

Appendix

Table 1: Summary of events by activists' stated goals This table provides the summary of activists' campaigns categorized by activists' stated objectives. The sample consists of 362 activist campaigns over 2000-2015. The demands were manually classified into the same categories as in Brav et al. (2008). The first column corresponds to a broad demand category. The second column narrows the activists' objective down to a more narrow category. The third column counts a number of occurrences of each objective, the fourth column corresponds to share of such occurrences and the fifth column to the percent of successful successful realizations of such objectives. Number of occurrences and % of Successes do not sum to 362 and 100% correspondingly because each campaign can have multiple objectives.

Category	Activist Objective	Num. events	% Sample	% Success
Capital structure	Excess cash, under-leverage, dividends/repurchases	66	18.2%	68.2%
	Equity issuance, restructure debt, recapitalization	23	6.4%	73.9%
Business strategy	Operational efficiency	36	9.9%	52.8%
	Lack of focus, business restructuring and spinning off	53	14.6%	66%
	M&A: as target (against the deal/for better terms)	34	9.4%	32.4%
	M&A: as acquirer (against the deal/for better terms)	13	3.6%	76.9%
	Pursue growth strategies	5	1.4%	40%
Sell company	Sell company or main assets to a third party	87	24.0%	50.6%
	Take control/buyout company and/or take it private	11	3.0%	36.4%
Governance	Rescind takeover defenses	23	6.4%	47.8%
	Oust CEO, chairman	35	9.7%	62.9%
	Board independence and fair representation	99	27.3%	73.7%
	More information disclosure/potential fraud	23	6.4%	34.8%
	Excess executive compensation/pay for performance	37	10.2%	51.4%
Other	Institute environmental protection policy	3	0.8%	0%
	Public Short Position/Bear Raid	2	0.4%	NA
	Total number	362	100%	66.9%

Table 2: Success rate by stage This table provides the breakdown of stages at which the campaign is terminated.

Exit after	Num.campaigns	% Sample	Num. Successes	% Successes
Demand negotiations	163	45%	108	66.3%
Board representation	38	10.5%	14	36.8%
Proxy fight	161	44.5%	120	74.5%

Table 3: Descriptive statistics. This table provides summary statistics on the variables used in preliminary analysis. The variables are grouped by type. *success_of_stated_obj* is an indicator of fulfillment of activists' demands. *Num. large investors* is the number of investors that fall into top 5% holding percentile and have shares in the target. *Num. activist connections* is total number of connections that activist has with large investors in the target. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company.

Variable type	Variable	mean	sd	min	p25	median	p75	max
Campaign outcome	Success of stated goals	0.49	0.5	0	0	0	1	1
	Won board seat(s)	0.72	0.45	0	0	1	1	1
Activist power	Perc. active ownership	9.36	3.13	3.23	7.14	8.64	11.35	17.54
	Import. activist ownership	0.36	0.24	0	0.14	0.34	0.59	0.69
Network	Num. large investors	5.77	3.32	0	3	6	8	16
	log(Num. activist connections)	5.32	1.73	0	4.33	5.3	6.14	10.47
	Perc. large ownership	933034.61	6945488.26	0	7.48	110.07	2183.18	103270447
	Simple con. weighted by perc.	-0.06	0.23	-0.1	-0.1	-0.1	-0.1	2.95
	Spring con. weighted by perc.	2.63	3.73	0	0.01	0.73	4.24	16.92
	Simple con. weighted by import.	1.32	1.7	0	0.06	0.41	2.19	8.46
	Simple con. weighted by import.	0.04	0.12	0	0	0	0.01	1.14
	Simple closeness centrality	2.16	0.87	0	1.61	2.28	2.79	4.42
	Spring closeness centrality	2.39	0.89	0	1.8	2.47	3.01	4.44
	Simple betweenness centrality	9.42	2.54	0	9.37	10.02	10.62	12.35
	Spring betweenness centrality	7.63	2.15	0	7.37	8.03	8.71	10.53
	Spring strength	0.04	0.09	0	0	0	0.02	1
	Simple strength	120.26	294.77	1	7	21	66	4239
Controls	log(Market capitalization)	7.2	1.94	3.03	5.75	7	8.33	13.03
	Poison pill	0.37	0.48	0	0	0	1	1
	Firm age	22.34	14.02	1	11	19	30	53
	Leverage	1.25	6.95	-30.1	0.09	0.43	1.2	112.41
	MTB	3.26	19.05	-113.94	1.15	1.8	2.9	316.84
	ROA	53.82	393.38	-1938.71	-38.48	40.07	113.18	4325.62
	Short term objective	0.38	0.49	0	0	0	1	1
Campaign cost	Exit after board demands	0.1	0.31	0	0	0	0	1
	Exit after proxy fight	0.44	0.5	0	0	0	1	1

