Fighting off an "attack" on an investment fund

[→ Financial]

Attack on fund managers

A German banking group was using its proprietary trading desk to acquire around 30% of a closed fund in order to put the fund's management under pressure with "proxy fight" tactics. The bank's main aim was to transform the closed-end fund into an open-ended fund, and have its own members join the board. At the time, both the fund and banking group were in the news because of serious losses. CNC was brought in by the fund managers to advise on an appropriate communications strategy.

Negotiations through background talks

CNC established a personal dialogue with the Chairman of the Supervisory Board of the bank. In subsequent talks with the bank's management, CNC made it clear that headlines such as "Bank acts as raider" in German and US media were not in the bank's interests, and proposed a negotiated solution. A newspaper briefed by CNC made the parties aware of the wisdom of finding a consensus, and led to the opening of joint negotiations. The bank abandoned its hostile tactics.

Consensus-based solution

Identification of areas of weakness Vital contacts

With the help of CNC, it was possible to identify a crucial The mediation work was made possible thanks to personal contacts with the clients and decision-makers in the sector as well as the turnaround in perceptions achieved among relevant media.