A Study

by

The Office of the Chief Economist
Securities and Exchange Commission
450 5th Street, N.W.
Washington, D.C. 20549

September 11, 1984

The Impact of Targeted Share Repurchases (Greenmail) on Stock Prices

The views expressed herein are those of the Office of the Chief Economist only. The Commission has expressed no view on this study.

The Impact of Targeted Share Repurchases
(Greenmail) on Stock Prices

PERSONS TO
CONTACT: Gregg A. Jarrell 272-7104
Michael Ryngaert 272-7102

I. INTRODUCTION

Since January, 1979 about five and one-half billion dollars has been paid by firms to repurchase blocks of common stock from individual shareholders (or a particular group of shareholders). These payments represent an aggregate premium above market price of over one billion dollars.[1] Many of these large premium payments clearly were made by target management to reduce the threat of losing control of the firm through a tender offer or proxy fight. The financial press has devoted considerable attention to the recent examples, such as Disney's repurchase from Steinberg, St. Regis repurchase from Goldsmith, and Warner repurchase from Murdoch. The term "Greenmail" is commonly used to describe these payoffs, reflecting the widespread perception that this practice, or the process leading to it, is counter to the best interests of target shareholders.

In response to the Tender Offer Advisory Committee's recommendation, the Commission proposed legislation which would restrict the repurchase of more than three percent of outstanding securities at a price above the market price from any individual holder, unless shareholders approve the purchase. Blocks held for more than two years would be exempt from

---

1 These figures are based on a survey by Kidder Peabody of common block repurchases from individuals from January, 1979 to March, 1984, with the addition of three recent 1984 cases (Disney's repurchase from Steinberg, Houston Natural Gas from Coastal, and Quaker State from Steinberg).

this requirement. The Commission would receive the authority to define other exemptions to avoid the burdens of a shareholder vote where necessary.

There has been much discussion among policymakers about the merits of the Commission's anti-greenmail proposal. A fundamental question has arisen about the empirical effects of targeted share repurchases on the wealth of non-participating shareholders. This memorandum gives evidence on the impact on share prices of targeted share repurchases.

The statistical analysis is based on a large sample of 89 cases of targeted share repurchases involving NYSE or ASE firms between 1979-1983. The evidence suggests that non-participating shareholders suffer substantial and statistically significant share price declines upon the announcement of targeted repurchases at premiums above market value. The overall impact on share prices from the date the initial foothold position is established to the date the block is repurchased is also negative. The appreciation in stock prices caused by the initial foothold acquisition is more than offset by the decline in stock prices in response to events subsequent to the initial acquisition, on average. This evidence is consistent with the findings of Bradley and Wakeman (1982) and Dann & DeAngelo (1983), but contradicts to some degree the findings of Mikkelson and Ruback (1984).

We conclude that the overall impact of targeted share repurchases on the wealth of non-participating target shareholders is negative. The stock price evidence indicates that the magnitude of the losses to non-participating target shareholders is at least equal to the wealth loss implied by the cash premium paid for the block repurchase. The losses are more severe in cases where there is evidence that the foothold acquisition and disposition was associated with a struggle for corporate control, such as a possible tender offer or proxy fight.

The next two sections present this evidence in more detail. Section IV continues by comparing the empirical implications of the various theories about greenmail with our results. We conclude that the payment of greenmail is not in the best interests of target shareholders, particularly when it terminates a contest for corporate control. This kind of evidence supports the Commission's approach of requiring a shareholder vote on these transactions, rather than erecting regulatory barriers to the initial formation of these control-oriented stock blocks. We stress that this empirical evidence standing alone cannot shed light on some of the other important questions surrounding this debate, such as the relative efficiencies of a Federal versus a state solution to this important problem.

II. The Effect of Greenmail on the Stock Price of the Target.

There are three periods of interest during the life cycle of a block of stock that is ultimately repurchased by the target firm. Each period has distinct effects on the stock price of the target. The most fundamental question concerns the net change in the stock price over all three periods.

