i) their belief that the board, as presently constituted, may not possess the requisite experience and skill sets necessary to lead the company at this critical juncture and successfully implement its transformation strategy; (ii) their belief that the interests of the board may not be appropriately aligned with the interests of stockholders, particularly in light of the company's recent capital raise and ongoing capital investment strategy, and given the recent and significant sales by insiders and the lack of stockholder representation on the board; and (iii) their belief that the recent, long overdue corporate governance changes appear reactionary in nature and, importantly, fail to address certain key items such as the classification of the board and the lack of an independent chairman. In light of its concerns, Ancora Advisors are considering certain alternatives, including seeking board representation and/or submitting a shareholder proposal for consideration by stockholders at the 2022 AGM. [Source](#)

JCP expresses opposition to the proposed increase in authorized shares at Farmer Bros

Market Cap: \$145 million | Farmer Bros. Co. is a manufacturer, wholesaler and distributor of coffee, tea and culinary products

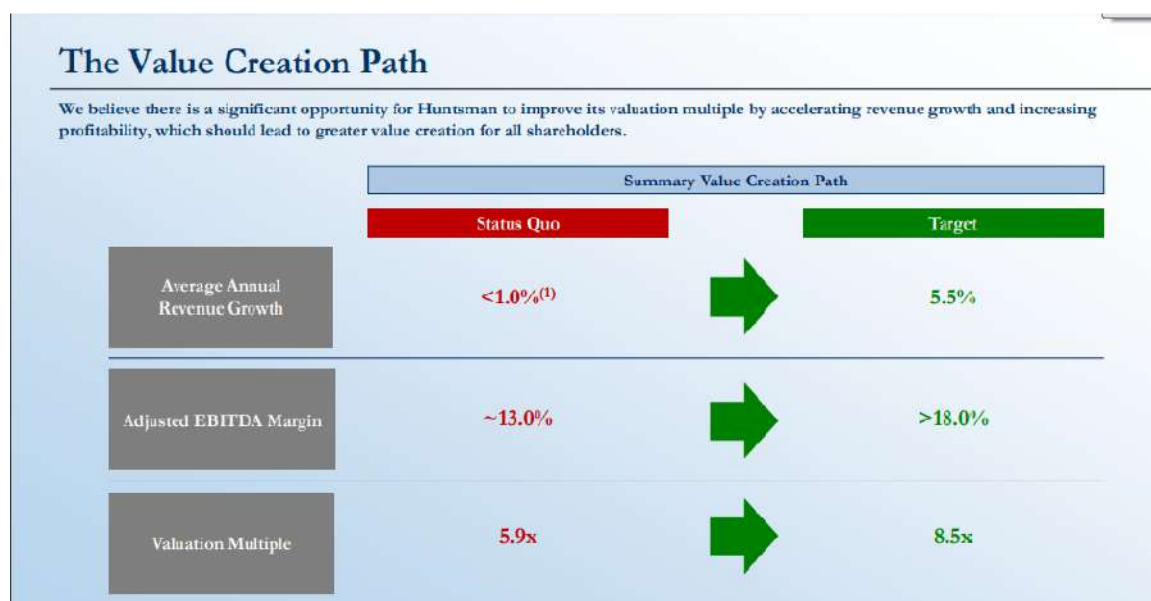
JCP Investment Management

On November 15, 2021, JCP Investment Management (4.3%) opposed the board's proposal to amend its Certificate of Incorporation to increase the number of authorized shares at the company's upcoming 2021 AGM scheduled to be held on December 15, 2021. [Source](#)

Starboard believes that Huntsman Corporation has a significant opportunity to improve its valuation multiple

Market Cap: \$7.2 billion | Huntsman Corporation is a global diversified chemicals manufacturer.

In an October 2021 Active-Passive Investor Summit, Starboard issued a [presentation](#) stating that there is a significant opportunity for Huntsman to improve its valuation multiple by accelerating revenue growth and increasing profitability, which should lead to greater value creation for all shareholders.



Starboard believes Colfax can create significant value for shareholders through improved execution post-spin off

Market Cap: \$7.8 billion | Colfax Corporation is a diversified technology company that provides fabrication technology and medical technology products to customers around the world principally under the ESAB and DJO brands.

Colfax operates two separate businesses, Fabrication Technology and Medical Technology. On March 4, 2021, the company announced its intention to separate into two public companies. In an October 2021 Active-Passive Investor Summit, Starboard issued a [presentation](#) stating that since FabTech has a very similar financial profile and portfolio mix as its peer, Lincoln Electric, FabTech should trade in line with Lincoln Electric. Also, Starboard stated that MedTech has an opportunity to meaningfully improve its valuation multiple with consistent execution and operational excellence.

We Believe Colfax Can Create Significant Value For Shareholders Through Improved Execution Post-Spin

By improving operational performance through improved execution at MedTech, which will ultimately lead to a higher valuation multiple, we believe Colfax can create significant value for shareholders.

	2023E	2025E
FabTech Street Adj. EBITDA	\$433	\$456
(x) LECO NTM EBITDA Multiple	13.9x	13.9x
FabTech Enterprise Value	\$6,015	\$6,342
MedTech Street Revenue	\$1,708	\$1,930
(x) PF Adj. EBITDA Margin	21%	23%
Implied Segment Adj. EBITDA Margins	23%	25%
MedTech PF Adj. EBITDA	\$359	\$444
(x) Peer Median NTM EBITDA Multiple	20.4x	20.4x
Implied Revenue Multiple	4.3x	4.7x
MedTech Enterprise Value	\$7,309	\$9,044
Current Price	\$47.09	
Combined Price Target	~\$76	~\$94
% Upside	~62%	~100%

\$ in millions, except per share data

Starboard stated that significant value could be created for all shareholders through improved execution at Willis Towers Watson

Market Cap: \$29 billion | Willis Towers Watson Public Limited Company is a global advisory, broking and solutions company.

In an October 2021 Active-Passive Investor Summit, Starboard issued a [presentation](#) stating that the company trades at a significant valuation multiple discount to its peer group on historical and projected EBITDA. Starboard stated its belief that the company can free up substantial working capital, improve FCF generation, and re-lever the business. This could result in a significant return of capital to equity holders via share buyback. Starboard stated that Aon is structurally very similar to Willis Towers Watson. Despite this, Aon generates better margins and returns on capital.

Value Uplift Summary (SV Estimates)			
	FY 21		Targets ('24E)**
Adj. EBITDA	\$2.44B*	➔	\$3.15B
EV/EBITDA	12.8x	➔	15.0x
Stock Price	\$248	➔	\$456

We believe there is a significant value creation opportunity at Willis Towers Watson.

Starboard stated that significant value could be created for all shareholders through improved execution at Elanco

Market Cap: \$15.6 billion | Elanco Animal Health Incorporated, an animal health company, innovates, develops, manufactures, and markets products for companion and food animals.

Background:

On December 13, 2020, the company entered into a [cooperation agreement](#) with Sagem Head (5.9%), and pursuant to it, the company appointed three new directors to the board. Scott Ferguson, the managing partner of Sagem Head Capital Management, was among them.

Update:

In an October 2021 Active-Passive Investor Summit, Starboard issued a [presentation](#) stating that Elanco can create substantial value for shareholders through improved operational execution, which will inspire greater confidence from shareholders and lead to an improved valuation multiple.



Starboard stated that significant value could be created for all shareholders through improved execution at Corteva

improved execution at Corteva

Market Cap: \$34.9 billion | Corteva, Inc. operates in the agriculture business. It operates through two segments, Seed and Crop Protection.

Background:

- On October 8, 2020, Starboard issued a [presentation](#) at the Active-Passive Investor Summit on Corteva. It stated its belief that the company can create substantial value for shareholders through improved operational execution and lead to an improved valuation multiple. It opines that Corteva could yield \$47 to \$55 per share.
- On January 21, 2021, Starboard issued a [press release](#) and delivered a letter to the Chairman of the Board nominating eight director candidates for election at the 2021 Annual Meeting. In its letter, Starboard stated its belief that Corteva’s operating performance can be meaningfully improved and significant opportunities exist within the control of management and the Board of Directors (the “Board”) to unlock substantial value for all shareholders. It stated that a litany of missed promises and unforced errors have furthered Starboard’s conviction that current leadership is ill-equipped to maximize the value of Corteva’s assets.
- On March 19, 2021, the company announced an agreement with Starboard Value and pursuant to it, three new independent directors proposed by Starboard—David C. Everitt, Janet P. Giesselman, and Kerry J. Preete—will join Corteva’s Board of Directors effective immediately.

[Go to index page](#)

Update:

In an October 2021 Active-Passive Investor Summit, Starboard issued a [presentation](#) stating that the company's new CEO has a significant opportunity to improve operational execution, close the margin gap to peers, and realize a further improvement in the company's valuation multiple.

What Do We Hope Corteva's New CEO Can Do?		
We believe Corteva's new CEO has a significant opportunity to improve operational execution, close the margin gap to peers, and realize a further improvement in the Company's valuation multiple.		
	2021E	2023E
Consensus Revenue	\$15.3B	\$16.8B
2021E – 2023E CAGR		~5.0%
Adjusted EBITDA	\$2.6B	\$3.7B
Margin (%)	~17.0%	~22.0%

Armistice Capital reached an agreement with Avalo Therapeutics

Market Cap: \$266 million | Avalo Therapeutics, Inc., a clinical-stage precision medicine company, discovers, develops, and commercializes therapeutics for patients with unmet clinical need in immunology, immuno-oncology, and rare genetic diseases.

On November 4, 2021, Armistice Capital entered into a [cooperation agreement](#) with the company. Pursuant to the agreement, the company agreed to appoint Dr. June Almenoff to the board and to appoint another director who would not be associated with Armistice.

Edenbrook Capital argues that Brightcove could worth \$36.37 per share

Market Cap: \$408 million | Brightcove Inc. is a provider of cloud-based services for video.

Background:

Tenzing Global Management

- On November 7, 2014, Tenzing Global Management disclosed a 5.2% active stake.
- On February 5, 2015, the company entered into an [agreement](#) with the Fund. Pursuant to the agreement, the company agreed to appoint Chet Kapoor, Co-founder of Tenzing Global, to the Board.
- As per DEF 14A filed on April 8, 2016, Chet Kapoor serves on the Board.
- On May 8, 2017, Tenzing Global Management (4.2%) issued a statement criticizing the Board for its failure to hold CEO David Mendels accountable for the substantial destruction of value that stockholders had suffered for over five years. Tenzing Global calls on stockholders to reject the re-election of two Directors to the Board by voting to "WITHHOLD ALL" on Proposal 1 (election of Directors) on the company's proxy card. [Source](#)

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- At the AGM held on May 10, 2017, the incumbent directors were elected to the Board. [Source](#)

Edenbrook Capital

- On December 27, 2017, Edenbrook Capital (5.2%) stated its belief that the company was worth at least 80-100% above its current trading price. It stated that the company was a market share leader in a secularly growing industry and had an attractive business model, with high levels of recurring revenue and an opportunity for significant operating leverage and cash generation. [Source](#)

Update:

On November 1, 2021, Edenbrook Capital (11.2%) sent a letter to the Board expressing its suggestions.

(i) Brightcove reports as one segment, but really has two distinct end-markets: enterprise and media. Given the strength of enterprise and recent retention issues in media, we believe that the split of the two is slightly larger than 50% for enterprise, though for simplicity, we'll say they're equally sized, with estimated revenue of \$210 million in total for 2021, or \$105 million for each unit, (ii) The average EV/2021 revenue multiple of Vimeo and Kaltura is 11.13. Applying that multiple to just the estimated \$105 million of enterprise revenue yields a value of approximately \$1.169 billion for the enterprise business, as compared to less than \$400 million that the market is currently ascribing to the entirety of Brightcove, based on its market capitalization less its cash (there is no debt), (iii) Edenbrook believes the media issues are not only fixable, but are being fixed; nonetheless, let's say that division is only worthy of 1/3 of Kaltura's multiple, the lower of the two comparable companies. Applying that 3x multiple to the estimated \$105 million of media revenue yields a value of approximately \$315 million for the media business, (iii) The most recent Brightcove balance sheet, as of September 30, 2021, and reported on October 27, 2021, showed \$45.3 million in cash and no debt, (iv) Adding the above points together yields a value of \$1.528 billion, or approximately \$36.37 per share, using approximately 42 million shares. That value is more than 3.7 times the average closing price for Brightcove since last Wednesday's earning release. Kindly [click here](#), to read the full letter.

Chatham Asset Management updated its offer to acquire RR Donnelley & Sons

Market Cap: \$744 million | RR Donnelley & Sons is a leading global provider of multichannel business communications services and marketing solutions.

