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978-1-107-01683-5 - Hedge Fund Activism in Japan: The Limits of Shareholder Primacy

John Buchanan, Dominic Heesang Chai and Simon Deakin

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Hedge Fund Activism in Japan

Hedge fund activism is an expression of shareholder primacy, an idea that has come to dominate discussion of corporate governance theory and practice worldwide over the past two decades. This book provides a thorough examination of public and often confrontational hedge fund activism in Japan in the period between 2000 and the full onset of the global financial crisis in 2008. In Japan this shareholder-centric conception of the company espoused by activist hedge funds clashed with the alternative Japanese conception of the company as an enduring organisation or a 'community'. By analysing this clash, the book derives a fresh view of the practices underpinning corporate governance in Japan and offers suggestions regarding the validity of the shareholder primacy ideas currently at the heart of US and UK beliefs about the purpose of the firm.

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Frontmatter

[More information](#)

Contents

<i>List of figures</i>	<i>page</i> vi
<i>List of tables</i>	vii
<i>Acknowledgements</i>	viii
<i>Note on transcription of Japanese words</i>	x
1 Introduction: hedge fund activism, Japanese corporate governance, and the nature of the company	1
2 Perspectives, methods, and data	8
3 Companies, company law, and corporate governance	20
4 The rise of shareholder primacy in America and Britain	40
5 The emergence of activist hedge funds	61
6 Firm-centric corporate governance: the evolution of the Japanese model	95
7 Japan's unexpected credentials as a target for hedge fund activism	132
8 Hedge fund activism in Japan: funds, targets, and outcomes	153
9 Two turning points: Bull-Dog Sauce and J-Power	212
10 Responding to activism: managers, investors, officials, and the media	240
11 'Quiet activism': the future for shareholder engagement in Japan?	282
12 Conclusions: hedge fund activism, Japanese corporate governance, and shareholder primacy	294
<i>Data appendix</i>	322
<i>Bibliography</i>	333
<i>Index</i>	371

Cambridge University Press

978-1-107-01683-5 - Hedge Fund Activism in Japan: The Limits of Shareholder Primacy

John Buchanan, Dominic Heesang Chai and Simon Deakin

Frontmatter

[More information](#)*Figures*

7.1 Trends in Japanese shareholding patterns 1987–2011	<i>page</i> 142
7.2 RoE data 2000–7 for selected stock markets	147
7.3 Price to book data 2000–7 for selected stock markets	147
7.4 Dividend trends in the Tokyo and Osaka markets 2000–8	149
7.5 Canon's dividend as percentage of sales and total assets 2000–8	150
8.1 Interventions by the Murakami Fund	160
8.2 Incidence of <i>Nikkei</i> articles on the Murakami Fund, 2000–8	165
8.3 Number of investments at 31 December 2007 by funds categorised as 'active orientation' by Thomson Reuters	169
8.4 Capital outlays at 31 December 2007 by funds categorised as 'active orientation' by Thomson Reuters	170
8.5 Articles on activist hedge funds in <i>Nikkei</i> during 2007	171
8.6 Articles on activist hedge funds in <i>Nikkei</i> 2001–8	173
8.7 Interventions by confrontational activist hedge funds 2002–8	206
8.8 US\$ against Yen (closing rates) 2001–8	208
11.1 The five 'public' funds by number of investments comparing end 2007 to end 2010	284
11.2 The five 'public' funds by capital outlay comparing end 2007 to end 2010	284

Cambridge University Press

978-1-107-01683-5 - Hedge Fund Activism in Japan: The Limits of Shareholder Primacy

John Buchanan, Dominic Heesang Chai and Simon Deakin

Frontmatter

[More information](#)

Tables

8.1 Characteristics of target companies	<i>page</i> 195
8.2 Logistic models predicting targeting	198
8.3 One-year changes in target firm performance	200
8.4 Two-year changes in target firm performance	202
10.1 TSE survey on regular investor contact	247
A.1 List of meetings held 2003–10	323
A.2 Manufacturing, services, and financial companies visited 2003–10	324
A.3 List of investments by funds categorised as ‘active orientation’ by Thomson Reuters at 31 December 2007	325

Cambridge University Press

978-1-107-01683-5 - Hedge Fund Activism in Japan: The Limits of Shareholder Primacy

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Frontmatter

[More information](#)

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Frontmatter

[More information](#)

Acknowledgements

ix

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Note on transcription of Japanese words

Japanese words are transcribed using the Hepburn Romanisation, with macrons to indicate long vowels except where place names are considered to have become adopted into the English language through frequent use (e.g. 'Tokyo' and 'Osaka' rather than the strictly correct 'Tōkyō' and 'Ōsaka'). Where corporate names currently exist in a Romanised version promoted by the company which does not follow this orthography we have generally followed their usage (e.g. 'Sotoh' rather than 'Sotō' and 'Nihon Keizai Shimbun' rather than 'Nihon Keizai Shinbun') although we have added macrons to some company names to indicate pronunciation where it is not already evident. Japanese personal names are shown in Japanese order, with surname first.