1. Initial Establishment of Foothold Acquisition

The initial establishment of the block is signaled by a 13D filing with the Commission. This requirement is triggered when an individual acquires beneficial ownership of more than five percent of the outstanding securities of a public company. This disclosure is public, and for notorious entrepreneurs, such Icahn, Murdoch, and Posner, it is often the subject of newspaper reports.

2. The Interim Period Between Establishment and Repurchase of Stock Block.

The "Interim Period" is the duration between the initial establishment of the block and its repurchase by the target firm. During this period there is often great uncertainty about the target's value, as the market reacts to events that alter the relative likelihoods of a profitable takeover or effective defensive actions. The net change in the stock price during the interim period is critical to assessing the overall effect of targeted share repurchases on shareholder wealth. The long average duration of this Interim Period, however, causes these stock price measurements to possess less than maximum statistical precision, because other information important to valuing the target, but unrelated to the control contest, will be released during this long interval.

3. The Repurchase of the Stock Block (Greenmail)

The repurchase of the stock block by the target firm is reported quickly in the financial press for all of our cases. We measure the stock price reaction from five trading days before to five trading days after the press announcement. These reports almost always disclose the size of the block, the repurchase price and premium, and other noteworthy items such as standstill agreements (obligating the seller to refrain from transacting in the target's stock for a specified time period) and settlements of litigation. It is also common for these reports to discuss how the repurchase apparently changes the likelihood of a takeover, a proxy fight, or some other activity related to the control contest.

4. The Selection of a Sample for OCE Study

OCE has collected data on 89 firms that made greenmail payments. The data primarily came from separate studies by Kidder Peabody and Merrill Lynch. The firms must have an

announcement date of the original foothold acquisition by the targeted seller as well as a date for the repurchase agreement.

The announcement date of the original foothold acquisition is defined to be 1) the original 13D filing date, 2) the date the Wall Street Journal reported the foothold acquisition (usually just after the 13D date), or 3) the filing date of the 14D in the case of attempted tender offers. When more than one of these dates is available, we selected the earliest to be the relevant date.

The 89 firms in the sample also satisfy the following four requirements:

1) NYSE or AMEX listed,

2) Foothold established by the block-holder is potentially for control purposes,

3) Targeted repurchase block exceeds 3% of the outstanding common stock,

4) Repurchase is at a premium of at least 3% over the then prevailing market price.

III. Empirical Results

The changes in stock prices over the three critical periods is measured for each target net of the effects of general market movements. This is done with a widely-used statistical technique that i) measures the "normal" co-movement between the stock and the value-weighted market portfolio over an historical period and ii) using this "normal" relationship to net out the effects of changes in the market portfolio over the relevant test periods.

1) Appreciation During Initial Foothold Acquisition

The average net-of-market stock return for the 89 cases during the initial foothold acquisition is 9.7 percent (see Table 1.) This is measured from twenty trading days before to five trading days after public announcement of the acquisition. This large, positive return reflects widespread expectations that the acquisition of these stock blocks will confer substantial future

benefits to shareholders. The specific sources of these benefits have been the subject of much research.[2] They include takeovers, proxy fights, and closer monitoring that can cause various improvements in the utilization of the target's assets. The market must also assess the probability of non-beneficial outcomes, like greenmail or purely disruptive activities, perhaps designed to induce greenmail payments.

The large, positive appreciation around the initial acquisition means that the market places a much lower probability on these costly outcomes than it does on the beneficial outcomes. This is quite logical in view of the evidence that bad outcomes such as greenmail actually occur far less frequently than do beneficial outcomes. (See Sheehan and Holderness (1984)). Moreover, some of these beneficial outcomes, such as takeover outcomes, can confer very large gains to target shareholders. Therefore, the 9.7 percent appreciation accurately reflects the valuable contribution made to the other target shareholders from the active participation in the corporation's affairs by these large shareholders.