Background:

- On February 26, 2020, the company hosted a conference call to discuss its fourth quarter and annual results for the period ended December 31, 2020. Following that call, Chatham Asset Management (12.9%) determined that management had not taken sufficient steps to address certain concerns that had been previously communicated to the company. Accordingly, in order to maintain the maximum flexibility that may be necessary to effectuate the necessary changes at the company, Chatham Asset Man-

agement has determined to reduce their equity position below a 10% beneficial ownership interest, in accordance with the company's stockholder rights plan, and to promptly file this Schedule 13D. [Source](#)

- On February 28, 2020, Chatham Asset Management delivered a [letter](#) to the Board expressing its concerns on adoption of poison pill and demanded that the Board take swift and immediate action to revoke the Poison Pill. Also, Chatham Asset Management stated that it is prepared to initiate appropriate litigation against the company
- On July 28, 2021, Chatham Asset Management (15%) stated that it intends to engage in discussions with members of management and the board to express its view that the Board should not renew its stockholder rights plan upon its expiry on August 28, 2021 and that the Board should concentrate its efforts on undertaking a strategic review of assets with an external advisor. [Source](#)
- On October 12, 2021, Chatham Asset Management (15%) delivered a non-binding proposal & inquiry [letter](#) (the "LOI") to the Board in respect of a potential offer to purchase the Company at a price of \$7.50 per share. To facilitate the Proposed Transaction, Chatham Asset Management also proposes to equitize and/or subordinate \$575 million in face amount of debt they own and to provide up to \$250 million in new money equity and/or subordinated capital.

Update:

- On November 2, 2021, Chatham Asset Management issued a press release calling upon the company to immediately execute a customary non-disclosure agreement with them, to begin discussions and due diligence to negotiate a successful transaction that provides stockholders full and certain value for their shares. [Source](#)
- On November 3, 2021, Chatham Asset Management delivered a [letter](#) to the board including an updated offer to purchase all of the common stock at a price equal to \$9.50 per share in cash.
- On November 16, 2021, Chatham Asset Management delivered a [letter](#) to the board including an updated offer to purchase all of the common stock at a price equal to \$9.10 per share in cash.
- On November 29, 2021, Chatham Asset Management delivered a [letter](#) to the board, including a revised offer, to purchase all of the common stock at a price equal to \$10.25 per share.

ISS supports Outerbridge's case for change at Comtech

Market Cap: \$675 million| Comtech Telecommunications Corp. designs, develops, produces, and markets products, systems, and services for communications solutions in the United States and internationally.

Background:

- On September 8, 2021, Outerbridge Capital Management (4.6%) nominated three candidates for election to the Board at the 2021 AGM. Outerbridge believes its independent nominees will actively contribute to the creation of stockholder value at

Comtech by leveraging their strategic acumen and leadership experience and by drawing on their deep knowledge of Comtech's core markets, including in Next Generation 911, public safety, government communications technology and procurement, and commercial satellite technology. [Source](#)

- On October 6, 2021, Outerbridge (4.95%) issued the following [press release](#) and open letter to the Board expressing its concerns that shareholders have lost confidence in company's leadership and highlighted the company's long-term underperformance, strategic inattention and history of failed M&A strategy. It urges shareholders to support its nominees.
- On October 15, 2021, Outerbridge Capital filed proxy materials seeking support for its nominees.
- On October 18, 2021, the company said that it has received a \$100 million investment by White Hat Capital Partners LP and Magnetar Capital.
- On October 25, 2021, Outerbridge Capital sent a letter to the Board regarding Comtech's announcement of a \$100 million investment from White Hat Capital Partners LP and Magnetar Capital LLC. It stated that rather than pursue value-destructive transactions, Comtech should issue a broad mandate to a new financial advisor to undertake a robust and bona fide strategic review with the goal of enhancing shareholder value rather than entrenching management and the Board.
- On November 2, 2021, Outerbridge Capital commented on a recent media report that Acacia Research Corporation has made an offer to acquire Comtech for \$30 per share. It stated that the Board should immediately form a Strategic Alternatives Committee to run a thorough review process. [Source](#)
- On November 4, 2021, Outerbridge Capital (4.9%) filed [proxy materials](#) seeking support for its two nominees and stated its belief that the double-digit decline in Comtech's share price in response to the planned appointment of Mr. Porcelain as Comtech's next CEO and a disappointing FY21 earnings announcement has again illustrated stockholders' lack of faith in Comtech's management team and Board.
- On November 15, 2021, Outerbridge Capital issued a press release seeking support for its two nominees.
- On November 22, 2021, Outerbridge Capital issued an Investor [Presentation](#) titled "The Case for Change at Comtech," The presentation highlights the following:(i) Comtech's persistent underperformance, strategic failures, and lost credibility, (ii) A long history of poor capital allocation and failed M&A, (iii) A track record of poor corporate governance and lack of true independence on the board, (iv) A disappointing pattern of dismissive engagement and entrenchment maneuvers, (v) A board under-qualified to guide comtech or evaluate strategic offers, (vi) Outerbridge Nominees represent the best choice for shareholders

Update:

- On December 1, 2021, Outerbridge Capital issued an investor [presentation](#) refuting the false and misleading claims contained in Comtech's recent public materials.
- On December 6, 2021, Outerbridge Capital [announced](#) that ISS has recommended that shareholders vote on the WHITE proxy card for Outerbridge director candidate Sidney "Sid" Fuchs for election to the board at the upcoming 2021 AGM.

David Hall, founder of Velodyne Lidar, addresses the company's latest entrenchment maneuver

Market Cap: \$1.2 billion | Velodyne Lidar, Inc. develops and produces lidar sensors for use in industrial, 3D mapping, drones, and auto applications in North America, the Asia Pacific, Europe, the Middle East, and Africa.

Background

- On February 12, 2021, David S. Hall (58.4%), founder and executive chairman of the board, delivered a letter to the company nominating Eric Singer, managing member of VIEX Capital Advisors, for election to the board at the 2021 AGM. [Source](#)
- On March 2, 2021, David S. Hall (58.4%) resigned as a director of the company stating that he was felt marginalized in the boardroom and does not believe his input has been respected by the other members of the Board. [Source](#)
- On March 10, 2021, David S. Hall (54.7%) issued a [letter](#) to the Board stating that he resigned from the Board because he had numerous concerns about the strategic direction and current leadership of Velodyne Lidar. He stated his belief that the Board has fostered an anti-stockholder culture and that Velodyne Lidar's corporate governance is broken. Perhaps most unsettling was the Board's decision to rubberstamp an increased compensation package for Mr. Gopalan despite the Company releasing weak Q4 2020 earnings and missing year end forecasts.
- At the AGM held on June 10, 2021, Eric Singer was elected to the Board as a Class I director to hold office until the 2024 AGM and until his successor is elected or appointed. [Source](#)
- On July 16, 2021, Anand Gopalan delivered notice of his intent to resign as CEO of the company and from the board of directors effective as of July 30, 2021. [Source](#)
- On October 21, 2021, David Hall [announces](#) intent to nominate two director candidates for election at the company's 2022 AGM.

Update:

On November 3, 2021, David Hall issued a [statement](#) in response to the company's November 1, 2021 [announcement](#) regarding changes to its board. David Hall condemns moving Chairman Michael Dee from a Class II director to a Class III director to avoid having him stand for re-election at the 2022 AGM. David Hall urges the board to welcome new directors with integrity, open-mindedness, and technology experience.

Southeastern Asset Management applauds Lumen Technologies for two excellent divestitures and for \$1B of share repurchase

Market Cap: \$15 billion | Lumen Technologies, Inc. (formerly CenturyLink) is an integrated communications company. The Company is engaged in providing an array of communications services to its residential and business customers.

Background:

Southeastern Asset Management Inc

- On February 19, 2019, Southeastern Asset Management disclosed a 6.2% active stake in the company and stated its belief that the dividend cut was not the best way to address balance sheet concerns. Moreover, it expressed that it would seek to add directors to the Board. [Source](#)
- On December 28, 2019, the Board, on the recommendation of its nominating and corporate governance committee, voted to increase its size from 13 members to 14 members and to appoint Hal Jones to fill the newly-created vacancy, with each such action

effective as of January 1, 2020. Mr. Jones was selected by the Board from several director candidates put forth by Southeastern Asset Management. [Source](#)

Update:

On November 4, 2021, Southeastern Asset Management (6.4%) urged re-authorization and resumption of share repurchase. It applauded the company for two excellent divestitures and for \$1B of share repurchase in the third quarter. Using the rough and very conservative NAV shown by the company in its previous investor presentation, every \$1B of share repurchase at \$13.75 per share results in at least \$2B of shareholder value if the NAV is twice the price. This increases the midpoint of the NAV range by over \$1.25 per share. NAV per share is further supported by the recent transactions happening at 9x EBITDA for the lowest multiple part of the higher-multiple fiber business and 5.5x EBITDA for the lowest multiple part of the lower-multiple legacy business, when the whole company trades at less than 6x EBITDA, and a strong majority of its remaining business comes from higher-multiple fiber assets. Additionally, each \$1B of share repurchase reduces the denominator such that free cash flow (FCF) per share increases by about \$.20 per share. [Source](#)

Biglari Capital Corp issued a letter to the shareholders of Cracker Barrel

Market Cap: \$3.4 billion | Cracker Barrel Old Country Store, Inc. is engaged in the operation and development of the Cracker Barrel Old Country Store concept (Cracker Barrel).

Background:

Biglari lost five proxy campaigns to elect directors in the FY 2011, 2012, 2013, 2014 and 2020

Update:

On November 5, 2021, Biglari Capital Corp (8.7%) issued a [letter](#) to shareholders expressing its concerns on the performance of the company because it has lagged behind both the peer median and the S&P MidCap 400 Index since the onset of Covid-19 and since the 2020 shareholder meeting held on November 19, 2020. Further, it urged that the board should consider a more aggressive dividend payout policy.

My Size enters cooperation agreement and resolves litigation with Custodian Ventures

Market Cap: \$50 million | MY SIZE, INC. develops and commercializes mobile device measurement solutions for e-commerce fashion/apparel, shipping/parcel, and do it yourself industries in Israel.

Background:

- On May 12, 2021, Custodian Ventures/ Activist Investing (9.99%) delivered a letter to the company nominating a slate of four candidates for election to the Board at the 2021 AGM.

- On June 1, 2021, Custodian Ventures/ Activist Investing submitted a books and records request in order to gather information regarding potential mismanagement and/or malfeasance by the management and/or members of the Board.
- On June 9, 2021, Custodian Ventures/ Activist Investing delivered an open letter encouraging stockholders to unite to end the destruction of stockholder value at the company and hold the Board of Directors and management accountable at the 2021 AGM,
- On July 1, 2021, Custodian Ventures/ Activist Investing reiterates its belief that a change in tone at the top is necessary to ensure the company's best days are ahead of it. Further, it calls on the Board to immediately schedule the 2021 annual meeting and to refrain from any further dilutive issuances designed to entrench the board. [Source](#)
- On September 23, 2021, Custodian Ventures/ Activist Investing filed proxy materials seeking support for its nominees.

On October 22, 2021, Custodian Ventures/ Activist Investing commented on the lawsuit filed by the company to prevent Custodian Ventures from nominating director candidates and running an election contest at the Company's 2021 AGM. [Source](#)

Update:

- On November 4, 2021, Custodian Ventures/ Activist Investing entered into an [agreement](#) with the company. The company agreed to withdraw the lawsuit it previously filed in the United States District Court for the Southern District of New York against Custodian Ventures and certain stockholders. In addition, the company announced that it is seeking to enhance shareholder value by evaluating acquisition opportunities while refocusing on the commercialization of the company.

Carl Icahn issued a presentation to stockholders of Southwest Gas Holdings

Market Cap: \$4 billion | Southwest Gas Holdings, Inc., through its subsidiaries, purchases, distributes, and transports natural gas in Arizona, Nevada, and California.

Background:

- On October 4, 2021, the company announced that it has agreed to acquire Questar Pipeline Co, a gas transportation and storage business owned by Dominion Energy Inc ([D.N.](#)), for \$1.98 billion.
- On October 4, 2021, Carl Icahn (4.91%) sent a letter to the Board stating that a purchase of Questar Pipeline for around \$2 billion would diminish shareholder value. Icahn stated that the company should instead focus on improving share price performance. [Source](#)
- On October 11, 2021, the company [announced](#) that it has adopted a short-term stockholder rights plan. The Rights Plan is designed to protect stockholder interests by reducing the likelihood that any person or group would gain control of Southwest Gas Holdings through the open-market accumulation of the Company's shares without appropriately compensating Southwest Gas Holdings' stockholders for control.
- On October 20, 2021, Carl Icahn published an open [letter](#) to stockholders which serves as a rebuttal to the [Management's letter](#) dated October 13, 2021. Carl Icahn stated the reasons and reiterated that his proxy contest and tender offer are in the interest of all stakeholders. He urged shareholders to vote for his upcoming slate and decide whether to tender their shares or participate in long-term value creation.

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- On October 27, 2021, Carl Icahn submitted an unsolicited tender offer to acquire the outstanding shares of the company for \$75 per share in cash.