Table 4: Correlation table. *success_of_stated_obj* is an indicator of fulfillment of activists' demands. *Num. large investors* is the number of investors that fall into top 5% holding percentile and have shares in the target. *Num. activist connections* is total number of connections that activist has with large investors in the target. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{\text{Share} - \min(\text{Share})}{\max(\text{Share}) - \min(\text{Share})}$. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{\text{Share} - \min(\text{Share})}{\max(\text{Share}) - \min(\text{Share})}$. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
1 Success of stated goals	1																					
2 Won board seat(s)	0.26	1																				
3 Perc. active ownership	-0.17	0.05	1																			
4 Import. activist ownership	0.12	-0.04	0.13	1																		
5 Num. large investors	-0.21	0.05	0.27	0.13	1																	
6 log(Num. activist connections)	-0.16	-0.11	0.03	-0.28	0.28	1																
7 Perc. large ownership	-0.09	0.04	0.06	0.01	0.12	-0.02	1															
8 Simple con. weight by perc.	-0.16	0.04	0.13	-0.1	0.4	0.53	0.08	1														
9 Spring con. weight by perc.	-0.42	-0.05	0.4	-0.1	0.73	0.39	0.24	0.53	1													
10 Simple con. weight by import.	-0.11	0.03	0.15	-0.13	0.61	0.59	-0.03	0.41	0.58	1												
11 Simple closeness centrality	-0.14	-0.09	0.14	0	0.45	0.51	0	0.72	0.54	0.67	1											
12 Simple closeness centrality	0	0.11	0.16	0.27	0.77	0.12	0.06	0.11	0.37	0.42	0.23	1										
13 Spring closeness centrality	-0.03	0.08	0.06	0.28	0.77	0.13	0.06	0.14	0.4	0.48	0.27	0.96	1									
14 Simple betweenness centrality	0.02	0.11	0.05	0.19	0.59	0.1	0.02	0.04	0.21	0.29	0.13	0.84	0.75	1								
15 Spring betweenness centrality	-0.06	0.1	0.24	0.14	0.74	0.21	0.04	0.35	0.57	0.72	0.51	0.55	0.63	0.77	0.99	1						
16 log(Market capitalization)	0.09	0.11	-0.05	0.05	-0.12	-0.05	-0.07	-0.1	-0.18	-0.06	-0.02	0.04	0.04	0.07	0.44	0.44	1					
17 Poison pill	-0.1	-0.01	0.12	0.04	0.32	0.19	-0.03	0.21	0.29	0.36	0.23	0.21	0.26	0.14	0.15	0.46	-0.05	1				
18 Firm age	-0.05	0.13	0	-0.07	0.03	0.14	0.05	0.02	0.06	0.12	0.01	-0.01	-0.01	0.01	0	0.06	-0.04	0.05	1			
19 Leverage	-0.04	0.16	0.05	-0.05	0.03	0.12	0.04	0.01	0.05	0.11	0	-0.02	-0.01	-0.02	-0.02	0.06	-0.06	0.04	0.96	1		
20 MTB	0.02	0.01	0.02	0.05	0.02	0.02	0.01	0.08	0.02	0.01	0.05	0.02	0.02	0.02	0.02	0.02	-0.05	0.08	0.02	0	1	
21 ROA	0.11	0.08	-0.05	0.11	0	-0.1	-0.05	-0.08	-0.13	-0.1	-0.09	0.16	0.16	0.1	0.11	-0.1	0.18	-0.12	-0.06	-0.04	0.11	1
22 Short term objective																						