2. Depreciation During the Interim Period

The net-of-market returns are quite unstable during the interim period, because of the great uncertainty and the large stakes that accompany these control contests. The overall stock performance of these 89 cases, however, is negative during this period. The average net-of-market return is a negative 7.1 percent, and the average interim period spans about 280 trading days. The interim period is measured from six trading days after the initial foothold acquisition to six trading days before the repurchase announcement.

---

[2] As reported in an OCE Information Memorandum on Greenmail dated July 3, 1984, several other studies measure significant stock price appreciation during the period that these large block acquisitions are announced. Refer to Holderness and Sheehan (1984), Mikkelson and Ruback (1984), the OCE Study of well-known investors (1984), and the study by the Directorate of Economic and Policy Analysis on the costs and benefits of 13D filings (1983).

Therefore, most of the appreciation accompanying the initial foothold acquisition is lost for these cases during the interim period. This is easily explained by the nature of our sample - it is selected for bad outcomes. The market cannot distinguish very clearly at the time of the initial foothold acquisition these eventual greenmail cases from the other, more frequent cases of takeovers, etc. As time passes the information that distinguishes these different kinds of cases becomes more complete. Bidders fail to materialize and the target management raises staunch resistance to the blockholder's activities. This new information causes these 89 cases, selected using hindsight for their non-beneficial outcomes, to suffer significant declines in their stock prices.

3. Depreciation Upon Announcement of the Repurchase

The net-of-market stock returns in response to the public announcement of the stock block's repurchase at a premium is a negative 5.2 percent. This is in line with the results of Bradley and Wakeman (1983) and Dann and DeAngelo (1983). There are two reasons for this negative reaction to the repurchase agreement. First, the non-participating shareholders directly bear the cost of the payment that is made to the block seller. Given the magnitude of the payment, it is possible to compute the percentage loss that this payment implies for non-participating shareholders.[3] In principle, this is computed by spreading the amount of the payment in excess of the target's market price equally over the remaining target shares outstanding.

---

[3] The exact equation for the percentage decline in stock price borne by non-participating shareholders is (D x F) (1-F), where D= percentage premium paid to block seller above pre-announcement market price, F= the fraction of the outstanding shares repurchased, (1-F) = the fraction of outstanding shares held by non-participating shareholders. For a 20% block repurchased at a 25% premium, this computation shows that the price of the remaining shares is expected to decline 6.67%, absent any "information effect" on stock price.

The second reason for the stock price decline is the "information effect." This refers to the reduced probability of a beneficial outcome caused by the announcement of the repurchase. Although expectations of a takeover or some other value-enhancing changes have already been diminished during the interim period, the repurchase announcement might dash any remaining hopes.

The information effect need not be negative, in theory. For example, the repurchase might provide good news by ending costly litigations, by ridding the target's managers of disruptive minority holders, or by reducing costly opposition to a valuable long-run corporate plan of the target's incumbent management. Finally, the repurchase might be a good investment if the market has undervalued the target's stock price sufficiently. Indeed, most stock repurchases via self-tender offers are motivated by a belief that the repurchase firm's stock price is too low. Moreover, the empirical evidence strongly supports this view; self-tenders at a premium typically cause substantial appreciation in the firm's stock price. (See Copeland and Weston (1981). It is plausible that targeted share repurchases are similarly motivated, as claimed publicly by the managers of many of these 89 targets that repurchase stock blocks.

4. Overall Change in Stock Price From Foothold Acquisition to Repurchase

The overall net-of-market return from before the foothold acquisition to after the repurchase agreement averaged over these 89 cases is negative 3.7%. The appreciation around the initial foothold acquisition is more than offset by the depreciation during the interim period and around public announcement of the repurchase. Figure 1 provides a visual depiction of the stock price pattern, based on the average net-of-market stock performance of these 89 cases. The stock price of the target after the repurchase, therefore, is below its level before the initial foothold acquisition. The overall decline is about one percent greater than what is implied by the

average magnitude of the cost of the premium repurchase of the stock block. This implies that the "information effect" is negative, on average.

