

Internet Appendix

for

“The Rise of Anti-Activist Poison Pills”

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This Internet Appendix reports results that are mentioned but not tabulated in the main paper. In Section [IA.A](#), we discuss the institutional and legal background of anti-activist defensive tactics. Section [IA.B](#) explains the details of the data construction for activist hedge fund clicks and holdings. Section [IA.C](#) discusses the results of a regression discontinuity (RD) design for pill terminations. Finally, in Section [IA.D](#) we report 12 figures and 22 tables, as outlined below:

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IA.A Institutional and Legal Background

IA.A.1 Institutional Analysis of Anti-Activist Devices

Poison pills, or shareholder rights plans, are widely regarded as the most effective defensive tactic firms can employ against unsolicited takeover bids (Coates, 2000). Introduced in the 1980s during a wave of hostile takeovers, poison pills allow existing shareholders to purchase additional shares of the firm at a deep discount if any person acquires a pre-specified percentage of the firm’s shares, typically 15–20%. This mechanism dilutes the acquirer’s ownership stake, making the takeover prohibitively expensive. Pills are particularly effective as an anti-takeover device because corporate boards can adopt them swiftly off the shelf without shareholder approval and have ample time to do so when there is an offer to acquire the company, owing to the early-warning system under the Williams Act. As a result, the only practical way for bidders to defeat a pill is to pursue a proxy fight to appoint a board that would redeem it.

What this means in practice is that whether or not a company has an active poison pill on a “clear day”, when the company is not under a takeover threat, is largely immaterial from a practical perspective, because a board can easily adopt a pill at any time if there is an offer to buy the company. As pointed out by Coates (2000), the critical question is whether the board adopts a pill in response to a potential change in control. In fact, because all takeovers operate under the shadow of a possible pill adoption, a bidder would typically negotiate with the board regardless, thereby making pill adoptions in response to takeovers mostly redundant, unless the bidder is capable of running and winning a proxy contest.

The basic justification for poison pills is that they enable management to protect shareholders from offers that do not provide a sufficiently high control premium. The major concern however is that they serve as an entrenchment device for underperforming managers (Gompers et al., 2003). In the 2000s, shareholder groups and proxy advisory firms pressured public corporations to eliminate anti-takeover devices, including poison pills. As a result,

there has been a sharp decline in active pills. However, as [Coates \(2000\)](#) argues, the elimination of these pills has had little effect on valuations because, on a “clear-day,” pills are inconsequential, and boards have the power to adopt them at any time.

During the same period, however, companies began using poison pills to forestall the influence of hedge fund activism. Hedge fund activists do not seek to gain control of target corporations, but rather acquire a sizable ownership stake and use their voting rights to pressure management to change corporate policies. Importantly, there is no comprehensive regulatory warning system for hedge fund interventions. Hedge funds must file a Schedule 13D within 10 days after they reach a 5% ownership stake. By the time they report their ownership, which not infrequently exceeds 10%, they have already acquired a stake that places them in a strong position to threaten management and win a possible proxy fight.

As described by [Kahan and Rock \(2019\)](#), pill terms have changed to target activists’ stock accumulations. These terms primarily include: (a) lower trigger thresholds of 10 percent ownership or less (as compared to the historically typical 15-20% threshold), (b) acting-in-concert provisions that count the stakes of shareholders coordinating with each other, sharing a common purpose, or, in some cases, even purchasing stock simultaneously for the purpose of computing the trigger threshold, and (c) synthetic equity provisions that treat economic interests under derivative contracts referencing the target company’s stock, such as cash-settled swaps, as equity ownership.

Moreover, corporations have started using pills that are ostensibly designed to protect a company’s net operating loss (“NOL”) assets, but may, in fact, place substantial limits on hedge fund activism ([Edelman and Thomas, 2012](#)). NOLs may be used to offset future profits for tax purposes. However, the company’s ability to utilize this tax benefit is significantly limited if an “ownership change,” defined as a more-than-50-percentage-point cumulative increase in ownership by one or more 5% shareholders over a rolling three-year period, occurs. The rationale for NOL pills is to protect the NOL from a potential acquisition that might undermine the company’s ability to use its NOL-related tax asset. Although only a

large ownership change, which typical hedge fund stakes are unlikely to generate, can impair the NOL tax benefit, market practice is for NOL pills to have a 5% trigger because that threshold is referenced in the tax code. Because of their low threshold, NOL pills effectively deter stock acquisitions by activist shareholders seeking to buy sizable stakes that would make activism sufficiently profitable.