Table 5: Number of large investors and activist's success

	<i>Dependent variable:</i>				
	Success of stated goals				
	(1)	(2)	(3)	(4)	(5)
Num.large investors	0.0444 t = 0.5457		0.0621 t = 1.7702*		
log(Num. activist connections)		-0.0041 t = -0.1081	-0.0121 t = -0.3753		-0.0024 t = -0.0516
Perc. large ownership				-0.0946 t = -9.9312***	-0.0975 t = -7.4857***
Exit after board demands	-0.0680 t = -3.7040***	-0.0658 t = -3.5248***	-0.0679 t = -3.6384***	-0.0184 t = -1.3085	-0.0280 t = -1.8866*
Exit after proxy fight	-0.3983 t = -4.3342***	-0.3872 t = -2.5508**	-0.3767 t = -2.5754**	-0.4637 t = -2.5383**	-0.2893 t = -2.0962**
Perc. activist ownership	0.0283 t = 0.8504	0.0296 t = 0.9079	0.0265 t = 0.8053	0.1491 t = 2.4946**	0.0303 t = 1.2284
Poison pill	0.0395 t = 1.5537	0.0393 t = 1.3448	0.0406 t = 1.4856	0.0049 t = 0.1094	0.0065 t = 0.1838
Firm age	-0.0011 t = -0.4957	-0.0012 t = -0.5583	-0.0011 t = -0.4912	-0.0018 t = -0.6664	-0.0020 t = -0.8102
log(Market capitalization)	0.0321 t = 3.1620***	0.0423 t = 3.9599***	0.0325 t = 3.0818***	0.0335 t = 4.0938***	0.0350 t = 4.0499***
Leverage	-0.0178 t = -0.8065	-0.0160 t = -0.7547	-0.0171 t = -0.8084	-0.0185 t = -0.7984	-0.0170 t = -0.8529
MTB	0.0061 t = 0.8049	0.0055 t = 0.7400	0.0059 t = 0.8023	0.0063 t = 0.8007	0.0057 t = 0.8166
ROA	0.00005 t = 0.6839	0.00004 t = 0.6438	0.00005 t = 0.6746	0.0001 t = 0.7436	0.0001 t = 0.7693
Short term objective	0.0603 t = 0.6076	0.0701 t = 0.7050	0.0625 t = 0.6257	0.0396 t = 0.4317	0.0535 t = 0.6501
Constant	13.9704 t = 0.4800	10.8574 t = 0.3661	13.7933 t = 0.4753	0.5013 t = 3.6397***	-12.5593 t = -0.5156
Activist type FE	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Observations	299	299	299	299	299
R ²	0.2430	0.2419	0.2438	0.2970	0.2908
Adjusted R ²	0.2112	0.2101	0.2093	0.2649	0.2584

Notes: OLS regression of the equation $Campaign_{Outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. *success_of_stated_goals* is an indicator of fulfillment of activists' demands. *Num. large investors* is the number of investors that fall into top 5% holding percentile and have shares in the target. *Num. activist connections* is total number of connections that activist has with large investors in the target. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 6: Network support and activist's success