Splitting the sample into control contests and non-control contests yields some interesting results. The distinction for each of the 89 cases is made by researching the several press stories. Explicit mention of possible tender offers, proxy fights, or requests for board positions is the basis for classifying cases as control contests. Table 1 shows that there is little difference between the two sub-samples in their appreciation around the initial foothold acquisition (9.7 percent vs. 9.8 percent). Also, the interim period shows a quite similar negative net-of-market performance for each sub-sample. The depreciation around the announcement of the repurchase, however, is considerably greater for the control contests (-6.8 percent vs. -3.3 percent), so that the overall net-of-market return is significantly more negative for the control cases (-6.0 percent vs. -1.1 percent). Apparently, there is considerably more negative information accompanying the repurchase announcement for the control contest cases, although for both sub-samples the target firm's stock price is reduced overall, abstracting from general market movements.

IV. The General Conclusions Drawn From This Evidence

Although these average results say little about any particular case, the evidence supports several general conclusions important to the public policy debate surrounding the practice of greenmail and the Commission's proposal to require its approval by shareholder vote. Let us turn first to the questions about the general motivation behind greenmail payments.

1. The Shareholder Welfare Theory

Targeted share repurchases could benefit the non-participating target shareholders under two general circumstances. The first circumstance involves the desirability of eliminating troublemaking minority shareholders sometimes dubbed "corporate raiders". Management

groups targeted by corporate raiders often portray these raiders as troublemakers that mainly distract management from its daily work commitments, interfer with “correct” corporate policy, and create costly litigation. Paying off these raiders is beneficial to the other shareholders, if the dollar value of the total premium does not exceed the (discounted) future costs the raiders are expected to impose on the firm through their disruptive activities.

The second circumstance under which greenmail might be beneficial to target shareholders is as a device by which management signals to the capital market that its share prices are undervalued. Numerous studies in the academic literature find that firm self-tender offers at a premium increase the value of the target shares. In many targeted repurchases, management claims similar benefits to non-participating shareholders. By this view the repurchase price is an attractive bargain, despite the premium, because the intrinsic value of the stock exceeds the repurchase price. Of course, self-tender offers allow all shareholders an equal opportunity to resell at a premium, in contrast to greenmail.

These two views are both rejected as general explanations of the motivations behind targeted share repurchases by this evidence. Both views imply that the announcement of the targeted share repurchase will cause an appreciation in the price of the target shares. In contrast to this prediction, the average reaction to this announcement over the 89 cases is a decline of 5.2 percent.

2. <u>The Managerial Welfare Theory</u>

The 9.7 percent appreciation that accompanies the initial foothold announcement reflects the significant benefits to non-participating shareholders that can come from the active participation of these block-holders. Many of the specific actions that lead to these benefits, however, impose significant costs on the incumbent management, in the form of foregone salary,

perquisites, and prestige. The managerial welfare theory posits that targeted share repurchases are motivated primarily by incumbent management's desire to retain control of the target. The problem arises not from the mere retention of control, but from the losses imposed on shareholders from these actions that benefit incumbent management.

The possibility that a targeted share repurchase can mutually benefit the incumbent management and the block seller while harming the other shareholders arises because the benefits of changing control flow largely to the non-participating target shareholders. The dissent block-holder benefits through his share ownership by a third-party takeover at a premium. But, the great majority of the benefits go elsewhere, to other target shareholders principally. It becomes possible, therefore, for incumbent management to offer a relatively more lucrative payment to the dissident block-holder, even if the best interests of all shareholders are served by a change of control. If non-participating target shareholders have inadequate protections or remedies, then it is feasible for incumbent managements to offer mutually beneficial payments to block-holders to abandon their other plans which would largely benefit other shareholders.