Update:

- On November 9, 2021, the company announced that its board, after a thorough review with the assistance of its external financial and legal advisors, has unanimously determined that the tender offer from Carl Icahn is inadequate, undervalues the company, is structurally coercive and is not in the best interests of all of its stockholders. Accordingly, the board recommends that stockholders not tender any of their shares into the offer.
- Subsequently, Carl Icahn issued an open [letter](#) to the shareholders stating, "The statement issued today by the SWX board in response to our tender offer is almost inexplicable and frankly the height of hypocrisy. At the same time that they're telling stockholders their stock is worth more than our \$75 offer, they're amazingly also saying they've determined to issue up to \$1 billion of new stock, equivalent to almost 25% of the current market capitalization, in order to finance an ill-advised acquisition that will provide NO synergies and NO growth! That stock issuance would likely be at a valuation well below the currently depressed market price of \$68. In other words, it's fine for the board, in their infinite wisdom, to sell a block of SWX stock at somewhere below \$68, but they're advising YOU not to sell at \$75."
- On November 12, 2021, Carl Icahn issued an open [letter](#) to the board reiterating his proposal.
- On November 15, 2021, Carl Icahn issued a [presentation](#) titled, "Ratepayers and shareholders are suffering at the hands of the board and management."
- On November 24, 2021, Carl Icahn issued a [presentation](#) titled, "Customers should not suffer from poor management and bad decisions." In his presentation, Carl Icahn reiterated that he has nominated ten candidates for election to the board and launched a tender offer to purchase any and all shares of SWX's common stock that are tendered into the offer. The two proposals are independent of each other. Carl Icahn estimates that his slate could deliver customer savings of at least \$9 per year over the next 10 years with the potential for much more.

Ancora Advisors suggests Middlefield Banc explore a sale

Market Cap: \$147 million | Middlefield Banc Corp. operates as the bank holding company for The Middlefield Banking Company that provides various commercial banking services to small and medium-sized businesses, professionals, small business owners, and retail customers in northeastern and central Ohio.

Background:

On August 8, 2019, Ancora Advisors disclosed a 5.52% active stake in the company stating its belief that the value of the company is in excess of the current market price. [Source](#)

Update:

On November 9, 2021, Ancora Advisors (7.56%) sent a letter to the company containing a stockholder proposal requesting that the board consider taking the steps necessary to

achieve a sale, merger, or other disposition of the company on terms that will maximize shareholder value as expeditiously as possible. [Source](#)

Eriksen Capital Management expressed its concerns on Nocopi Technologies

Market Cap: \$16 million | Nocopi Technologies, Inc. develops and distributes document security products in the United States and internationally.

Background:

- On May 6, 2021, Eriksen Capital Management and Cedar Creek Partners stated its belief that the company should practice good governance. Eriksen stated, "According to SEC filings, Nocopi has not held an annual meeting since 1999. It appears that other than the CEO over twenty years ago, none of its directors have ever been approved by shareholders. The share price is roughly the same as it was when the current CEO took over more than twenty years ago. In 2018, a shareholder group representing 20% of the shares of the company filed a 13D noting many of these same concerns. Instead of holding an annual meeting, the company responded by changing its bylaws in order to make it incredibly difficult for shareholders to nominate directors. We find this kind of behavior unacceptable." [Source](#)
- On July 22, 2021, Eriksen Capital Management increased its stake to 8.4%.
- On August 16, 2021, Eriksen Capital Management increased its stake to 10% and reiterated its concerns.
- On August 26, 2021, Eriksen Capital Management announce that it has received sufficient support from its fellow stockholders to request the call of a special meeting of stockholders.

Update:

- On November 9, 2021, Eriksen Capital Management (10.1%) issued a [press release](#) expressing its frustration that the board rejected the request to call a special meeting (signed by 25% of the o/s shareholders) as failing to comply with company bylaws. It urges all shareholders to contact the company and the board and voice their displeasure at their abysmal treatment of shareholders.

Buxton Helmsley Holdings sent a letter to the Board of Mallinckrodt

Market Cap: \$16 million | Mallinckrodt plc develops, manufactures, markets, and distributes specialty pharmaceutical products and therapies in the United States, Europe, the Middle East, Africa, and internationally.

Background:

- On March 10, 2021, Buxton Helmsley Holdings (5.6%) sent a [letter](#) to the Board expressing its disappointment that the Board ignored the company's shareholders and acted in complete disregard of the owners of the company and the duties it owes to them. It demands that the Board discuss the proposals set forth by them for righting these wrongs. Also, Buxton Helmsley Holdings threatened that it is prepared to take any legally permissible action to hold this Board and management accountable for their many failures and betrayals.

- On August 2, 2021, Buxton Helmsley Holdings (5.6%) sent a [letter](#) to the Board raising concerns/issues, entirely relating to the most recent stunt that takes the violations of Irish law and breaches of fiduciary duty to unimaginable levels
- At the [AGM](#) held on August 13, 2021, none of the nominees to the Board received a majority of votes cast in favor of their re-election. Accordingly, under the Company's Articles of Association, Carlos V. Paya, M.D. and JoAnn A. Reed, who received the greatest votes in favor of their re-election, continued to hold office until their replacements were appointed. On August 13, 2021, following the conclusion of the 2021 AGM, Carlos V. Paya, M.D. and JoAnn A. Reed appointed each of David R. Carlucci, J. Martin Carroll, Paul R. Carter, David Y. Norton, Angus C. Russell, Mark C. Trudeau, Anne C. Whitaker and Kneeland C. Youngblood, M.D. to serve as a director on the Board and the committee positions
- On August 17, 2021, Buxton Helmsley Holdings (5.7%) sent a [letter](#) to the Board expressing its concerns regarding refusal of Board to concede to election results dismissing all directors, and fraudulent re-addition of just-dismissed directors.
- On September 14, 2021, Buxton Helmsley Holdings (6%) sent a [letter](#) to the Board raising concerns/issues, entirely relating to the most recent stunt that takes the violations of Irish law and breaches of fiduciary duty to unimaginable levels
- On October 14, 2021, Buxton Helmsley Holdings sent a response [letter](#) to the Board. Kindly click the link to read the letter.
- On October 22, 2021, Buxton Helmsley Holdings sent a [letter](#) to the company regarding rejection of inbound correspondence.

Update:

On November 12, 2021, Buxton Helmsley Holdings (7.7%) issued an open [letter](#) responding to the departure of the company's chief communications officer, Ms. Brandi Robinson. The company's senior vice president of finance, Ms. Kathy Schaefer, resigned on November 3, 2021, just days after an open letter to the chairman and commissioners of the US Securities and Exchange Commission outlining/detailing numerous instances of fraud at the company, including accounting fraud, bankruptcy fraud, electoral fraud, proxy fraud, and insider trading on undisclosed information by the company's board of directors and management.

Outerbridge Capital Management commended the management of Allot Ltd.

Market Cap: \$563 million | Allot Ltd. provides network intelligence and security solutions to protect and personalize the digital experience in Europe, Asia, Oceania, the Middle East, Africa, and the Americas.

On November 15, 2021, Outerbridge Capital Management (8.6%) stated that they remain encouraged by the rate and quality of new customer wins for the company's burgeoning

cybersecurity business, and they are pleased by the company's decision to showcase its security-as-a-service (SECaaS) annual recurring revenue (ARR) to investors on a quarterly basis. Outerbridge Capital Management stated its belief that the share price remains deeply undervalued and, accordingly, the Outerbridge Capital has held and plans to continue holding discussions with the management team and board on topics related to optimizing financial reporting, board composition, and enhancing value for all shareholders.

[Source](#)

Driver Management sent a letter to the Board of Codorus Valley Bancorp

Market Cap: \$219 million| Codorus Valley Bancorp, Inc. operates as the bank holding company for the PeoplesBank that provides community banking services.

- On July 29, 2021, Mr. Cooper, Driver Management, sent a [letter](#) to Ms. Cynthia Dotzel, the company's lead independent director. In his letter, Mr. Cooper stated his belief that the Board should take immediate steps to increase shareholder value and, specifically, hire a financial advisor to assist the Board in evaluating all strategic options, including a sale of the corporation and he stated that the Board has been negligent in its oversight of Mr. Miller, CEO of the company, which has adversely impacted shareholder value, and that, particularly with respect to a sale of the Corporation, Mr. Miller's interests conflict with, and are adverse to, the interests of shareholders generally.
- On August 17, 2021, Mr. Cooper participated in a conference call with the Management and lead directors and reiterated his belief that the company could currently command a price and valuation per share in a sale higher than any valuation the public market might put on CVLY in the foreseeable future and that CVLY's board of directors should immediately engage a financial advisor and determine what price could be obtained in a sale. [Source](#)
- On August 23, 2021, Mr. Cooper sent a [letter](#) to the independent directors of the Board expressing his concerns on corporate governance practices. He urges that the Board separate the roles of Chairman and CEO, reinstate independent oversight of the executive management team and hold Mr. Miller accountable for years of underperformance.
- On September 3, 2021, Mr. Cooper (6.5%) sent a letter to the lead independent directors of the Board expressing his concerns that CVLY's executive compensation practices encourages risk taking while failing to hold executives accountable for loan losses and other credit costs while doing nothing to align management's interests with those of shareholders.
- On September 15, 2021, the company [announced](#) that as part of the Company's long-term succession plan, the Board of Directors has appointed Craig L. Kauffman President and CEO of the Company effective October 1, 2021. Mr. Kauffman will succeed Larry J. Miller, who served the Company as President and CEO since 1986. Mr. Miller will serve as Executive Chair of the Company and will continue in his role as Executive Chair of PeoplesBank until December 31, 2021
- On October 4, 2021, Mr. Cooper (6.5%) sent a [letter](#) to the lead independent directors of the Board seeking clarification whether Mr. Miller's tenure as a member of the Board will cease as of December 31, 2021. Kindly click the link to read the entire letter.
- On October 29, 2021, Driver Management filed a motion to compel statutory inspection and examination of corporate books and records (the "[Motion to Compel](#)") against the company in the Court of Common Pleas of York County, Pennsylvania.

Update

- On November 15, 2021, Mr. Cooper (6.72%) sent a [letter](#) to the board regarding the restricted stock unit agreement dated November 9, 2021, between the company and the company's CEO.

If the Board believes that it will take three years for the Corporation to get to (current) peer levels of profitability, it is entirely unclear how and why the Board could possibly conclude that finding a buyer willing to pay a significant premium to the current trading price of the Common Stock now would not be in the best interests of shareholders: the only logical explanation is that the Board is putting other interests ahead of those of shareholders. Please either (i) confirm that the Board is putting other interests (such as the interest of current directors in keeping their board seats) before those of shareholders or (ii) promptly take action that would demonstrate otherwise.

Enzo Biochem faces proxy contest from Roumell Asset Management & Radoff; another shareholder, James Wolf, seeks board seats

Market Cap: \$162 million | Enzo Biochem (ENZ) is a pioneer in molecular diagnostics, leading the convergence of clinical laboratories, life sciences and intellectual property through the development of unique diagnostic platform technologies that provide numerous advantages over previous standards

Background:

(a) Harbert Discovery Fund:

- In February 2020, Harbert Discovery Fund secured two board seats after winning a proxy campaign. In September 2020, the fund called for the immediate resignation of the CEO after two of Harbert's nominees resigned abruptly. In January 2021, Harbert Discovery Fund sent a letter to the board's independent members, stating that they voted against the re-election of Dr. Rabbani and the company's other nominees. The letter further expressed disappointment that the company did not address a series of questions that were submitted to the company in advance of the 2020 annual meeting of shareholders. Later, the company announced that Dr. Rabbani did not receive a majority of the votes cast and tendered his resignation to the board. The board announced that it is yet to accept the resignation and will wait for 90 days to decide on this.
- On March 16, 2021 Harbert Discovery Fund (10.73%) sent a [letter](#) to the Board calling on them to pursue strategic alternatives and enter into discussions with potential acquirers. The letter also expressed disappointment in the Board's apparent decision to not accept Dr. Rabbani's resignation.
- On October 27, 2021, Harbert Discovery Fund (10.68%) sent a letter (refer [Exhibit 12](#)) to the independent members of the Board, urging them (i) to make corporate governance changes that ensure newly appointed CEO, Hamid Erfanian, will have the authority to manage the business without interference from Dr. Rabbani; and (ii) to fulfill his or her fiduciary duties and represent the interests of all shareholders.

(b) Roumell Asset Management:

- In November 2020, in a surprising move, Roumell Asset Management ("RAM") nominated two director candidates for election to the board at the 2021 AGM. The company rejected the nomination letter. On January 5, 2021, RAM issued a press release announcing the annual meeting's preliminary results. Based on a preliminary tally, Dr. Rabbani received over 55% of the voting shares against his re-election. On January 14, 2021, RAM delivered a letter to two non-executive independent directors of the company, requesting the opportunity to discuss the voting results of the annual meeting and the nominees and RAM's other business proposals.
- On May 5, 2021, RAM delivered a [letter](#) to the non-executive independent directors of the company stating his belief that by refusing to accept the resignation of Dr. Elazar Rabbani, an incumbent director who failed to receive a majority of the votes cast at the AGM held on January 4, 2021, the members of the Board acted against the will of the shareholders and did not fulfill their duties as stewards of shareholder interests. The May 5 Letter also urged the company to begin providing more timely updates on the initiatives previously started, including hiring executive search firm Korn Ferry to identify CEO candidates, hiring the former CEO of LabCorp, Gary M. Huff, as the Board's strategic consultant, and hiring a financial advisor to evaluate strategic alternatives.
- On September 29, 2021, RAM (6%) delivered a letter to the company nominating a slate of two director candidates, consisting of Mr. Terino and Ms. Meline for election to the Board at the upcoming AGM and submitting one precatory business proposal requesting that the Board take all necessary steps in its power to declassify the Board. [Source](#)

(c) James G. Wolf

- On October 1, 2021, James G. Wolf stated that he may nominate himself for election as a director of the Company at the next AGM if he is not nominated by the Board [Source](#)
- On November 15, 2021, James G. Wolf (6.73%) reiterated that he may nominate himself to the Board. [Source](#)

(b) Bradley L. Radoff

- On October 6, 2021, Mr. Radoff (6.4%) announced that he has nominated himself and Lorrie A. Carr for election to the Board at the 2021 AGM. He stated his belief that the company desperately needs to improve its corporate governance practices and refresh the Board in order to generate shareholder value. Mr. Radoff stated that not only has the incumbent Board overseen drastic Share price underperformance, it has routinely disregarded the will of shareholders, including by failing to accept the resignation of Dr. Elazar Rabbani following his failure to receive a majority of the votes cast at the 2020 AGM despite the company's majority voting standard in uncontested elections. [Source](#)
- On October 19, 2021, Mr. Radoff issued an open [letter](#) to Dr. Mary Tagliaferri and Dr. Ian B. Walters, who joined the Board in November 2020. Mr. Radoff urges to consider the following; (i) The Board needs to take swift action to prevent Dr. Rabbani from perpetually controlling the Company, as if it is his own private fiefdom, (ii) The Board needs to transparently update shareholders on its months-long strategic review, (iii)

The Board should pursue a negotiated resolution with shareholders who have nominated director candidates, rather than force another costly contested election.