Accordingly, a carefully crafted pill may be crucial for limiting the ability of hedge funds to launch a public campaign. In practice, this means that what matters is not whether the company has an active pill in place on a clear day, but whether the board can adopt a pill quickly in anticipation of hedge fund activism, before the activist launches a full campaign.

Finally, it is important to emphasize that other entrenchment devices are unlikely to have a material impact on the ability of hedge funds to launch public campaigns. Two key alternative tactics are classified boards and advance notice bylaws.

A classified board is a structure in which directors are divided into classes, typically serving staggered three-year terms. Staggered boards make it harder to replace a majority of the board in a single election. When combined with a poison pill, they provide strong anti-takeover protection by making it more difficult for a bidder to appoint a board majority that would redeem the pill. However, this defense is likely futile against activist hedge funds, whose goal is to appoint one or a few directors to influence corporate strategy rather than gain outright control. Accordingly, [Gow et al. \(2024\)](#) find that classified boards do not influence hedge funds' ability to gain a board seat at target firms.⁴

Advance notice bylaws are corporate governance provisions that require shareholders to provide notice within a specified timeframe (typically 30-120 days) before an annual meeting if they intend to nominate directors. These bylaws give management time to prepare responses and inform other shareholders about potential proxy contests. However, they are unlikely to significantly hinder activists. These bylaws primarily affect the timing of activist campaigns rather than preventing them altogether, and it is relatively straightforward for

⁴An example is the recent campaign of Engine No. 1, which succeeded in appointing three members to the board of Exxon in the staggered election of four directors in 2021.

activists to comply with the notice periods. Additionally, courts have struck down bylaws that impose onerous requirements on shareholders or interfere with their voting rights.

The Legal Treatment of Anti-Activist Poison Pills

Poison pills, like all anti-takeover devices, may be challenged in court under the *Unocal* test, which requires that (1) there is a threat to corporate policy, and (2) the response is reasonable in relation to the threat posed. Based on this standard, courts rarely question boards' decisions to adopt poison pills to protect shareholders against a change in control without an adequate control premium, so long as it is possible for bidders to run a proxy contest to replace the board⁵.

Although the primary legal justification for poison pills is to prevent a change in control, courts have largely upheld pills directed against activist hedge funds, typically on the basis that there is some risk of “creeping control,” rather than merely a risk that activists will use their voting power in a proxy contest or pressure management to change the business strategy. On this basis, courts have held valid pills with a 10% trigger threshold, even though there was arguably no realistic chance of a takeover.⁶ Thus, courts have legitimized pills with low trigger thresholds directed against activists as a device to protect shareholders from the risk of creeping control.

It is important to emphasize that Delaware courts held in *In re Williams Companies Stockholder Litigation*,⁷ that adopting a pill to address a general threat of influence by activist hedge funds on corporate management was impermissible. This is because voting and campaigning are viewed as fundamental shareholder rights, and the risk that shareholders might mistakenly vote the wrong way does not constitute a valid concern. The pill in this

⁵See *Unitrin, Inc. v. American General Corp.*, 651 A.2d 1361 (Del. 1995); *Air Products and Chemicals, Inc. v. Airgas, Inc.*, 16 A.3d 48 (Del. Ch. 2011).

⁶See *Third Point LLC v. Ruprecht* (Del. Ch. 2014), where Sotheby's adopted a poison pill with a 10% trigger following 13D filings by two hedge funds, Marcato and Third Point. See also *Yucaipa American Alliance Fund II, L.P. v. Riggio* (Del. Ch. 2010), where the court upheld a pill with a 20% trigger adopted by Barnes & Noble in response to the acquisition of 17.8% of the company's stock by an activist.

⁷Del. Ch. 2021.

case was also deemed unreasonable because its trigger threshold of 5% combined with an expansive acting-in-concert provision that covered parallel conduct by multiple acquirers, was unreasonable.

While the *Williams* decision limits the ability of boards to adopt pills *explicitly* targeted against activists, it does not appear to significantly affect their ability to adopt 10% pills. In fact, firms virtually never explicitly state that a pill is adopted to ward off an activist, even when the pill includes features that target activists. Instead, they state that the purpose is to reduce the likelihood that any person will gain control of the corporation without paying a control premium. This is true even when, ex post, the pill is viewed as an anti-activist device.⁸

Importantly, even after the *Williams* decision, corporations with net operating losses can adopt NOL pills that have a 5% trigger. These pills were generally held to be valid on the basis that preserving NOLs is a legitimate corporate purpose and the 5% trigger is reasonable.⁹ Thus, as some law firms have indicated, corporations with net operating losses can simply adopt an NOL pill to curb activist hedge funds under the pretense of protecting tax assets (Gottfried and Donahue, 2018).¹⁰

Finally, while Institutional Shareholder Services (ISS) and other proxy advisory firms have pressured corporations to terminate poison pills, their guidelines are generally lenient towards pills that have a short duration of one year or less or those that are subject to shareholder ratification. Moreover, their guidelines largely condone NOL pills with a duration of three years or less, leaving them mostly free of any scrutiny. Given that hedge fund threats tend to be relatively short-lived, and pills can always be re-adopted, ISS places relatively few limitations on anti-activist pills.