The empirical evidence for the 89 cases examined here lends support to this general explanation of targeted share repurchases. While these motives may be absent in isolated cases, the overall evidence suggests that non-participating shareholders suffer significant overall losses from targeted share repurchases. In general, these transactions are not in the best interests of the non-participating target shareholders.

V. Conclusion

In the past year alone, over three and one-half billion dollars has been paid to the sellers of targeted share repurchases, representing cumulative premiums relative to market price of over

600 hundred million dollars. The Commission's tender offer reform proposals include a prohibition of such block repurchases not made to all shareholders, unless approved by a shareholder vote.

This proposal has generated some discussion among policy-makers. Several questions have arisen about the effects of these block repurchases on the stock prices of the target firms. This evidence is critical to determining the ultimate motivation of target managers in making these payments, which is important to judging the necessity of any legislative response to this practice.

This is a study of 89 cases of targeted share repurchases involving NYSE or ASE firms from 1979 to 1983. The focus is on measuring the wealth effects to non-participating shareholders of these transactions. The results show that 1) the initial foothold acquisition by the block-holder induces an average 9.7 percent increase (net-of-market) in the target's stock price, 2) subsequent events including the announcement of the repurchase agreement cause stock price declines that more than offset this initial appreciation, and 3) the net overall stock price decline is roughly equal to the magnitude of the cash premium paid to the block seller. Also, the targeted share repurchase imposes larger wealth losses on non-participating shareholders when there is evidence that the foothold acquisition is associated with a contest for corporate control, such as a tender offer or a proxy contest.

This evidence of negative net effects of greenmail on stock prices supports the view that targeted share repurchases are counter to the best interests of the non-participating target shareholders. The costs imposed by this transaction are both the direct costs of the premium payment to the block seller and the indirect costs of foregone expected benefits from a change in corporate control. This evidence does not support the general view that the block-holders are

destructive corporate raiders, or that the repurchases are valuable investments because the target's stock is undervalued.

It should be noted in closing that this evidence cannot rule out the possibility that other shareholders benefit indirectly by allowing targeted share repurchases. These "spillover" benefits could arise if the possibility of greenmail induces a sufficient amount of additional investments by corporate-control entreprenuers in other targets, leading to takeovers and other valuable outcomes. Thus, even though by this evidence greenmail payments harm the non-participating shareholders of the repurchasing firm, the unmeasured spillover benefits might offset in some degree these measured losses to shareholders.

Finally, even if this evidence supports a firm conclusion that targeted share repurchases are counter-productive to society, it cannot provide any guidance about the best solution to this problem. The Commission's proposal has considerable merit. It focuses on the greenmail payment instead of erecting unjustified barriers to the initial formation of control-oriented stock blocks. It asks for shareholder approval, so that beneficial repurchases should not be unduly hampered. The evidence presented here on stock prices cannot, however, help to judge whether the Commission's remedy to greenmail is superior to the other possible remedies, such as relying on the courts to apply more stringent standards for managerial behavior in these cases.

TABLE 1

The Net-of-Market Change in Stock Price for 89 NYSE and ASE Cases of Targeted Share Repurchases, 1979-1983, from Before Initial Foothold Acquisition to After Repurchase.

	All 89 Cases	Control Contests	Non-Control Cases
Return Around Initial Foothold Acquisition (-20 to +5)	+9.7%	+9.7%	+9.8%
Return During Interim Period (+6 After Foothold to -6 Before Repurchase)	-7.1%	-7.2%	-7.1%
Return Around Repurchase (-5 to +5)	-5.2%	-6.8%	-3.3%
Overall Return (-20 Before Foothold to +5 After Repurchase)	-3.7%	-6.0%	-1.1%
Percentage Cost of Repurchase to Non-Participating Shareholders	-3.6%	-4.7%	-2.3%

Statistical Notes to Table 1

i) The average block size is 12.6% of outstanding shares.
The maximum block size is 37.0% of outstanding shares.
The minimum block size is 3.9% of outstanding shares.

ii) The average repurchase premium is 20.9% of market price.
The maximum repurchase premium is 100.0% of market price.
The minimum repurchase premium is 3.2% of market price.