- On October 22, 2021, Mr. Radoff increased his stake to 7.5%
- On November 19, 2021, Mr. Radoff (6.4%) filed [proxy materials](#) nominating two director nominees to the Board.

Update:

On December 2, 2021, Mr. Radoff filed proxy materials seeking support for his nominees.

Kanen Wealth Management/ Philotimo Fund reduced its stake to less than 5% in 1847 Goedecker

Market Cap: \$260 million | 1847 Goedecker Inc. operates an e-commerce platform for appliances and furniture in the United States.

- On June 8, 2021, Kanen Wealth Management/ Philotimo Fund (6.6%) stated its plans to engage in discussions with management and the Board regarding Board representation and the composition of the Board, specifically in regard to founder of CarParts.com(PRTS) Mr. Mehran Nia who's most recent professional success was the turnaround at PRTS whereby the stock increased from approximately \$1 to \$18 per share. He is considered an expert in Ecommerce. Kanen Wealth Management/ Philotimo Fund remains prepared to engage in a continued constructive dialogue with the Board. [Source](#)
- On July 1, 2021, Kanen Wealth Management/ Philotimo Fund reduced its stake to 4.9%.
- On July 7, 2021, Kanen Wealth Management/ Philotimo Fund increased its stake to 5.5%.
- On September 9, 2021, Kanen Wealth Management/ Philotimo Fund (5.5%) nominates five candidates for election to the Board at the 2021 AGM. [Source](#)
- On September 23, 2021, Cannell Capital stated that it has studied the September 9, 2021 proposal of Kanen Wealth Management, LLC ("KWM") for the Board of Directors. Cannell Capital considers most of the KWM candidates to be superior to those of GOED. Accordingly, Cannell Capital neither consents, nor approves of GOED allocating any cash (cash which rightfully and legally belongs to Cannell Capital and other shareholders) to defend its position. Cannell Capital calls on GOED to immediately reach a fair and reasonable settlement with KWM. [Source](#)
- On October 15, 2021, Kanen Wealth Management/ Philotimo Fund (5.8%) entered into a [Cooperation Agreement](#) with the company and pursuant to it, the company agreed to appoint two independent directors, Selim Bassoul and Alan Shaw to the Board. The New Directors were selected by the Kanen Group from a list of five candidates provided by the company.
- On October 19, 2021, Mr. Kanen sent Chairman Ellery Roberts a note apologizing for comments that appeared in a story published by the St. Louis Post-Dispatch on the day prior. Mr. Kanen noted to Mr. Roberts that he is pleased to have reached an amicable agreement with the company, is supportive of CEO Albert Fouerti and wishes Mr. Roberts and the company much success in the future. [Source](#)

Update

On November 16, 2021, Kanen Wealth Management/ Philotimo Fund reduced its stake to 3.3%.

DG. Capital Management opposes the proposed transaction of Ergon

Market cap: \$141 million| Blueknight Energy Partners, L.P. provides integrated terminal-lining services for companies engaged in the production, distribution, and handling of liquid asphalt in the United States.

Update

- On November 15, 2021, DG. Capital Management delivered to the board a [letter](#) reiterating its opposition.

Triam Fund Management proposed director candidates to the Board of Janus Henderson Group

Market Cap: \$6.79 billion | Janus Henderson Group plc is an asset management holding entity. Through its subsidiaries, the firm provides services to institutional, retail clients, and high net worth clients. It manages separate client-focused equity and fixed income portfolios.

Background:

- On October 2, 2020, Triam Fund Management disclosed a 9.9% active stake in the company and stated that it has engaged in discussions with the management and intends to continue to engage in discussions with the Board and/or management regarding various strategic and operational initiatives which can generate value. Triam Fund Management stated that it intends to further discuss with the Board and/or management and may encourage the company to explore, certain strategic combinations.

Source

- On July 19, 2021, Triam Fund Management increased its stake to 13%.
- On October 4, 2021, Triam Fund Management (14.43%) stated that it has met with the company's Non-Executive Chairman, Richard Gillingwater, and CEO, Richard M. Weill, to discuss, and they intend to continue to discuss with members of the Board and/or management from time to time, various strategic and operational initiatives that Triam Fund believes can generate value, including recommendations relating to the company's operations, organizational structure, technology, product offerings, talent development and retention strategies, capital allocation and dividend policies and corporate governance (such as initiatives relating to the company's executive compensation design, organizational documents, and management and Board composition, including Board representation). [Source](#)

Update:

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On November 16, 2021, Trian Fund Management (15.43%) stated that it continues to engage in discussions with the board and/or management regarding various strategic and operational initiatives that they believe can generate value. As part of those discussions, Trian Fund Management has proposed changes to the composition of the board, including the addition of independent directors unaffiliated with them. [Source](#)

Edenbrook Capital increased its stake after initiating discussions with Absolute Software Corporation

M. Cap: \$557 million | Absolute Software Corporation develops, markets, and provides cloud-based endpoint visibility and control platform for the management and security of computing devices, applications, and data for enterprise and public sector organizations.

Background:

- On October 7, 2021, Edenbrook Capital (5.75%) stated that it has engaged, and intend to continue to engage, in communications with the management team and Board of Directors regarding means to enhance stockholder value. [Source](#)
- On October 29, 2021, Edenbrook Capital increased its stake to 6.85%.

Update:

On November 18, 2021, Edenbrook Capital increased its stake to 8.06%.

Bradley L. Radoff suggests Trecora Resources to explore a sale; Ortelius Advisors discloses an active stake

Market Cap: \$221 million | Trecora Resources primarily manufactures and sells various specialty petrochemicals products and specialty waxes in the United States.

Background:

On September 9, 2021, Bradley L. Radoff (3.6%) stated its belief that the company's current share price does not reflect the underlying intrinsic value of its business. Bradley L. Radoff has engaged with, and intend to continue to engage with, members of the management and board regarding a range of methods to enhance shareholder value, including a potential sale of the company

Update:

- On November 2, 2021, Pangaea Ventures/ Ortelius Advisors (11%) stated that it has engaged in discussions with the company and its management and certain members of its board on issues that relate to corporate governance, Board composition, and shareholder value-enhancing strategies. [Source](#)
- On November 17, 2021, Bradley L. Radoff (5%) stated that he was disappointed by the company's November 3, 2021 announcement regarding its failed M&A opportunity. Bradley L. Radoff continues to believe that a sale of the company is the best risk-adjusted path forward for the company and its stockholders, and that the board should publicly announce a strategic review process seeking the sale of the company. Bradley

L. Radoff does not believe that the current board is acting in the best interests of stockholders and are strongly considering nominating a competing slate of proven director candidates with track records of creating stockholder value for election to the board at the upcoming 2022 AGM. [Source](#)

DIRTT Environmental Solutions plans to conduct a special meeting as requested by 22NW Fund

M.Cap: \$274 million | DIRTT Environmental Solutions Ltd. designs, manufactures, and installs prefabricated interior solutions for use primarily in commercial spaces across various industries and businesses in the United States, Canada, internationally.

Background:

On October 7, 2021, 22NW Fund (18.4%) stated that it has engaged, and intend to continue to engage, in communications with the management team and Board of Directors regarding means to enhance stockholder value. [Source](#)

Update:

- On November 16, 2021, 22NW Fund (18.9%) submitted a requisition of a meeting of shareholders to the company to remove incumbent directors Denis Karkkainen, Shauna King, Todd Lillibridge, Jim Lynch, Steve Parry, and Diana Rhoten, and to replace them with six candidates: Aron R. English, Cory J. Mitchell, Douglas A. Edwards, Scott L. Robinson, Scott C. Ryan and Kenneth D. Sanders. The requisition requested that the meeting be held no later than January 21, 2022. [Source](#)
- On December 7, 2021, the company announced that its board of directors, in response to a requisition made by 22NW Fund, LP, called an annual and special meeting of shareholders to be held on April 26, 2022. The company added that the meeting would deal both with normal course matters and matters related to the requisition.

Sarissa Capital's nominee was appointed to the Board of Alkermes

Market Cap: \$3.5 billion | Alkermes plc, a biopharmaceutical company, researches, develops, and commercializes pharmaceutical products to address unmet medical needs of patients in various therapeutic areas in the United States, Ireland, and internationally.

Background:

On May 10, 2021, Sarissa Capital (5.9%) disclosed that in December 2020, it nominated a director candidate for election to the Board at the 2021 AGM. On April 29, 2021, Sarissa Capital reached an agreement with the company, pursuant to which Sarissa Capital has the right to designate a director to the Board. Sarissa Capital stated its belief that the company has attractive and underappreciated assets that can drive meaningful value creation. [Source](#)

Update:

On November 18, 2021, Sarissa Capital's (8.17%) nominee, Cato T. Laurencin, was appointed to the board. Sarissa Capital believes the nomination of Dr. Laurencin is a positive outcome for shareholders. [Source](#)

Delaware Court agrees with CytoDyn that Activist Group's nominations are invalid; all the company's director nominees were elected to the board

M.Cap: \$943 million | CytoDyn Inc. operates as a late-stage biotechnology company.

Background:

- On May 24, 2021, Paul A. Rosenbaum stated that he intends to have discussions with the management and board regarding shareholder value, operational failures, performance, management, underperformance relative to its peers and Rosenbaum's lack of confidence in management. Rosenbaum may seek stockholder representation on the Board, as appropriate, including but not limited to through the initiation of a proxy contest at the 2021 AGM.
- On July 1, 2021, Paul A. Rosenbaum together with group of long-time shareholders (1%) announced that he has sent a notice to the company nominating five director candidates – Thomas Errico, MD, Bruce Patterson, MD, Paul Rosenbaum, Peter Staat, MD and Melissa Yaeger – to serve on the Company's Board of Directors. In the letter to stockholders, the Committee highlights the numerous ill-advised actions taken by the current leadership, which has overseen many value-destructive failures involving the Company's Leronlimab drug, while manipulating its corporate machinery to further entrench the Board and disenfranchise investors. The letter emphasizes that if elected, the nominees would recruit a new management team to replace the current one that is responsible for these failures, take the steps necessary to earn FDA approval for Leronlimab, and enhance long-term value for all stockholders. The Nominating Stockholders have launched a website at www.advancingll.com that includes information about the nominees and the group's platform. [Source](#)
- On August 2, 2021, Paul A. Rosenbaum filed proxy materials seeking support for its nominees.
- On August 2, 2021, the company issued a [press release](#) announcing that Nomination Notice filed by Paul A. Rosenbaum is invalid.
- On August 13, 2021, Paul A. Rosenbaum filed proxy materials seeking support for its nominees.
- On August 26, 2021, Paul A. Rosenbaum along with his investor group filed a lawsuit in the Delaware Court of Chancery seeking to force CYDY to allow stockholders to vote for the Group's nominees. CYDY has previously filed litigation seeking to block the ability of stockholders to vote for the Group's nominees as an alternative to the current CYDY Board and has issued several communications falsely stating that stockholders cannot do so. [Source](#)
- On September 1, 2021, Mr. Beaty, Paul Rosenbaum and Mr. Wilmes sent a letter to the board containing a settlement proposal regarding the constitution of the board and management of the Company. On September 3, 2021, Outside Company Counsel advised the Investor Group that the Settlement Proposal would be discussed by the Board at their meeting to be held during the week of September 6, 2021. As of the date hereof, the Board has not responded to the Settlement Proposal.
- On September 17, 2021, Paul A. Rosenbaum filed proxy materials seeking support for its five nominees.
- On September 20, 2021, Paul A. Rosenbaum along with his investor group announced that Federal Court dismisses litigation brought by company. [Source](#)
- On September 28, 2021, Paul A. Rosenbaum along with his investor group released a white paper regarding CYDY's unfavorable borrowing practices. The white paper

highlights that in particular, since the June of 2018, CYDY has borrowed a sizable portion of its operating capital from Iliad Research and Trading, LP and companies affiliated with John M. Fife, rather than from traditional funding sources. The borrowing has come in the form of long-term convertible notes that have historically included terms extremely unfavorable to the Company, some based upon post-transaction renegotiation, and have resulted in borrowing costs that are higher than the principal and interest specified in the original notes. In total, the \$142.5 million of convertible notes that CYDY has issued since the middle of 2018 have yielded cash proceeds of \$125.0 million after deduction of original issuance and insurance costs, a 12.3% discount to the principal. [Source](#)

- On October 6, 2021, Paul A. Rosenbaum along with his investor group filed proxy materials seeking support for his nominees.
- On October 14, 2021, the company [announced](#) that the Delaware Court of Chancery found that CytoDyn's Board of Directors properly rejected a nomination notice presented by an activist group led by Paul Rosenbaum and Bruce Patterson. All of the Activist Group's claims were denied and judgment was entered for CytoDyn and its Board. Subsequently, the investor group stated, "We believe strongly that the Court's ruling is fundamentally flawed and, as such, we are evaluating all possible alternatives. CYDY is very poorly managed — in addition to its complete failure to secure FDA approval for Leronlimab, it is currently being investigated by both the SEC and DOJ, and recently issued a going concern disclosure, all while the management team awards itself outsized pay packages. This company is in desperate need of new leadership and oversight to enact sorely needed change." [Source](#)
- On October 28, 2021, the company announced that the annual meeting was adjourned to be held virtually on November 24, 2021.