	<i>Dependent variable:</i>			
	Success of stated goals			
	(1)	(2)	(3)	(4)
Simple con. weighted by perc.	0.1117 t = 4.7647***			
Spring con. weighted by perc.		-0.0084 t = -0.3926		
Simple con. weighted by import.			-0.0034 t = -0.1593	
Spring con. weighted by import.				-0.1423 t = -0.8483
Exit after board demands	-0.2966 t = -5.2132***	-0.2602 t = -3.8673***	-0.1830 t = -2.0550**	-0.1717 t = -2.1288**
Exit after proxy fight	0.0361 t = 1.7047*	0.0329 t = 1.4248	0.0212 t = 1.3797	0.0205 t = 1.2265
Perc. activist ownership	-0.0334 t = -3.2784***	-0.0340 t = -3.2382***		
Import. activist ownership			0.0894 t = 1.1097	0.0954 t = 1.3850
Poison pill	-0.0122 t = -0.7359	-0.0097 t = -0.6045	-0.0194 t = -0.8307	-0.0153 t = -1.1417
Firm age	-0.0015 t = -0.6928	-0.0015 t = -0.6986	-0.0012 t = -0.4648	-0.0014 t = -0.6435
log(Market capitalization)	0.0380 t = 6.2695***	0.0482 t = 2.3390**	0.0246 t = 1.8309*	0.0269 t = 4.5118***
Leverage	-0.0183 t = -0.8086	-0.0171 t = -0.7625	-0.0160 t = -0.7483	-0.0159 t = -0.7616
MTB	0.0067 t = 0.8664	0.0061 t = 0.8022	0.0056 t = 0.7710	0.0056 t = 0.7760
ROA	0.0001 t = 0.6240	0.0001 t = 0.6896	0.00005 t = 0.5539	0.0001 t = 0.6183
Short term objective	0.0400 t = 0.4191	0.0406 t = 0.4390	0.0267 t = 0.2951	0.0258 t = 0.2822
Perc. large ownership	-0.1058 t = -14.6020***	-0.0891 t = -2.9375***	-0.1307 t = -9.9724***	-0.1343 t = -10.7565***
Constant	-18.5836 t = -0.8063	-17.9923 t = -0.8407	0.4611 t = 6.3523***	-7.2107 t = -0.3191
Activist type FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Observations	299	299	299	299
R ²	0.3210	0.3196	0.3064	0.3076
Adjusted R ²	0.2695	0.2680	0.2565	0.2552

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. *success_of_stated_goals* is an indicator of fulfillment of activists' demands. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of the campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 7: Large investors' centrality and activist's success

	<i>Dependent variable:</i>			
	Success of stated goals			
	(1)	(2)	(3)	(4)
Simple closeness centrality	0.0076 t = 0.1295			
Spring closeness centrality		0.0226 t = 0.3372		
Simple betweenness centrality			-0.0050 t = -0.3086	
Spring betweenness centrality				0.0156 t = 0.7594
Spring con. weighted by perc.	-0.0041 t = -0.8478	-0.0039 t = -0.7560	-0.0050 t = -1.0289	-0.0023 t = -0.6010
Import. activist ownership	0.1458 t = 1.0097	0.1387 t = 0.9461	0.1512 t = 1.0787	0.1416 t = 1.0380
Exit after board demands	0.0397 t = 2.4226**	0.0380 t = 2.3878**	0.0406 t = 2.2989**	0.0372 t = 2.1554**
Exit after proxy fight	0.0002 t = 0.0910	0.0002 t = 0.0904	0.0001 t = 0.0612	0.0002 t = 0.1203
Poison pill	0.0019 t = 0.2057	-0.0026 t = -0.2168	0.0067 t = 1.3206	-0.0039 t = -0.8506
Firm age	-0.0113 t = -0.4753	-0.0116 t = -0.4808	-0.0102 t = -0.4317	-0.0130 t = -0.5395
log(Market capitalization)	0.0036 t = 0.4299	0.0037 t = 0.4376	0.0032 t = 0.3818	0.0042 t = 0.4977
Leverage	0.0357 t = 0.3751	0.0303 t = 0.3149	0.0425 t = 0.4441	0.0278 t = 0.2895
MTB	-0.2878 t = -2.4188**	-0.2828 t = -2.4788**	-0.2918 t = -2.3827**	-0.2813 t = -2.3863**
ROA	-0.0166 t = -0.4518	-0.0153 t = -0.3969	-0.0152 t = -0.4226	-0.0186 t = -0.4743
Short term objective	77.6290 t = 3.7211***	78.6151 t = 3.7922***	76.6222 t = 3.4682***	79.0720 t = 3.5689***
Activist type FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Observations	299	299	299	299
R ²	0.1510	0.1517	0.1513	0.1538
Adjusted R ²	0.1153	0.1161	0.1157	0.1183