REFERENCES

Bradley, Michael. "Interfirm Tender Offers and the Market for Corporate Control," Journal of Business, 1980, Vol. 53, No. 4., pp. 345-376.

Bradley, Michael, and L. Macdonald Wakeman. "The Wealth Effects of Targeted Share Repurchases," Journal of Financial Economics, 1983, Vol. 11, pp. 301-328.

Copeland, Thomas and Weston, J. Fred. Financial Theory and Corporate Policy (Second Edition, 1983).

Dann, Larry Y. and Harry DeAngelo. "Standstill Agreements, Privately Negotiated Stock Repurchases, and the Market for Corporate Control," Journal of Financial Economics, 1983, Vol. 11, pp. 275-300.

Directorate of Economic and Policy Analysis "Analysis of Regulation 13D: A Study of Costs, Benefits, and Effectiveness," Draft, Securities and Exchange Commission, 1983.

Holderness, Clifford G. and Dennis P. Sheehan. "Raiders or Saviors?: An Examination of Six Controversial Investors," Working Paper MERC 84-06, University of Rochester, 1984.

Office of the Chief Economist, "Corporate Raiders and the Tender Offer Advisory Committee," Information Memorandum OCE-84-5, Securities and Exchange Commission, 1984.

Office of the Chief Economist, "The Impact of 'Greenmail' on Target-Share Prices," Information Memorandum OCE-84-8, Securities and Exchange Commission, 1984.

Ruback, Richard S. and Wayne H. Mikkelson. "Corporate Investments in Common Stock," Working Paper 1559-84, Massachusetts Institute of Technology, 1984.

APPENDIX

Names of Repurchasing Firms and Sellers of Targeted
Share Repurchases, with 13D and Repurchase Dates,
for 89 Cases From 1979 to 1983.

	ISSUER	13D	REPURCHASE	SELLING SHAREHOLDER
1.	Zapata Corp	780113	790122	Crane Co.
2.	Chicago Pneumatic Tool	780605	790426	City Investing
3.	Shopwell	770823	790710	Jacques Amsellam
4.	Milton Roy	790614	790830	High Voltage Eng.
5.	West Pointe Pepperell	790726	790815	Gulf & Western
6.	Sherwin Williams	780619	791030	Gulf & Western
7.	Host International	791018	791105	General Host
8.	Buffalo Forge	790513	791205	H.K. Porter
9.	McNeil Corp.	790822	800201	Walco National
10.	Saxon Industries	791129	800204	Icahn & Co.
11.	Penn Central Corp.	790508	800211	Reliance Finan.
12.	Anthony Industries	790514	800411	Justrite Mfg.
13.	Unitrode Corp.	790215	800731	Dynamics Corp. of Amer.
14.	Spencer Cos.	800213	800804	Inito Inc.
15.	Sta-Rite Inds.	800509	800804	Nortek Inc.
16.	Standard Coosa Thatcher	800520	800930	Walco National
17.	Robertshaw Ctl.	800922	801113	Gulf & Western
18.	Oxford Industries	800917	801121	Gulf & Western
19.	Dynamics Corp. of Am.	800114	801128	Southeastern Public Svc.
20.	Treadway Cos.	780717	801212	Care Corp.
21.	Pratt & Lambert	800529	810121	Silba Enterprises
22.	Kennecott	780314	810127	Curtiss Wright
23.	Gateway Industries	800118	810202	Agency Rent-a-Car
24.	Lane Bryant	800225	810213	Hatleigh Corp.
25.	Columbia Pictures	781120	810219	Kirk Kerkoran
26.	Chris-Chraft Ind.	801209	810317	Reliance Group
27.	Pat Fashions*	800214	810319	Tweedy Browne
28.	Bundy	800314	810407	Southeastern Public Svc.
29.	Collins & Aikman	801112	810428	Gulf & Western
30.	Diamond International	800620	810520	Simpson Paper
31.	Hastings Mfg.	791219	810527	Shufro, Rose, Ehrman
32.	Federal Paperboard	800115	810604	Reliance Corp.
33.	Hammermill Paper	800307	810701	Bayswaiver Realty
34.	Leggett and Platt	810330	810710	Empire Inc.
35.	Cities Services	810522	810921	Nu-West Group
36.	L. E. Myers	810528	811116	Merrival Ltd.
37.	Greenman Bros.	801001	820121	Initio Inc.
38.	First Union Reit	790827	820222	Unicorp Financial
39.	Security Capital Corp.	810518	820408	Federated Reinsurance
40.	Fuqua Inds.	820106	820414	W.J. Kornyiak, et al.
41.	Morton Norwich	780224	820415	Phone-Poulenc S.A.
42.	Hartmarx	820303	820629	American Financial