Update:

At the AGM held on November 24, 2021, all the company's director nominees were elected to the board.

Joseph Stilwell exits Parkway Acquisition Corp

M.Cap: \$79 million | Parkway Acquisition Corp. is a bank holding company headquartered in Floyd, Virginia, and is the parent company for Skyline National Bank.

Background:

- On May 27, 2020, Joseph Stilwell disclosed a 5.1% active stake in the company and stated its belief that the company should repurchase at least 10% of its shares annually while the stock is trading below book value. [Source](#)
- On August 24, 2021, Joseph Stilwell increased his stake to 6.1% and stated his belief that the value of the company's assets is not adequately reflected in the current market price. [Source](#)

Update:

- On November 2, 2021, the company announced that it had repurchased 34,175 shares of its common stock through the previously announced share repurchase program during the third quarter of 2021. [Source](#)
- On November 29, 2021, Joseph Stilwell sold his entire stake in the company.

Hill Path Capital increased its stake after initiating discussions with Ruth's Hospitality Group

M.Cap: \$626 million | Ruth's Hospitality Group, Inc., together with its subsidiaries, develops, operates, and franchises fine dining restaurants under the Ruth's Chris Steak House name.

- On November 29, 2021, Hill Path Capital disclosed a 6% active stake in the company and stated that it has engaged and expects to continue to engage in discussions with management and the board regarding available opportunities to enhance stockholder value and certain corporate governance-related topics, including, among other items, the composition of the board of directors. [Source](#)
- On December 3, 2021, Hill Path Capital increased its stake to 7.6%.

Iszp Capital's six nominees were selected by the shareholders; Peter R. Kellogg, a major shareholder, also voted in favour of IsZo Capital at Nam Tai Property

Market Cap: \$703 million | Nam Tai Property Inc., through its subsidiaries, owns, develops, and operates technology parks in the People's Republic of China.

Background:

- On May 27, 2020, Iszo Capital (9.8%) seeks actions for the removal of board members. It also intends to advocate a strategic review of the assets, including potential divestitures and outright sale of the company, and develop a capital allocation strategy that maximizes the long-term value for all shareholders. [Source](#)
- On July 20, 2020, IsZo Capital delivered a [letter](#) to the shareholders seeking support to convene a meeting of shareholders for the purpose of providing shareholders an opportunity to reconstitute Nam Tai's Board of Directors by removing a majority of the incumbent directors and installing six highly-qualified and independent individuals. IsZo Capital stated that Kaisa, which is a conflicted minority shareholder, has packed the Board and management team with allies and family members. IsZo Capital stated its belief that reconstituting the Board and removing Kaisa insiders from leadership roles at Nam Tai is the only way to end this dangerous and destructive tailspin.
- On September 14, 2020, Iszo Capital (10%) delivered to the company written requests of members holding more than 30% of the votes of the outstanding voting Shares to demand that the company convene a meeting whereat proposals seeking to (i) remove Ying Chi Kwok, Dr. Wing Yan "William" Lo, Vincent Fok, Professor Si Zong Wu and Dr. Aiping Lyu as directors of the company and (ii) appoint Michael Cricenti, Cindy Chen Delano, Bo Hu, Leung Lin Cheong Louis (Louis Leung), Paula J. Poskon and Jeffrey Tuder as directors of the company shall be voted upon. [Source](#)
- On September 21, 2020, the company [announced](#) that its Board has appointed Dr. Lai Ling Tam to the role of Executive Chairman of the Board, Mr. Jiabiao Wang, current General Manager of China Operations, as Chief Executive Officer and Mr. Wai Hang Wan, David, CPA, as Chief Financial Officer.

- On September 22, 2020, IsZo issued a [press release](#) commenting on the company's troubling decision to appoint three individuals affiliated with Kaisa Group Holdings Limited ("Kaisa") to the roles of Executive Chairman, CEO and CFO. IsZo expressed its belief that the company's insulting and tone deaf responses to the overwhelming demand for a meeting of members validates the urgent need for credible and wholesale leadership changes. IsZo urged the company to cease further delay and promptly schedule the Special Meeting legally requested by more than half of shareholders unaffiliated with Kaisa, whereat shareholders will have an opportunity to reconstitute the Board by removing a majority of the incumbent directors and installing six highly-qualified and independent individuals: Michael Cricenti, Cindy Chen Delano, Bo Hu, Louis Leung, Paula J. Poskon and Jeffrey Tudor.
- On October 19, 2020, IsZo issued a [press release](#) announcing that it had commenced legal proceedings against the company, Kaisa Group Holdings Limited's wholly-owned subsidiary Greater Sail Limited ("Kaisa-Greater Sail") and West Ridge Investment Company Limited ("West Ridge") in the Eastern Caribbean Supreme Court (the "Court"). IsZo's action seeks to invalidate the company's \$170 million private placement that distributed 16,051,219 Shares to Kaisa-Greater Sail and 2,603,366 Shares to West Ridge, which equated to approximately 47.6% of the company's outstanding Shares on a pre-issuance basis, and an order requiring the company to convene the meeting of members that was requisitioned by approximately 40% of the outstanding Shares on September 11, 2020. IsZo noted that on October 14, 2020, the Court had granted IsZo's request for injunctions designed to protect shareholders as the legality of the transaction is contested.
- On March 3, 2021, the Eastern Caribbean Supreme Court (the "Court") ruled in IsZo's favor and voided the company's \$170 million private placement, which had distributed more than 16 million Shares to Kaisa Group Holdings Limited's ("Kaisa") wholly-owned subsidiary Greater Sail Limited, taking its ownership from 23.9% to 43.9% of the outstanding Shares, and more than 2.6 million Shares to West Ridge Investment Company Limited. The Court found that the Board acted for an improper purpose when initiating the dilutive transaction in October 2020. It was determined that execution of the private placement was a breach of the directors' fiduciary duties and was undertaken to give Kaisa *de facto* control of the company in response to a requisition from approximately 40% of the outstanding Shares to convene a meeting of shareholders to remove and replace the Kaisa-affiliated directors from the Board. As part of the ruling, the Court ordered the company to convene the Special Meeting. [Source](#)
- On April 23, 2021, IsZo (14.1%) issued a [press release](#) commenting on the stay granted by the Eastern Caribbean Court of Appeal ("Court of Appeal") adjourning the company's Special Meeting scheduled for April 26, 2021. IsZo highlighted that the Court of Appeal granted the stay while aware that 97% of shareholders excluding Kaisa had voted to reconstitute the Board. IsZo made clear it remains committed to protecting shareholders' best interests and promised to provide additional information once available. IsZo also called on the company to explain its \$150.2 million investment into a Credit Suisse Supply Chain Fund ostensibly connected to Greensill Capital.

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Update:

- According to the certified voting results from the company's special meeting of shareholders held on November 30, 2021, all six of IsZo's director nominees, Michael Cricenti, Cindy Chen Delano, Bo Hu, Leung Lin Cheong Louis (Louis Leung), Paula J. Poskon and Jeffrey Tuder, were resoundingly elected to the board. [Source](#)
- On December 1, 2021, Peter R. Kellogg holding 18.4%, disclosed that he had voted his shares in favor of the IsZo slate of directors at the special meeting. [Source](#)

Masters Special Situations plans to nominate a director candidate to Greenbrook TMS

Market Cap: \$115 million | Greenbrook TMS Inc., together with its subsidiaries, controls and operates a network of outpatient mental health services centers in the United States.

Background:

On June 24, 2021, Masters Special Situations, LLC (7.2%) stated that it has the right to nominate a director to the board and intends to nominate Robert Higgins, an employee of Masters Special Situations, LLC. [Source](#)

Update:

On December 2, 2021, Masters Special Situations, LLC increased its stake to 8.43% and reiterated that it intends to nominate Robert Higgins, an employee of Masters Special Situations, LLC. [Source](#)

Bradley Radoff seeks leadership changes at Rocky Mountain

Background:

AB Value Management & Bradley Radoff

- On December 3, 2019, AB Value Management (7.68%) entered into a [cooperation agreement](#) with the company, and pursuant to it, the company agreed to nominate two candidates of AB Value Management for election to the Board at the Annual Meeting.
- On June 16, 2021, AB Value Management (7.52%) began discussions with the company regarding desired changes to its Board membership, structure, management, and strategy. Further it stated that if sufficient changes are not made, AB Value Management intends to nominate and seek to elect additional persons to the Board at the 2021 AGM. AB Value Management believes that the shares are significantly undervalued and believes that the transformation of the Board will be the initial step towards rectifying the company's operating margins and revenue growth. Representatives of AB Value Management appointed to the Board in December 2019 still serve on the Board. [Source](#)

- On June 28, 2021, AB Value Management (7.52%) delivered a letter to the company (i) nominating a slate of five (5) director candidates, including Mr. Berger, Ms. Thompson, Mr. Riegel, Ms. Taylor and Ms. Parish, for election to the Board at the 2021 AGM and (ii) submitting a business proposal for consideration by stockholders at the 2021 AGM. [Source](#)
- On July 21, 2021, the company [announced](#) corporate governance and leadership changes in response to discussions with its shareholders. The Board committed to separate the roles of Chairperson of the Board and CEO. Additionally, in connection with the separation of the Chairperson and CEO roles, the Board has begun the process to engage an executive search firm to assist in identifying a new CEO for the Company. It is expected that Mr. Merryman will continue in an executive role with the Company following the appointment of a new CEO.
- On August 3, 2021, AB Value Management (7.51%) commented on a number of recent [announcements](#) by the Company that, in AB Value's view, raise serious additional concerns about the Company's Board, poor governance and management, which continue to harm shareholders.
- On August 15, 2021, AB Value, Bradley Radoff and the Nominees entered into a Joint Filing and Solicitation Agreement in which the filers agreed to solicit proxies or written consents for proposals submitted to stockholders for approval and the election of the Nominees at the 2021 AGM and AB Value agreed to bear all-preapproved expenses incurred by the parties in connection with the Joint Solicitation. [Source](#)
- On September 20, 2021, AB Value, Bradley Radoff and the Nominees issued a [presentation](#) soliciting votes for the election of their slate of director nominees at the 2021 AGM.
- On September 23, 2021, AB Value [announced](#) that AB Value has filed a lawsuit in the Court of Chancery of the State of Delaware against the Company and certain members of its Board seeking to rescind and declare invalid the Board's resolutions shrinking the number of Board seats up for election from seven to six right before the Company's 2021 AGM.
- On September 3, 2021, AB Value, Bradley Radoff and the Nominees filed [proxy materials](#) nominating seven candidates to the Board at the upcoming annual meeting of shareholders.
- On September 13, 2021, AB Value, Bradley Radoff and the Nominees filed proxy materials seeking support for their nominees.
- On September 20, 2021, AB Value, Bradley Radoff and the Nominees issued a [presentation](#) soliciting votes for the election of their slate of director nominees at the 2021 AGM.