Notes: OLS regression of the equation $Campaign_{outcome} = Investor_importance + Network_support + Activist_power + Activist_cost + Controls + e$. *success_of_stated_goals* is an indicator of fulfillment of activists' demands. *Simple closeness centrality* is an aggregate closeness centrality computed with simple network. *Spring closeness centrality* is an aggregate closeness centrality computed with spring network. *Simple betweenness centrality* is an aggregate betweenness centrality computed with simple network. *Spring betweenness centrality* is an aggregate betweenness centrality computed with spring network. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *exit-Perc.* activist ownership corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 8: Activist's success and connection strength

	<i>Dependent variable:</i>	
	$\Delta(Simple)$	$\Delta(Spring)$
	(1)	(2)
Connected to active activist	-69.5342 t = -3.3304***	-0.0327 t = -2.0470**
Activist wins	0.5400 t = 0.1285	0.0072 t = 1.6374
Target shareholder	-29.6642 t = -4.2657***	-0.0153 t = -2.8762***
Connected to active activist x Target shareholder	-25.4380 t = -2.7262***	-0.0319 t = -3.5082***
Connected to active activist x Activist wins	20.5412 t = 1.8187*	0.0032 t = 0.3247
Connected to active activist x Target shareholder	-2.3695 t = -1.5060	-0.0036 t = -2.1938**
Connected to active activist x Target shareholder x Activist wins	24.6975 t = 3.1145***	0.0238 t = 3.2918***
Activist FE	Yes	Yes
Year FE	Yes	Yes
Observations	1,975,068	1,975,068
R ²	0.0977	0.3189
Adjusted R ²	0.0976	0.3188

Notes: OLS regression of the equation $\Delta(Connectionstrength) = \alpha + Connected_to_active_activist + Activist_wins + Target_shareholder + \sum First_differences + Connected_to_active_activist * Target_shareholder * Connected_to_active_activist * Activist_wins + Controls + \epsilon$. In the first column, $\Delta(Simple)$ corresponds to the change in the simple strength (number of connections). In the second column, $\Delta(Spring)$ corresponds to the change in the spring strength. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Robustness

Table 9: Robustness: network support and activist's success. Large investor is an investor that belongs to top 10 percent

	Dependent variable:			
	Success of stated goals			
	(1)	(2)	(3)	(4)
Simple con. weighted by perc.	-0.0082 t = -0.3548			
Spring con. weighted by perc.		0.0230 t = 1.9711**		
Simple con. weighted by import.			0.0205 t = 1.0905	
Spring con. weighted by import.				0.1728 t = 2.2225**
Exit after board demands	-0.2538 t = -2.7461***	-0.2982 t = -4.9528***	-0.2033 t = -2.4520**	-0.2036 t = -2.6044***
Exit after proxy fight	0.0411 t = 1.9911**	0.0401 t = 1.8762*	0.0298 t = 2.2837**	0.0268 t = 1.8570*
Perc. activist ownership	-0.0282 t = -2.0840**	-0.0333 t = -2.8122***		
Import. activist ownership			0.1116 t = 1.1424	0.0893 t = 1.3137
Poison pill	-0.0088 t = -0.3878	-0.0172 t = -1.2250	-0.0269 t = -1.4679	-0.0191 t = -1.2419
Firm age	-0.0017 t = -0.6266	-0.0014 t = -0.6396	-0.0011 t = -0.3974	-0.0015 t = -0.6539
log(Market capitalization)	0.0478 t = 2.2183**	0.0169 t = 1.0619	0.0064 t = 0.4751	0.0114 t = 1.6997*
Leverage	-0.0160 t = -0.8458	-0.0207 t = -0.8773	-0.0166 t = -0.7909	-0.0173 t = -0.8214
MTB	0.0057 t = 0.8752	0.0075 t = 0.9347	0.0058 t = 0.8178	0.0062 t = 0.8690
ROA	0.0001 t = 0.6630	0.0001 t = 0.6355	0.00004 t = 0.4653	0.00005 t = 0.5734
Short term objective	0.0455 t = 0.5031	0.0378 t = 0.3953	0.0237 t = 0.2571	0.0283 t = 0.3057
Perc. large ownership	-0.0920 t = -3.3481***	-0.1284 t = -6.9723***	-0.1237 t = -9.6280***	-0.1329 t = -12.1109***
Constant	-22.9714 t = -1.2539	-21.8848 t = -1.0055	0.5550 t = 5.4777***	-13.7370 t = -0.6010
Activist type FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Observations	299	299	299	299
R ²	0.3230	0.3274	0.3142	0.3166
Adjusted R ²	0.2717	0.2764	0.2649	0.2648