44.	Kin Ark corp.	820427	820701	Hunderliter Energy
45.	Polaroid	811130	820816	Gulf & Western
46.	Simplicity Patterns	811216	820817	Executive Life Ins.
47.	U.S. Industries	820503	820831	First City Finan. of Vancouver
48.	Harsco Corp.	810127	820910	Crane Co.
49.	ACF Industries	820211	820914	Madison Fund
50.	Del Labs	820226	821108	G. Lindeman
51.	Ferro Corp.	810605	821108	Crane Co.
52.	Todd Shipyards	820903	821115	Madison Fund
53.	Amrep Corp.	811228	821124	Reliance Financial Svc.
54.	Tosco Corp.	810521	821209	Kenneth Good, et al.
55.	Norlin Corp.	801204	830308	LPH Panama S.A.
56.	Management Assistance	810608	830328	Continental Telecom
57.	Raymond International	830120	830425	Jacobs Engineering
58.	Rexham Corp.	830613	830629	DWG Corp.
59.	Holly Sugar	820305	830725	Jeffrey Picower
60.	Berkey Photo	820628	830729	Nimsco Corp.
61.	Louisiana Land & Explor.	791003	830819	Second Crescent Inv.
62.	Superior Oil	830314	830901	Mesa Petroleum
63.	Blue Bell	810202	831118	Bass Brothers
64.	Gulf & Western	791210	831121	American Financial
65.	Reece Corp.	800201	800430	Walco National
66.	Standard Coosa Thatcher	791221	800630	Telepest Inc.
67.	Bliss and Laughlin	790928	801212	Solar Sportsystems
68.	Clarostat Mfg.	791113	820604	Dissident Shareholders
69.	Freeport Minerals	780630	781026	Denison Mines
70.	Aegis Corp.	800917	820122	Sol Goldman
71.	Campbell Taggart	810604	811103	
72.	Cluett Peabody	810325	811110	Gulf & Western
73.	CTS Corp.	820312	820511	Belreborg Firms
74.	Dillingham Corp.	810504	820506	Roslyn Park, et al.
75.	EDO Corp.	780426	820503	Walter Kidde
76.	Ennis Business Forty	790312	830225	Walter Kidde
77.	Kerr Glass Mfg.	830427	830616	National City Lines
78.	Lincoln National Corp.	770531	790713	American General Ins.
79.	Masonite Corp.	810817	811215	First City Financial
80.	MCO Holdings	821208	830222	Reliance Financial
81.	Republic Airlines	800324	800507	Carl Icahn
82.	Southeast Banking	820706	830920	Dissident Group
83.	Stanwood	810406	830106	Initio Inc.
84.	Chock Full O Nuts	811207	831102	J. Finkelstein, et al.
85.	Turner Construction	810722	811230	
86.	Zapata Corp.	790716	820129	David Murdock
87.	Ponderosa Systems	800528	800613	General Host
88.	Foremost Mikesson	760205	810503	Sharon Steel
89.	Anchor Hocking	820819	820823	Carl Icahn