- On September 21, 2021, AB Value issued a [supplemental investor presentation](#)
- On September 22, 2021, AB Value Management [announced](#) that it has filed a lawsuit in the Court of Chancery against the Company and certain members of its Board seeking to rescind and declare invalid the Board’s resolutions shrinking the number of Board seats up for election from seven to six right before the Company’s 2021 AGM.
- On September 27, 2021, AB Value Management has acknowledged that ISS has recommended its clients vote on the **BLUE** proxy card to elect each of the Concerned Shareholders of Rocky Mountain’s candidates—Andrew T. Berger, Mark Riegel, Sandra Elizabeth Taylor and Rhonda J. Parish—and for the group’s proposal to redeem any poison pill previously issued and to abstain from adopting or extending future any poison pill absent shareholder approval within the previous 12 months (the “Poison Pill Redemption Proposal”). Glass Lewis also recommended that shareholders vote for Mr. Riegel and Ms. Taylor, and for the Poison Pill Redemption Proposal on the **BLUE** proxy card. [Source](#)
- On October 1, 2021, AB Value Management delivered an open [letter](#) to shareholders urging them to vote for its nominees.
- On October 4, 2021, AB Value Management commented on the Company’s desperate last-minute rescindment of its poison pill (which originated in the 1990s),¹ merely four days before the Company’s 2021AGM scheduled for October 6, 2021. “Although we welcome the termination of such a shareholder-unfriendly device, this decision by the Company’s Board of Directors (the “Board”) deserves no applause. AB Value has been urging the Board to redeem the pill since its first proxy contest against the Company nearly 2.5 years ago. Only after unrelenting pressure from us and the proxy advisory firms, the Board rescinded the poison pill,” commented Andrew T. Berger, Managing Member of AB Value. [Source](#)
- At the AGM held on October 6, 2021, stockholders have voted to elect four directors nominated by the company: Brett Seabert, Jeffrey Geygan, Gabriel Arreaga and Elisabeth Charles; and two directors nominated by AB Value Management LLC. [Source](#)

Global Value Investment Corp

On June 24, 2021, Global Value Investment Corp (GVIC) (5.86%) nominated five candidates for election to the board. The Nomination Notice also includes a proposal concerning the repeal of any provision or amendment to the company’s bylaws adopted by the Board without stockholder approval after December 6, 2019. GVIC believes that the Common Stock is undervalued and that the election of the Nominees to the Board will be enable the company to effect an operating plan developed by GVIC designed to:

- expand the company’s North American retail franchise and distribution footprint
- enhance the company’s franchisee support system
- contemporize and simplify the company’s franchise agreement
- assess the company’s corporate function and manufacturing operations
- evaluate the company’s wholly owned subsidiary, U-Swirl International, Inc., and develop a plan to rehabilitate or dispose of it

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- refocus the company's capital allocation strategy and align executive compensation with clear goals centered around returns on shareholder capital; and
- improve the company's corporate governance practices

[Source](#)

- On July 27, 2021, Global Value Investment Corp increased its stake to 7.11%.
- On August 12, 2021, the company [announced](#) that it has reached a cooperation agreement with Global Value Investment Corp (8.10%). Pursuant to the Cooperation Agreement, the Board appointed Jeffrey R. Geygan, CEO and President of Global Value Investment Corp, to serve as a member of the Board with a term expiring at the 2021 AGM.

Update:

On December 2, 2021, Bradley Radoff (9.3%) stated that he was encouraged by the board refreshment and the quality and diversity of the four new directors, Gabriel Arreaga, Elisabeth B. Charles, Mark Riegel, and Sandra Elizabeth Taylor. However, Bradley Radoff strongly believes, and has communicated to the board on multiple occasions, that one of the new directors should be selected as the chairperson of the newly refreshed board and that Jeffrey Geygan is conflicted and unqualified to serve as chairman. Bradley Radoff intends to continue to advocate for a new chairperson and for a successful search for a new highly-qualified CEO to replace Bryan Merryman. [Source](#)

Morris C. Laster seeks support for his nominees at Scopus BioPharma

Market cap: \$41 million| Scopus BioPharma Inc., a biopharmaceutical company, focuses on developing transformational therapeutics targeting serious diseases.

Background:

- On May 9, 2021, Dr. Laster (40.1%) submitted nominations for Mr. Mordechai Saar Hacham and Joshua Levine for election to the Board at the 2021 AGM. On May 10, 2021, Dr. Laster agreed to vote his shares with respect to the election of Mr. Hacham and Levine to the Board of Directors. [Source](#)
- On September 20, 2021, Dr. Laster filed proxy materials seeking support for his nominees.
- On October 8, 2021, the company [announced](#) that its 2021 AGM was adjourned to 1:00 p.m., Eastern time, on Friday, November 5, 2021, without any business being conducted, pursuant to a Stipulation and Court Order approved by the Delaware Court of Chancery between Scopus and Morris C. Laster, M.D. in connection with Dr. Laster's pending claims against Scopus in the Delaware Court of Chancery. Notwithstanding the Stipulation and Court Order requiring Dr. Laster to cause all shares of Scopus common stock held by him to be present in person or by proxy at the Annual Meeting and any adjournments thereof exclusively for the purposes of establishing a quorum at the meeting, Dr. Laster failed to satisfy this requirement by both not attending the Annual Meeting in person and not making his shares present by proxy.

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- On October 12, 2021, Dr. Laster delivered a letter to the shareholders explaining that he resides in Israel, is observant, and would not be able to attend a meeting in person after sundown on the Sabbath. Despite this knowledge, Scopus announced on October 8, 2021 that the Annual Meeting will be adjourned to 1:00 pm Eastern time on November 5, 2021, which again is a Friday. Kindly [click here](#), to read the entire letter.

Update:

On December 2, 2021, Dr. Laster filed proxy materials seeking support for his nominees.

Background of Dr. Morris C. Laster

A co-founder of the company, Morris C. Laster, M.D., previously provided executive services to the company pursuant to a management services agreement with Clil Medical Ltd., an affiliate of Dr. Laster, or Clil MSA. The Clil MSA was terminated in June 2020. Concurrently, Dr. Laster resigned as Co-Chairman and a director, but continued to serve in various capacities for the company and its subsidiaries. In each of March and April 2021, Dr. Laster submitted resignations referencing various positions with the company and its subsidiaries

Dr. Laster learned on February 16, 2021 that the company's transfer agent's records indicate a significantly smaller holding of shares by Dr. Laster. Having endeavored, without success, and after multiple unanswered requests to the company, to address this issue, Dr. Laster initiated litigation against the company in the Delaware Court of Chancery for unlawful conversion.

Dr. Laster has determined to vote against the future election of members of the current Board of Directors.

GCP Applied Technologies signs a definitive agreement to be acquired by Saint-Gobain; Starboard supports the merger

M.Cap: \$410 million | GCP Applied Technologies Inc. produces and sells specialty construction chemicals and specialty building materials worldwide.

Background:

- On February 27, 2019, the company announced its intention to explore strategic alternatives, including a potential sale of the company.
- On June 6, 2019, the company disclosed that on March 11, 2019, it has reached an agreement with Starboard Value (6.4%) and appointed two new directors to the Board. Starboard agreed to vote its shares in favour of the company's nominees. [Source](#)
- On January 13, 2020, Starboard (8%) delivered a [letter](#) to the company nominating a slate of nine candidates
- On April 28, 2020, 40 North Management (24.4%) announced its support to Starboard's ongoing proxy contest at the company. It further expressed its concerns over the performance of the company in its [letter](#) sent to the Board.
- On May 18, 2020, Starboard [announced](#) that ISS has recommended that shareholders vote on Starboard's **WHITE** proxy card FOR the election of six of Starboard's nominees

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- On May 21, 2020, the company [announced](#) that Glass Lewis recommended that shareholders vote “FOR” the company’s director nominees.
- On May 21, 2020, Starboard [announced](#) that Egan-Jones recommended that shareholders vote “FOR” all eight of Starboard’s director nominees.
- According to the voting results from the 2020 Annual Meeting, all eight (8) of Starboard Value LP’s director nominees were elected to the Board at the 2020 annual meeting. [Source](#)

Update:

On December 5, 2021, the company announced that it has entered into a definitive agreement

pursuant to which Saint-Gobain will acquire all of the outstanding shares of GCP Applied Technologies for \$32.00 per share, in cash, in a transaction valued at approximately \$2.3 billion.

Subsequently, Starboard (8.9%) agreed to vote its shares in favor of the merger. [Source](#)

Lakeview Investment Group proposes to acquire TESSCO Technologies

Market Cap: \$342 million | TESSCO Technologies (TESS) Incorporated architects and delivers product and value chain solutions to support wireless systems in the United States.

Background:

Robert B. Barnhill

- In July 2020, Robert B. Barnhill, Jr., chairman of the board and the largest shareholder of the company holding 18.8%, expressed his opinion that a reconstituted board is necessary to remedy the issues causing the significant decline of the financial performance of the company since he resigned as CEO in 2015. In September 2020, he filed a consent solicitation statement to remove and replace the majority of the company's board.
- On December 11, 2020, Robert B. Barnhill, Jr. delivered written consents to the company from the holders of at least 67% of the outstanding shares to a) remove John D. Beletic, Cathy-Ann Martine-Dolecki, and Ronald D. McCray from the board and b) to elect J. Timothy Bryan and Kathleen McLean as directors and c) to reduce the percentage of shareholders that may cause the company to call a special meeting of shareholders to holders of 25% of the votes outstanding and entitled to vote at a special meeting.
- On December 14, 2020, the company announced that Mr. Beletic, Ms. Dolecki and Mr. McCray had been removed from the board. In addition, J. Timothy Bryan and Kathleen McLean (two nominees of Barnhill) have been elected to the board, and the other proposals that were the subject of the consent solicitation became effective.
- On July 23, 2021, Robert B. Barnhill, Jr. (18.3%) stated that he has determined to withhold his support from the election of Sandip Mukerjee and Paul Gaffney as directors at the 2021 AGM. After founding Tessco in 1984 and serving as its President and CEO until 2017 and its Chairman of the Board until 2020, Robert B. Barnhill, Jr will retire from the Board at the 2021 AGM, scheduled for July 28, 2021.

Lakeview Investment Group

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- On August 5, 2020, Lakeview Investment Group (9.7%) stated that it intends to recommend one or more potential candidates for Board membership to Mr. Barnhill and/or the company for consideration. In addition, Lakeview Investment may, in the future, recommend additional director candidates for election or appointment to the Board. [Source](#)
- On June 29, 2021, Lakeview Investment Group & Trading Company, LLC (11.6%) issued a [letter](#) to the Board calling upon the Board to retain a reputable investment bank to run a full and fair process to sell the company. The letter also stated Lakeview's intention to withhold authority to vote its shares with respect to the election of CEO Sandip Mukerjee and Chairman Paul Gaffney as directors at the upcoming 2021 AGM. [Source](#)

Update:

On December 7, 2021, Lakeview Investment Group (14.9%) sent a [letter](#) to the board proposing to acquire the company at a price equal to \$7.50 per share in cash, requesting the company to immediately enter into discussions with Lakeview regarding its proposal and calling upon the board to commence a robust review of strategic alternatives, including a sale of the company, to maximize value for all stockholders.

TABLES

Audit: Non-Timely (NT) filings

Company name (Ticker)	Stock exchange	Market cap. (\$, mm)	Revenue (\$, mm)	Last filed form 10-Q/10-K period	Last filed form 10-Q/10-K filing date	No. of pending quarters
EVO TRANSN & ENERGY SVCS INC (EVOA)	OTC	53	179	9/30/2019	8/27/2021	8
Youngevity International, Inc. (YGYI)	OTC	4	147	12/31/2019	6/25/2021	7
IEH CORP (IEHC)	OTC	29	32	3/31/2020	10/8/2020	6
LIBERATED SYNDICATION INC (LSYN)	OTC	54	25	9/30/2020	11/16/2020	4
TARONIS FUELS INC (TRNF)	OTC	35	28	9/30/2020	11/19/2020	4
China XD Plastics Company Limit (CXDC)	NasdaqGS	9	1,030	12/31/2020	11/15/2021	3
CPI Aerostructures, Inc. (CVU)	NYSE American	36	88	12/31/2020	4/15/2021	3
IFRESH INC (IFMK)	NasdaqCM	31	94	12/31/2020	2/22/2021	3
SEQUENTIAL BRANDS GROUP, INC.(SQBGQ)	OTC	2	90	12/31/2020	4/15/2021	3
PFSWEB INC(PFSW)	NasdaqCM	284	286	3/31/2021	5/7/2021	2
VIEW, INC.(VIEW)	NasdaqGM	1,389	35	3/31/2021	5/17/2021	2
CRONOS GROUP INC. (CRON)	NasdaqGM	1980	56.64	6/30/2021	8/6/2021	1
RE/MAX HOLDINGS, INC. (RMAX)	NYSE	596.39	293.06	6/30/2021	8/4/2021	1
UNICO AMERICAN CORP (UNAM)	NasdaqGM	17.24	32.49	6/30/2021	8/17/2021	1
REDWIRE CORP (RDW)	NYSE	606.16	103.17	6/30/2021	8/13/2021	1
EARGO, INC. (EAR)	NasdaqGS	245.79	78.53	6/30/2021	8/12/2021	1
CLEANSARK, INC. (CLSK)	NasdaqGM	635.3	24.25	6/30/2021	8/16/2021	1
EACO CORP (EACO)	OTC	116.68	229.28	5/31/2021	7/15/2021	1

Non-Reliance on Previously Issued Financial Statements

Company Name	Market cap. (\$, mm)	Revenue (\$, mm)	Date	Notes	Link
View, Inc. (VIEW)	1400	35	11/9/2021	Liabilities associated with warranty-related obligations and the cost of revenue associated with the recognition of those liabilities were materially misstated	Link

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Cronos Group Inc. (CRON)	1980	57	11/9/2021	Goodwill and indefinite life intangible assets are reviewed for impairment annually or more frequently when events or changes in circumstances indicate that the fair value of the reporting unit has been reduced to less than its carrying amount.	Link
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Audit: Non-Timely (NT) filers who have filed their respective filings in November 2021

Company name	No. of filed 10-K/10-Q forms	Market cap. (\$, mm)	Revenue (\$, mm)	Nt filed date	Pending quarter	Rectified date
BODY & MIND INC. (BMMJ)	1	44	20	10/29/2021	7/31/2021	11/19/2021
Adamis Pharmaceuticals Corporation (ADMP)	2	153	17	5/17/2021	3/31/2021	11/22/2021
GWG Holdings, Inc (GWGH)	3	320	88	4/1/2021	12/31/2020	11/19/2021