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. *success_of_stated_goals* is an indicator of fulfillment of activists' demands. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 10: Robustness: network support and activist's success. Large investor is an investor that belongs to top 20 percent

	<i>Dependent variable:</i>			
	Success of stated goals			
	(1)	(2)	(3)	(4)
Simple con. weighted by perc.	0.0018 t = 0.0881			
Spring con. weighted by perc.		0.0385 t = 5.0772***		
Simple con. weighted by import.			0.0262 t = 1.3794	
Spring con. weighted by import.				0.1693 t = 2.4654**
Exit after board demands	-0.2809 t = -3.7650***	-0.3096 t = -4.8169***	-0.2195 t = -2.8858***	-0.2154 t = -2.9704***
Exit after proxy fight	0.0350 t = 2.1082**	0.0441 t = 2.0528**	0.0303 t = 1.8707*	0.0264 t = 1.7232*
Perc. activist ownership	-0.0299 t = -2.4301**	-0.0326 t = -2.4668**		
Import. activist ownership			0.1019 t = 1.0843	0.0608 t = 1.0431
Poison pill	-0.0098 t = -0.4227	-0.0263 t = -1.8652*	-0.0297 t = -1.4838	-0.0218 t = -1.3894
Firm age	-0.0015 t = -0.5774	-0.0014 t = -0.5487	-0.0011 t = -0.4165	-0.0014 t = -0.6490
log(Market capitalization)	0.0350 t = 1.7987*	-0.0013 t = -0.1031	0.0018 t = 0.1474	0.0090 t = 1.4116
Leverage	-0.0178 t = -0.8349	-0.0201 t = -0.8672	-0.0155 t = -0.7325	-0.0156 t = -0.7399
MTB	0.0063 t = 0.8734	0.0073 t = 0.9182	0.0054 t = 0.7510	0.0055 t = 0.7723
ROA	0.0001 t = 0.6134	0.00004 t = 0.5571	0.00004 t = 0.4055	0.00005 t = 0.5267
Short term objective	0.0373 t = 0.4059	0.0316 t = 0.3360	0.0206 t = 0.2165	0.0273 t = 0.2865
Perc. large ownership	-0.1013 t = -3.9136***	-0.1405 t = -8.4917***	-0.1177 t = -9.5878***	-0.1284 t = -11.2516***
Constant	-22.6643 t = -1.1961	-15.8624 t = -0.7209	0.5766 t = 5.3003***	-13.5707 t = -0.6151
Activist type FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Observations	299	299	299	299
R ²	0.3219	0.3384	0.3165	0.3190
Adjusted R ²	0.2705	0.2882	0.2673	0.2673

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. $success_of_stated_goals$ is an indicator of fulfillment of activists' demands. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$.