⁸See, for example, the press release issued by the Williams Companies when it adopted a pill: www.sec.gov/Archives/edgar/data/107263/000119312520080810/d878306dex991.htm.

⁹*Versata Enterprises, Inc. v. Selectica, Inc.* (Del. 2010).

¹⁰Heitzman and Lester (2021) find that most firms have nonzero NOL carryforwards, including 90% of “large firms” from 2010-2015.

IA.B Construction of Data

IA.B.1 Hedge Fund Activist Clicks

Data on hedge fund clicks are compiled from several sources following the methodology outlined in Kirmse (2024). First, to obtain click data on SEC documents, we download the full history of log files from the SEC EDGAR log file website.¹¹ These log files cover the period from January 2003 through June 2017, with some inconsistencies in coverage during the first three years. We then clean the log files following the procedure recommended by Ryans (2017). First, we keep only observations in which website views were successfully delivered (code = 200), the IP address was not automatically identified as a crawler (crawler = 0), and the opened link did not lead to an index page (idx = 0). From this dataset, we drop “robots,” which we identify as IP addresses that have any of the following characteristics: 500 or more views per day, 25 or more views per minute, or 4 or more views of *different* firms’ filings per minute.

To implement this, we first drop IP addresses with either 500 or more views per calendar day or with 25 or more views per minute. The latter is calculated on a rolling basis (by second), but only within a calendar day. For example, an IP address with 20 clicks between 11:59:30pm and 11:59:59pm on 1/1/2015 and 5 clicks between 12:00:01am and 12:00:15am on 1/2/2015 would not be flagged. After dropping these IP addresses, we also drop those that accessed four or more unique CIKs within one minute. As before, this is calculated on a rolling 60-second basis within a calendar day. For all three criteria, we exclude only the IP address’s activity for the days when it is classified as a robot (Gibbons et al., 2021). Finally, we unmask the last three digits of the IP address using the cipher table from Chen et al. (2020).¹²

To merge IP addresses from the EDGAR log file downloads with hedge funds, we start

¹¹For example, see <https://www.sec.gov/dera/data/edgar-log-file-data-set.html>.

¹²There are other similar methods for unmasking the IP addresses. For example, see Gibbons et al. (2021).

by downloading Bulk WhoIs data from the American Registry of Internet Numbers (ARIN). These data include information on all registered IP addresses and contain details of the registrant such as the registered name and address at the time of the download. Next, we compile a comprehensive list of 980 unique activist hedge funds by combining hedge funds identified in two seminal works in the activism literature: [Brav et al. \(2008\)](#) (and their updated work in [Bebchuk et al., 2015](#)) and [Boyson et al. \(2022\)](#). These hedge funds consist of all 13D filers from 1994 to 2018 identified as hedge funds in Item 2 of their Schedule 13D or on their Form ADV filings. When the classification is uncertain, publicly available information was used ([Boyson et al., 2022](#)).

Finally, we search all ARIN registrants for approximate name matches with the hedge funds in our initial sample and manually compare the IP registration information with the names and addresses that hedge funds list on their SEC filings. As described in [Kirmse \(2024\)](#), we download ARIN WhoIs data and keep all registrants whose name matches the hedge fund name exactly, excluding additions such as "Capital", "Investment", or "Management." For numbers and abbreviations such as 3V and D.E. Shaw, we also search for alternative spellings ("Three V", "DE Shaw"). Then, we use a three-step procedure to retain the most likely matches.

First, we keep all perfect matches, where both the name and the SEC address match. Second, we retain cases where either the name or the SEC address matches a previously identified perfect match. For example, if we find 3V Investment with the correct address, we would also keep "3V Capital", as long as it has the same address. Third, when both the name and address do not match perfectly, but are closely related, we use Google searches to verify the entities. For example, if we find both "Alpine Investments" and "Alpine Management", we search for both firms online and compare their websites and addresses. If they are determined to be separate entities, we do not associate the potential IP address with the hedge fund.