Significant audit firm changes

Company Name	Date	Market cap. (\$, mm)	Revenue (\$, mm)	Trigger	Notes	Link
DXP ENTERPRISES INC (DXPE)	11/12/2021	663	984	Material weaknesses	The Company is remediating controls around its aged unvouchered purchase order accounting process, journal entries and business combination accounting	Link
Inuvo, Inc. (INUV)	11/24/2021	75	53	Material weaknesses	MHM advised the Company of a material weakness in its internal control over financial reporting related to the valuation of certain deferred tax assets	Link
Vintage Wine Estates, Inc. (VWE)	11/24/2021	671	210	Material weaknesses	A material weakness in the Company's internal control over relating to business processes and controls to perform reconciliations of certain account balances	Link
KEY TRONIC CORP (KTCC)	11/30/2021	65	528	Material weaknesses	BDO advised the Company of a material weakness in internal controls over financial reporting related to the design and operating effectiveness of certain controls over the accounting for inventory as well as the Company's monitoring activities	Link

List of all audit firm changes in November 2021

Date	Company Name	Market cap. (\$, mm)	Revenue (\$, mm)	Outgoing audit firm	Newly appointed audit firm	Link
11/2/2021	Regional Management Corp. (RM)	526	376	RSM US LL	Deloitte & Touche LLP	Link
11/3/2021	LEE ENTERPRISES, Inc (LEE)	123	793	KPMG LLP	BDO USA LLP	Link
11/12/2021	DXP ENTERPRISES INC (DXPE)	663	984	Moss Adams LLP	McConnell & Jones LLP	Link
11/18/2021	PRA GROUP INC (PRAA)	1890	1110	KPMG LLP	Ernst & Young LLP	Link
11/4/2021	Item 9 Labs Corp. (INLB)	143	18	Semple, Marchal & Cooper, LLP	BF Borgers CPA PC	Link
11/5/2021	Inotiv, Inc. (NOTV)	872	75	RSM US LLP	Ernst & Young LLP	Link
11/5/2021	Energy Services of America CORP (ESOA)	21	127	Arnett Carbis Toothman, LLP	Baker Tilly US, LLP	Link
11/19/2021	AMTECH SYSTEMS INC (ASYS)	218	85	Mayer Hoffman McCann P.C.	Grant Thornton LLP	Link
11/24/2021	CPI AEROSTRUCTURES INC (CVU)	36	88	CohnReznick, LLP	RSM US LLP	Link
11/24/2021	Inuvo, Inc. (INUV)	75	53	Mayer Hoffman McCann P.C.	Not yet appointed	Link
11/24/2021	ESCO TECHNOLOGIES INC (ESE)	2380	715	KPMG LLP	Grant Thornton LLP	Link
11/24/2021	VirTra, Inc (VTSI)	73	22	MaloneBailey, LLP	Eide Bailly LLP	Link
11/24/2021	Vintage Wine Estates, Inc. (VWE)	671	210	Moss Adams, LLP	Not yet appointed	Link
11/24/2021	China United Insurance Service, Inc. (CUIS)	58	128	Macias Gini O'Connell LLP	UHY LLP	Link
11/30/2021	CV Sciences, Inc. (CVSI)	20	20	Deloitte & Touche LLP	Haskell & White LLP	Link
11/30/2021	KEY TRONIC CORP (KTCC)	65	528	BDO USA, LLP	Moss Adams LLP	Link

Multiple activists

Company Name	Market cap. (\$, mm)	Revenue (\$, mm)	Sum of activist ownership	Activist
TEXAS PACIFIC LAND TRUST (TPL)	11,396	290	23	SCHWARTZ INVESTMENT COUNSEL INC - 0.95% SOFTVEST, LP - 1.7% HORIZON KINETICS LLC / HORIZON KINETICS ASSET MANAGEMENT LLC - 20.08% SANTA MONICA PARTNERS LP - 0.23%
MERRIMACK PHARMACEUTICALS (MACK)	69	0	35	JFL Capital Management, LLC - 5.2% 22NW Fund - 9.3% Newtyn Management, LLC - 11.3% Western Standard LLC - 8.9%
Wheeler Real Estate Investment Trust Inc (WHLR)	34	60	57	STILWELL JOSEPH - 37.8% Khoshaba Daniel - 11.4% Steamboat Capital Partners, LLC - 7.4%
BUILD A BEAR WORKSHOP INC (BBW)	238	300	18	CANNELL CAPITAL LLC - 9.65% PHILOTIMO FUND, LP / Kanen Wealth Management - 6.32% Solas Capital Management, LLC - 2.06%
SCOTT'S LIQUID GOLD - INC. (SLGD)	31	32	26	SUMMERS VALUE FUND LP - 6% ISZO CAPITAL LP - 7.5% Maran Partners Fund - 12.8%
PG&E CORP (PCG)	18,650	19,560	2	KNIGHTHEAD CAPITAL MANAGEMENT, LLC - 0.49% ABRAMS CAPITAL MANAGEMENT, L.P. - 1.14% REDWOOD CAPITAL MANAGEMENT, LLC - 0.68%
TIVITY HEALTH, INC. (TVTY)	1,133	424	29	Altaris Capital - 8.96% Hudson Executive Capital LP - 9.74% HG Vora Capital Management - 9.75%
GCP Applied Technologies (GCP)	1,750	909	21	Starboard Value - 8.91% 40 North Management LLC - 6.97% GAMCO INVESTORS - 5.2%
XEROX CORP (XRX)	4,191	7,200	24	DEASON DARWIN - 7.96% ICAHN CARL C - 16.22%
HARTE HANKS INC (HRTH)	42	180	20	FONDREN MANAGEMENT LP / BLR Partners - 9.84% HARTE HOUSTON H - 9.85%
HILL INTERNATIONAL, INC. (HIL)	126	292	16	ANCORA ADVISORS LLC - 6.61% ENGINE CAPITAL LP - 9.81%
MUSCLEPHARM CORP (MSLP)	46	61	17	AMEROP HOLDINGS INC - 10.9% WYNNEFIELD PARTNERS SMALL CAP VALUE LP I - 6.14%
WYNN RESORTS LTD (WYNN)	11,413	2,780	8	NEW YORK STATE COMMON RETIREMENT FUND - 0.1% WYNN ELAINE P - 8.25%
MARCHEX INC (MCHX)	116	52	40	HARBERT DISCOVERY FUND LP - 3.69% EDENBROOK CAPITAL LLC - 36.3%
DESTINATION MATERNITY CORP (DESTQ)	0.2	363	18	MILLER NATHAN G - 6.6% ORCHESTRA-PREMAMAN SA - 11.3%
TSR INC (TSRI)	17	63	49	QAR INDUSTRIES INC - 26.38% ZEFF CAPITAL LP - 22.3%
HUBBAY MINERALS INC. (HBM)	1,770	1,160	31	WATERTON MINING PARALLEL FUND OFFSHORE MASTER, LP - 16.7% GMT CAPITAL CORP - 14.49%
J. ALEXANDER'S HOLDINGS, INC. (JAX)	208	184	14	ANCORA ADVISORS, LLC - 7.54% Hill Path Capital LP - 6.18%
ONE GROUP HOSPITALITY, INC. (STKS)	278	152	16	MAGUIRE ASSET MANAGEMENT, LLC - 0% Kanen Wealth Management/ Philotimo Fund - 15.7%
NUVEEN OHIO QUALITY MUNICIPAL INCOME FUND (NUO)	306	16	5	ANCORA ADVISORS, LLC - 0.015% Saba Capital Management, L.P. - 5.29%

INNOVATIVE FOOD HOLDINGS INC (IVFH)	11	51	27	SMITH DENVER JOHNSON - 7.7% JCP INVESTMENT MANAGEMENT, LLC - 12.6%, Bandera Partners LLC - 6.9%
IMMERSION CORP (IMMR)	229	31	9	RAGING CAPITAL MANAGEMENT, LLC - 7.19% VIEX CAPITAL ADVISORS, LLC - 1.61%
VERSO CORP (VRS)	582	1,170	15	Lapetus Capital II LLC - 8.2% SCW Capital Management - 6.84%
EASTSIDE DISTILLING, INC. (EAST)	49	14	9	Quad Capital Management Advisors - 4.75% WICKERSHAM GROVER T. - 4.3%
LANDEC CORP \CA\ (LNDC)	312	544	21	Wynnefield Capital - 10.87% Legion Partners Asset Management - 9.98%
HC2 HOLDINGS, INC. (HCHC)	306	991	34	Avram Glazer - 27.2% Percy Rockdale LLC - 6.3%
SUPERIOR INDUSTRIES INTERNATIONAL INC (SUP)	214	1,360	5	Gamco Investors - 0.41% D.C. Capital Advisors - 4.62%
SYNALLOY CORP (SYNL)	93	251	25	PRIVET FUND LP - 17.3% UPG ENTERPRISES LLC - 7.86%
FLOTEK INDUSTRIES INC/CN/ (FTK)	124	45	16	North Sound Trading - 9.6% NIERENBERG INVESTMENT MANAGEMENT COMPANY, INC. - 6.44%
TRANSACT TECHNOLOGIES INC (TACT)	151	33	12	Grand Slam Asset Management - 6.06% Harbert Discovery Fund - 5.53%
GAMESTOP CORP. (GME)	11,413	5,350	19	Hestia Capital Partners - 6.58% RC Ventures LLC - 12.53%
TURQUOISE HILL RESOURCES LTD. (TRQ)	3,112	1,510	12	SailingStone Capital Partners - 2.49% Pentwater Capital Management LP - 9.3%
TESSCO TECHNOLOGIES INC (TESS)	49	382	30	Robert B. Barnhill, Jr. - 18.23% Lakeview Investment Group - 11.6%
ENZO BIOCHEM INC (ENZ)	151	112	31	ROUMELL ASSET MANAGEMENT, LLC - 6.01% HARBERT DISCOVERY FUND, LP - 10.7%. Bradley L Radoff - 7.5%, James G. Wolf - 5.4%
BIG LOTS (BIG)	1,908	6,390	9	Macellum Advisors - 8.43% Ancora Advisors - 0.57%
Exxon Mobil Corporation (XOM)	242,159	217,910	0.2	NY State Pension Fund - 0.18% ENGINE NO. 1 LP - 0.021%
TUFIN SOFTWARE TECHNOLOGIES LTD. (TUFN)	374	101	17	CATALYST PRIVATE EQUITY PARTNERS (ISRAEL) II LP - 4.82% MARKER II LP - 11.96%
CIM COMMERCIAL TRUST CORP (CMCT)	184	71	6	Lionbridge Capital - 3.14% ENGINE CAPITAL, L.P. - 2.4%
MONMOUTH REAL ESTATE INVESTMENT CORP (MNR)	1,890	179	5	Blackwells Capital - 4.17% Land & Buildings Investment Management, LLC - 0.7%
AMPCO PITTSBURGH CORP (AP)	114	324	17	Gamco Investors - 10.59% 2006 Irrevocable Trust of Laura W. Van Loan for the Benefit of Mary M. Crawford - 6.47%
Cedar Realty Trust, Inc. (CDR)	236	130	14	Camac Fund, LP - 5.9% Ewing Morris & Co. Investment Partners Ltd. - 8.09%
KVH Industries, Inc. (KVHI)	205	171	6	Vintage Capital - 2.07% VIEX CAPITAL ADVISORS - 4.3%
EHEALTH, INC. (EHTH)	1,283	618	13	HUDSON EXECUTIVE CAPITAL LP - 5.74% STARBOARD VALUE LP - 7.3%

TORTOISE ENERGY INDEPENDENCE FUND (NDP)	37	0	19	ARISTIDES CAPITAL LLC - 5.98% Bulldog Investors, LLP - 12.7%
NOCOPI TECHNOLOGIES INC/MD/ (NNUP)	14	3	19	SRK Fund I, LP. - 8.37% Eriksen Capital Management LLC - 10.1%
NN INC (NNBR)	303	438	19	LEGION PARTNERS ASSET MANAGEMENT - 9.19% Corre Partners Management, LLC - 10.13%
SWK HOLDINGS CORP (SWKH)	221	38	79	CARLSON CAPITAL L P - 71.1% CANNELL CAPITAL LLC - 7.56%
YATRA ONLINE, INC. (YTRA)	123	1,270	12	Maguire Asset Management, LLC - 7.94% Catamount Strategic Advisors, LLC - 3.75%
Rocky Mountain Chocolate Factory, Inc. (RMCF)	50	28	24	AB Value Management LLC - 15.5% Global Value Investment Corp. - 8.1%
MDC PARTNERS INC (MDCA)	426	1,180	32	Indaba Capital Management, L.P. - 11.9%, Stagwell Agency Holdings LLC - 19.9%
CAPITAL SENIOR LIVING CORP (CSU)	80	247	40	ARBITER PARTNERS CAPITAL MANAGEMENT - 13.8%, PANGAEA VENTURES - 9%, Sam Levinson - 17.1%
1847 GOEDEKER INC. (GOED)	331	107	15	CANNELL CAPITAL - 9.1%, Philotimo Fund, LP - 5.5%
OPTEX SYSTEMS HOLDINGS INC (OPXS)	17	20	14	HENRY PARTNERS L P - 4.3%, Sudbury Capital Fund, LP - 9.9%
Evolving Systems Inc (EVOL)	33	27	29	Karen Singer - 20.8%, Piton Capital Partners LLC - 8.1%
GRIFFON CORP (GFF)	1,530	2,270	8	GAMCO INVESTORS - 6.6%, VOSS CAPITAL - 1.6%
Lee Enterprises (LEE)	176	794	22	CANNELL CAPITAL - 8.2%, PRAETORIAN CAPITAL MANAGEMENT - 7.3%, MNG ENTERPRISES - 6.3%
Brightcove Inc (BCOV)	401	212	20	EDENBROOK CAPITAL - 11.2%, TENZING GLOBAL MANAGEMENT - 8.57%
Schmitt Industries (SMIT)	21	10	24	SENTENTIA CAPITAL MANAGEMENT - 13.7%, ACTIVIST INVESTING - 9.9%
Trecora Resources (TREC)	202	256	16	Bradley L. Radoff - 5%, Pangaea Ventures, L.P. - 11%