Perc. activist ownership corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 11: Robustness check of table 6, with differently measured importance

	<i>Dependent variable:</i>	
	Success of stated goals	
	(1)	(2)
Simple con. weighted by perc.	-0.0299 t = -0.8622	
Spring con. weighted by perc.		-0.0193 t = -0.3977
Simple con. weighted by import.	-0.1891 t = -1.2779	-0.3351 t = -3.2302***
Spring con. weighted by import.	-0.1615 t = -0.7318	-0.0176 t = -0.2244
Exit after board demands	0.2277 t = 2.9060***	0.1004 t = 1.9639**
Exit after proxy fight	-0.0428 t = -0.3869	0.1220 t = 1.9200*
Perc. activist ownership	-0.0020 t = -0.6033	-0.0009 t = -0.3793
Import. activist ownership	-0.0218 t = -0.5926	0.0016 t = 0.0792
Poison pill	-0.0128 t = -0.5351	-0.0175 t = -0.8650
Firm age	0.0046 t = 0.5653	0.0060 t = 0.8486
log(Market capitalization)	0.7590 t = 3.1707***	0.4756 t = 3.4933***
Observations	108	293
R ²	0.2859	0.0846
Adjusted R ²	0.2041	0.0488

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. $success_of_stated_goals$ is an indicator of fulfillment of activists' demands. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 12: Robustness: number of large investors and activist's success

	<i>Dependent variable:</i>				
	Won board seat				
	(1)	(2)	(3)	(4)	(5)
Num.large investors	-0.0255 t = -0.4322		-0.0309 t = -0.6465		
log(Num. activist connections)		0.0022 t = 0.0666	0.0049 t = 0.1434		0.0024 t = 0.0710
Perc. large ownership				-0.0032 t = -0.0716	-0.0068 t = -0.1658
Exit after board demands	-0.0068 t = -0.5475	-0.0080 t = -0.5655	-0.0071 t = -0.4928	0.0005 t = 0.0146	-0.0053 t = -0.1745
Exit after proxy fight	-0.3020 t = -1.2195	-0.3095 t = -1.1067	-0.3096 t = -1.1019	-0.2649 t = -2.3454**	-0.3046 t = -0.9979
Perc. activist ownership	-0.1953 t = -1.8478*	-0.1938 t = -1.8756*	-0.1944 t = -1.8795*	-0.1763 t = -0.9788	-0.1921 t = -1.7530*
Poison pill	0.1257 t = 2.1475**	0.1255 t = 2.2659**	0.1250 t = 2.2283**	0.1182 t = 1.8720*	0.1224 t = 1.8515*
Firm age	0.0006 t = 0.2917	0.0007 t = 0.2948	0.0007 t = 0.2828	0.0008 t = 0.3411	0.0007 t = 0.2629
log(Market capitalization)	0.0369 t = 1.3389	0.0317 t = 1.3063	0.0365 t = 1.3411	0.0283 t = 0.9720	0.0311 t = 1.1914
Leverage	-0.0247 t = -0.6622	-0.0256 t = -0.6406	-0.0251 t = -0.6251	-0.0249 t = -0.5471	-0.0241 t = -0.4987
MTB	0.0145 t = 1.3169	0.0148 t = 1.2433	0.0146 t = 1.2227	0.0146 t = 1.1737	0.0145 t = 1.0646
ROA	0.000001 t = 0.0209	0.000002 t = 0.0613	0.000001 t = 0.0261	-0.00001 t = -0.1624	0.000003 t = 0.1133
Short term objective	-0.0153 t = -0.4583	-0.0227 t = -0.6232	-0.0177 t = -0.4369	-0.0182 t = -0.6972	-0.0228 t = -0.6319
Constant	-12.9867 t = -0.5694	-11.7345 t = -0.5181	-12.9728 t = -0.5684	0.5904 t = 4.2239***	-13.1023 t = -0.6964
Activist type FE	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Observations	162	162	162	162	162
R ²	0.0996	0.0992	0.0997	0.0983	0.0995
Adjusted R ²	0.0270	0.0267	0.0206	0.0191	0.0204

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. *Won_board_seat* is an indicator that the activist won at least one board seat. *Num. large investors* is the number of investors that fall into top 5% holding percentile and have shares in the target. *Num. activist connections* is total number of connections that activist has with large investors in the target. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01

