



Activist Funds Set Their Sights on Microcaps

By Stephen Foley – August 28, 2016 – New York, New York

Famous activists such as [Daniel Loeb](#) and Bill Ackman may be retrenching and mounting fewer campaigns against large-cap companies, but there is one area where hedge fund managers are still finding lucrative opportunities: microactivism.

Since the start of the year, 61 micro-cap companies, those with a market capitalisation of \$50m to \$250m, have found themselves on the receiving end of attention from activist funds — companies ranging from a Canadian software vendor to a US luxury hotels group to a [British tool hire business](#).

Since the start of the year, 61 micro-cap companies, those with a market capitalisation of \$50m to \$250m, have found themselves on the receiving end of attention from activist funds — companies ranging from a Canadian software vendor to a US luxury hotels group to a [British tool hire business](#).

[snip]

Some of the most vitriolic activist cases have involved micro-cap companies this year. At [Hill International](#), a construction consultancy, shareholders were told that their annual meeting was being cancelled, hours before a vote that New Jersey activist fund Bulldog Investors believed would put its representatives on the board.

[snip]

“Our goal is to get a transaction,” says Phil Goldstein, co-founder of Bulldog Investors. “If you separate investors into two types, we tend to be the bird-in-the-hand type.”

###