13D Filings

Date	Company Name	Market cap. (\$, mm)	Revenue (\$, mm)	Filer Name
11/1/2021	BRIGHTCOVE INC (BCOV)	408	212	EDENBROOK CAPITAL, LLC
11/1/2021	CODORUS VALLEY BANCORP INC (CVLY)	216	76	DRIVER MANAGEMENT CO LLC
11/2/2021	GALAPAGOS NV (GLPG)	3032	530	VAN HERK INVESTMENTS B.V.
11/2/2021	TRECORA RESOURCES (TREC)	184	256	PANGAEA VENTURES, L.P.
11/3/2021	RR DONNELLEY & SONS CO (RRD)	658	4,940	CHATHAM ASSET MANAGEMENT, LLC
11/4/2021	LUMEN TECHNOLOGIES, INC. (LUMN)	15164	20,510	SOUTHEASTERN ASSET MANAGEMENT INC/TN/
11/5/2021	CRACKER BARREL OLD COUNTRY STORE, INC (CBRL)	3433	2,530	BIGLARI CAPITAL CORP.

11/8/2021	AVALO THERAPEUTICS, INC. (AVTX)	261	6	ARMISTICE CAPITAL, LLC
11/10/2021	MIDDLEFIELD BANC CORP (MBCN)	160	52	ANCORA ADVISORS, LLC
11/10/2021	NOCOPI TECHNOLOGIES INC/MD/ (NNUP)	13	2	ERIKSEN CAPITAL MANAGEMENT LLC
11/12/2021	MALLINCKRODT PLC (MNKKQ)	13	2,290	BUXTON HELMSLEY GROUP, INC.
11/15/2021	ALLOT LTD. (ALLT)	431	144	OUTERBRIDGE CAPITAL MANAGEMENT LLC
11/15/2021	CODORUS VALLEY BANCORP INC (CVLY)	219	76	DRIVER MANAGEMENT CO LLC
11/15/2021	ENZO BIOCHEM INC (ENZ)	164	118	WOLF JAMES G.
11/16/2021	1847 GOEDEKER INC. (GOED)	261	236	PHILOTIMO FUND, LP
11/16/2021	BLUEKNIGHT ENERGY PARTNERS, L.P. (BKPE)	142	115	DG CAPITAL MANAGEMENT, LLC
11/16/2021	JANUS HENDERSON GROUP PLC (JHG)	7898	2,730	TRIAN FUND MANAGEMENT, L.P.
11/16/2021	RR DONNELLEY & SONS CO (RRD)	672	4,940	CHATHAM ASSET MANAGEMENT, LLC
11/17/2021	ABSOLUTE SOFTWARE CORP (ABST)	614	136	EDENBROOK CAPITAL, LLC
11/17/2021	GREEN PLAINS INC. (GPPE)	2102	2,500	ANCORA ADVISORS, LLC
11/17/2021	QUOTIENT TECHNOLOGY INC. (QUOT)	706	518	ENGAGED CAPITAL LLC
11/17/2021	TRECORA RESOURCES (TREC)	222	256	RADOFF BRADLEY LOUIS
11/18/2021	DIRTT ENVIRONMENTAL SOLUTIONS LTD (DRTT)	274	147	22NW FUND, LP
11/19/2021	SCHMITT INDUSTRIES INC (SMIT)	21	10	ACTIVIST INVESTING LLC
11/19/2021	ALKERMES PLC. (ALKS)	3758	1,130	SARISSA CAPITAL MANAGEMENT LP
11/29/2021	AMERICAN OUTDOOR BRANDS, INC. (AOUT)	325	287	VOSS CAPITAL, LLC
11/29/2021	LEE ENTERPRISES, INC (LEE)	149	793	MNG ENTERPRISES, INC.
11/29/2021	PARKWAY ACQUISITION CORP. (PKKW)	80	35	STILWELL JOSEPH
11/29/2021	RR DONNELLEY & SONS CO (RRD)	744	4,940	CHATHAM ASSET MANAGEMENT, LLC
11/29/2021	RUTHS HOSPITALITY GROUP, INC. (RUTH)	582	278	HILL PATH CAPITAL LP
11/30/2021	LAZYDAYS HOLDINGS, INC. (LAZY)	239	1,010	PHILOTIMO FUND, LP
11/30/2021	NAM TAI PROPERTY INC. (NTP)	703	140	ISZO CAPITAL LP

13G Filings (First-time filer)

Date	Company name	M.Cap	Revenue	Fund name
11/1/2021	Aris Water Solutions, Inc. (ARIS)	233	190	Encompass Capital Advisors LLC
11/1/2021	Sylvamo Corp (SLVM)	1221	3160	Madison Avenue Partners, LP
11/2/2021	RE/MAX Holdings, Inc. (RMAX)	594	293	RPD Fund Management LLC
11/3/2021	CUTERA INC (CUTR)	796	197	RTW INVESTMENTS, LP
11/4/2021	4D Molecular Therapeutics Inc. (FDMT)	778	23	Deep Track Capital, LP
11/4/2021	Better Choice Co Inc. (BTTR)	117	42	Must Asset Management Inc.
11/4/2021	Rent the Runway, Inc. (RENT)	1008	149	GILDER GAGNON HOWE & CO LLC
11/5/2021	Redbox Entertainment Inc. (RDBX, RDBXW, SGAMU)	708	326	Standard General L.P.
11/5/2021	Hess Midstream LP (HESM)	846	1150	CI Global Investments Inc.
11/5/2021	Echo Global Logistics, Inc. (ECHO)	1284	3480	GLAZER CAPITAL, LLC
11/8/2021	Calumet Specialty Products Partners, L.P. (CLMT)	1053	2530	Knott David M Jr
11/9/2021	Blade Air Mobility, Inc. (BLDE, BLDEW)	760	39	ARK Investment Management LLC
11/9/2021	P10, Inc. (PX)	1473	107	ALLIANCEBERNSTEIN L.P.
11/10/2021	Aris Water Solutions, Inc. (ARIS)	275	190	PRICE T ROWE ASSOCIATES INC /MD/
11/10/2021	Rent the Runway, Inc. (RENT)	1074	149	PRICE T ROWE ASSOCIATES INC /MD/
11/10/2021	Consensus Cloud Solutions, Inc. (CCSI)	1291	688	BlackRock Inc. (BLK)
11/10/2021	Science 37 Holdings, Inc. (SNCE)	1468	43	BlackRock Inc. (BLK)
11/10/2021	P10, Inc. (PX)	1470	107	FEDERATED HERMES, INC. (FHI)
11/10/2021	P10, Inc. (PX)	1470	107	PRICE T ROWE ASSOCIATES INC /MD/
11/10/2021	TELOS CORP (TLS)	1642	201	FMR LLC
11/10/2021	EXPRO GROUP HOLDINGS N.V. (XPRO)	2027	684	PRICE T ROWE ASSOCIATES INC /MD/
11/12/2021	CAI International, Inc. (CAI, CAI-PA, CAI-PB)	971	349	Versor Investments LP
11/12/2021	GCM Grosvenor Inc. (GCMG, GCMGW)	2235	479	Northern Right Capital Management, L.P.
11/15/2021	Diversicare Healthcare Services, Inc. (DVCR)	70	460	Beryl Capital Management LLC
11/15/2021	HAWTHORN BANCSHARES, INC. (HWBK)	170	73	Eden Douglas Todd
11/16/2021	DATA I/O CORP (DAIO)	43	24	Philotimo Fund, LP
11/16/2021	KIDPIK CORP. (PIK)	56	22	Ionic Ventures, LLC
11/16/2021	2seventy bio, Inc. (TSVT)	868	48	EcoR1 Capital, LLC

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11/18/2021	NAUTILUS, INC. (NLS)	236	665	Quinn Opportunity Partners LLC
11/18/2021	QUANTUM CORP /DE/ (QMCO)	364	373	Senvest Management, LLC
11/19/2021	Landmark Infrastructure Partners LP	415	70	Beryl Capital Management LLC
11/19/2021	Verano Holdings Corp.	1465	601	Cowen Financial Products LLC
11/22/2021	ForgeRock, Inc.	2112	169	LIGHT STREET CAPITAL MANAGEMENT, LLC
11/23/2021	SILVERBOW RESOURCES, INC.	387	309	Teal Upstream Holdings, LLC
11/29/2021	SG BLOCKS, INC.	26	37	BAGLEY E BRYAN

CEO & CFO changes

Company Name	Market cap. (\$, mm)	Revenue (\$, mm)	CEO (8-k date)	CFO (8-k Date)	Number of months between the appointment of CEO and CFO
XL Fleet Corp. (XL)	767	22	11/1/2021	4/20/2021	6.5
SYNCHRONOSS TECHNOLOGIES INC (SNCR)	216	275	3/10/2021	11/2/2021	7.9
Liberated Syndication Inc. (LSYN)	94	25	11/3/2021	10/4/2021	1
bluebird bio, Inc. (BLUE)	1702	50	11/4/2021	11/4/2021	0
BurgerFi International, Inc. (BFI)	148	57	11/5/2021	3/3/2021	8.2
SHIFT TECHNOLOGIES, INC. (SFT)	616	394	11/5/2021	3/15/2021	7.8
Proto Labs Inc (PRLB)	1711	470	12/14/2020	11/5/2021	10.9
Fluent, Inc. (FLNT)	198	311	7/6/2021	11/15/2021	4.4
OneSpan Inc. (OSPN)	762	208	11/15/2021	10/8/2021	1.3
Six Flags Entertainment Corp (SIX)	3711	1290	11/15/2021	6/24/2020	17
Mediaco Holding Inc. (MDIA)	53	53	6/11/2021	11/18/2021	5.3
Talkspace, Inc. (TALK)	335	110	11/18/2021	7/21/2021	4
MedMen Enterprises, Inc. (MMNFF)	363	150	11/26/2021	12/18/2020	11.4
Taronis Fuels, Inc. (TRNF)	32	28	11/30/2021	4/12/2021	7.7

CEO changes

Date	Company Name	Internal/ External appointment	CEO Name	Market cap. (\$, mm)	Revenue (\$, mm)	Link
11/1/2021	XL Fleet Corp. (XL)	External	Eric Tech	767	22	Link
11/3/2021	Liberated Syndication Inc. (LSYN)	Internal	Bradley Tirpak	94	25	Link

11/3/2021	Cara Therapeutics, Inc. (CARA)	Internal	Christopher Posner	884	123	Link
11/4/2021	Velodyne Lidar, Inc. (VLDR)	External	Theodore L. Tewksbury	1263	81	Link
11/4/2021	bluebird bio, Inc. (BLUE)	Internal	Andrew Obenshain	1702	50	Link
11/5/2021	BurgerFi International, Inc. (BFI)	External	Ian Baines	148	57	Link
11/5/2021	SHIFT TECHNOLOGIES, INC. (SFT)	Internal	George Arison	616	394	Link
11/9/2021	Evolve Transition Infrastructure LP (SNMP)	External	Randall Gibbs	94	50	Link
11/9/2021	PROGENITY, INC. (PROG)	External	Adi Mohanty	493	75	Link
11/10/2021	Landos Biopharma, Inc. (LABP)	Internal	Tim M. Mayleben	585	18	Link
11/12/2021	TherapeuticsMD, Inc. (TXMD)	Internal	Hugh O' Dowd	267	91	Link
11/15/2021	Casper Sleep Inc. (CSPR)	Internal	Emilie Arel	276	586	Link
11/15/2021	OneSpan Inc. (OSPN)	External	Matthew Moynahan	762	208	Link
11/15/2021	Six Flags Entertainment Corp (SIX)	Internal	Selim A. Bassoul	3711	1290	Link
11/16/2021	NEW YORK MORTGAGE TRUST INC (NYMT)	Internal	Jason T. Serrano	1559	320	Link
11/18/2021	Talkspace, Inc. (TALK)	Internal	Douglas Braunstein	335	110	Link
11/26/2021	MedMen Enterprises, Inc. (MMNFF)	Internal	Michael Serruya	363	150	Link
11/30/2021	Taronis Fuels, Inc. (TRNF)	Internal	Jered Ruyle	32	28	Link