Table 13: Robustness: network support and activist's success

	<i>Dependent variable:</i>			
	Won board seat			
	(1)	(2)	(3)	(4)
Simple con. weighted by perc.	0.7878 t = 2.0507**			
Spring con. weighted by perc.		0.0101 t = 0.7817		
Simple con. weighted by import.			-0.0068 t = -0.1343	
Spring con. weighted by import.				-0.5605 t = -0.9839
Exit after board demands	-0.3339 t = -1.1346	-0.3549 t = -1.2569	-0.3572 t = -1.3841	-0.3015 t = -1.2857
Exit after proxy fight	-0.2004 t = -1.8773*	-0.2013 t = -1.8745*	-0.2020 t = -1.9067*	-0.2024 t = -1.9835**
Perc. activist ownership	0.0056 t = 0.1948	0.0032 t = 0.1070		
Import. activist ownership			-0.1605 t = -1.3640	-0.1453 t = -1.1401
Poison pill	0.0961 t = 1.3392	0.1081 t = 1.4208	0.1070 t = 1.7202*	0.1069 t = 1.3469
Firm age	0.0012 t = 0.4605	0.0013 t = 0.4487	0.0014 t = 0.4254	0.0008 t = 0.2892
log(Market capitalization)	0.0032 t = 0.0775	0.0011 t = 0.0256	0.0222 t = 0.4329	0.0384 t = 1.0134
Leverage	-0.0309 t = -0.6994	-0.0356 t = -0.7989	-0.0373 t = -0.8249	-0.0343 t = -0.7079
MTB	0.0161 t = 1.2861	0.0177 t = 1.4062	0.0180 t = 1.3702	0.0165 t = 1.1900
ROA	-0.00001 t = -0.4770	-0.00001 t = -0.4509	-0.00002 t = -0.6643	-0.00001 t = -0.2430
Short term objective	-0.0060 t = -0.1178	-0.0047 t = -0.0928	-0.0061 t = -0.1398	-0.0154 t = -0.3389
Perc. large ownership	-0.0272 t = -0.5802	-0.0281 t = -0.7345	-0.0046 t = -0.2125	-0.0139 t = -0.9707
Constant	-13.2969 t = -0.6829	-13.9953 t = -0.6576	0.7206 t = 2.6514***	-7.3358 t = -0.3801
Activist type FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Observations	162	162	162	162
R ²	0.1718	0.1691	0.1711	0.1829
Adjusted R ²	0.0543	0.0513	0.0602	0.0670

Notes: OLS regression of the equation $Campaign_{outcome} = Network_support + Activist_power + Activist_cost + Controls + e$. *Won_board_seat* is an indicator that the activist won at least one board seat. *Simple con. weighted by perc.* corresponds to the simple strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Spring con. weighted by perc.* corresponds to the spring strength of connection weighted by large investor's ownership in the target and aggregated across large investors. *Simple con. weighted by import.* corresponds to the simple strength of connection weighted the importance of target to large investors and aggregated across large investors. *Spring con. weighted by import.* corresponds to the spring strength of connection weighted the importance of target to large investors and aggregated across large investors. Importance is defined as $\frac{Share - \min\{Share\}}{\max\{Share\} - \min\{Share\}}$. *Perc. activist ownership* corresponds to the aggregate percentage owned by activists. *Exit after board demands* is a dummy which is equal to one if the campaign ends with activist's demands and does not go to proxy fight. *Exit after proxy fight* is an indicator that proxy fight happened over the campaign. *Poison pill* is an indicator that the firm had poison pill prior to the campaign or adopted it in response to the campaign. *Firm age* is the age of the target. *Market capitalization* is market capitalization of the target at the start of the campaign. *Leverage* is the long-term leverage of the target firm. *MTB* is market-to-book value of the target firm at the start of the campaign. *ROA* is return-on-assets of the target at the start of the campaign. *Perc. large ownership* is aggregate percentage of the target owned by large investors. *Short term objective* is a dummy equal to one if activist's demands include payout of dividends, share repurchase programs or sale of the company. Each regression contains year fixed effects and an activist's type (e.g. hedge fund, pension fund, etc.) fixed effects. Robust standard errors are clustered by the campaign category (capital structure, business strategy, sell company, governance or other). Table contains standard significance levels: *p<0.1; **p<0.05, ***p<0.01