In this course we will conduct in-depth investigations of the activities of the world’s wealthiest shareholders such as William Ackman, Warren Buffett, Carl Icahn, Daniel Loeb, and Donald Trump with the goal of getting a better understanding of exactly what they do to amass such considerable amounts of wealth. Specifically, we will uncover material related to the following topics:

- **Characteristics of the investment programs of the world’s wealthiest investors**, including attributes such as the duration of their investment programs and the tactics used for engendering changes at investment companies.

- **Analysis of the changes in investment companies evoked by the activities of the world's wealthiest investors** using accounting, finance and other approaches to the examination of changes.

- **Rewards from pursuing the activities of the world's wealthiest investors**, arising primarily from shared benefits wherein the large shareholder gains, as do the small shareholders of the firm.

- **Risks from pursuing the activities of the world's wealthiest investors**, arising from a variety of factors including private benefits for the large shareholder when block ownerships are used by large shareholders to secure a variety of benefits to the exclusion of small shareholders.

Throughout the course, our understanding of the material covered will be complemented by the cases-in-point in class handouts.
Course Requirements

I will assign each student several of the world’s largest shareholders and the companies targeted by these shareholders. Each student, using a variety of analytical techniques that I will discuss in class, will conduct an independent inquiry of these shareholders. Subsequently, each student will prepare a written report containing information on the background of the assigned shareholders, and a detailed analysis of each assigned company targeted by the large shareholder.

The background section of the large shareholder should discuss issues such as the relevant experience and expertise of the investor, the tactics used by the investor to pursue their investment program, sources of funds to pursue the active investment program, motivation for the pursuit of the investment program, personal loss if the value of the investment declines, evidence on past performance in pursuit of investment program, opportunities for self-dealing and evidence on these opportunities.

The analysis section should describe the effect of the large shareholder on the firm for each targeted firm that the student has been assigned. The analysis must be descriptive and evaluative. Each analysis should contain a discussion of the events in the investment program, an examination of the changes in the stock-prices, accounting performance, and other structures of the targeted firm, and a short conclusion.

Please plan on spending at least the same amount of time as you would on another three-credit class. Also note that the class requires a considerable amount of individual work; so please make sure there is a good fit between what you are looking out for and what the class offers.

Course Materials

_How Buffett Does It_ by James Pardoe (McGraw Hill, ISBN 0-07-144912-4) is the optional text I recommend for the class. Also, I will provide you with extensive handouts in class to assist you with conducting your investigation.

Grading

Written Report 100%

(The written report should be at least 42 pages long).