Despite taking significant precautions, it is possible that some IP addresses are misattributed to hedge funds when they actually belong to other firms. However, we do not

expect this noise to bias our results, as information acquisition by non-hedge funds should not systematically influence poison pill adoptions, or be related to 13D filings beyond the non-hedge fund clicks already captured in our control variable. This procedure ultimately yields 429 individual hedge funds for which we can identify at least one IP address block.

Using this novel hedge fund CIK to hedge fund IP address mapping, we are able to compute the number of SEC EDGAR filing views by hedge funds at the firm-quarter level during our sample period.

IA.B.2 Hedge Fund Activist Holdings

We start by appending activism data shared by [Bebchuk et al. \(2015\)](#) and [Boyson et al. \(2022\)](#), and deleting duplicate campaigns. There are four types of campaigns for which we obtain data.

First, we manually collect holdings for campaigns that begin before the 13D filing: The “Date of First Action” occurs before the 13D, for example in the form of a letter.¹³ We hand-collect data for these 413 events from Factiva. We keep the Factiva value if there is a campaign by the same hedge fund in the same firm with a start date within 2 quarters of the start date in our activism data. If multiple campaigns fulfill this criterion, we select the campaign with the closest start date to our sample’s start date value.

Second, we manually collect holdings for campaigns that were labeled as “Proxy Fights” or “Factiva” in [Bebchuk et al. \(2015\)](#) and where the first step did not already yield results. There are 43 such observations. As before, we keep the Factiva value if there is a campaign by the same hedge fund in the same firm with a start date within 2 quarters of the start date in our activism data. If multiple campaigns fulfill this criterion, we select the campaign with the closest start date to our sample’s start date value.

Third, for all remaining observations so far, we scrape holdings data from 13D filings.

¹³We take a conservative approach to assessing hedge fund holdings in 13D filings by collecting data on holdings from the initial 13Ds, rather than subsequent 13D filings that reflect changes in hedge funds’ stakes over time. The reason is that funds usually increase their stakes over time. As a result, our measure of hedge fund holdings at the time of the initial 13D filing is likely to be downwardly biased.

We next merge this data with our sample, as well as with Compustat to obtain CIKs. Using these CIKs, we merge the dataset with a list of all SEC EDGAR 13D filings by matching the date and CIK of the filing. This process yields 2,906 observations.

Using this list of 13D filing URLs, we scrape hedge fund holdings. Although the required information in each filing is standardized, the HTML tags used are not consistent across all filings. Therefore, we begin by scraping all information from Line 13 (“PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)”). Hedge funds commonly disclose holdings for multiple associated funds. For example, in its August 23rd 2010 filing for Hot Topic,¹⁴ Becker Drapkin lists seven ownership percentages, ranging from 0.2% to 5.1%. Usually, this occurs when one fund serves as a general partner of another fund or has voting authority over another fund’s shares. Therefore, we take the maximum of all disclosed percentages.

Item 5 of Schedule 13D additionally details “Interest in Securities of the Issuer.” We scrape this item by extracting all text between “Interest in Securities of the Issuer” and “Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer” (Item 6), then retaining only numbers containing percentage signs from the extracted text. Again, filers may list holdings of multiple funds or discuss group arrangements. For example, in its August 23 2010 filing for Hot Topic, Becker Drapkin lists the reporting persons as the beneficial owner of 5.083%, with individual funds owning 1.574%, 0.195%, and 1.688%, respectively. Importantly, the filer also discloses the total amount of 9.042% held by “the group”, which we use as the percentage holdings value for this 13D, since it captures all ownership. Thus, as above, we retain the maximum percentage amount disclosed in Item 5.

Finally, we supplement the scraping with manual hand-collection of ownership data in two circumstances. First, when ownership for any filing fails to be scraped successfully. Second, in some cases, Item 5 discloses cross-holdings among funds, debt instruments, or

¹⁴E.g., see <https://www.sec.gov/Archives/edgar/data/1017712/000135982410000037/schedule13d.htm>.

other idiosyncratic provisions. For example, in its August 25 2011 Schedule 13D filing for Twin Disk,¹⁵ Gamco Investors states in Item 5: “Gabelli Funds has sole dispositive and voting power with respect to the shares of the Issuer held by the Funds so long as the aggregate voting interest of all joint filers does not exceed 25% of their total voting interest in the Issuer.” Here, 25% is the percentage found in Item 5, but it is not the correct holding figure. To avoid using the wrong ownership percentage due to such cases, we merge data from Line 13 with Item 5 and keep observations where the maximum percentage in Line 13 matches the maximum percentage disclosed in Item 5, provided that this percentage is greater than 5% and less than 50%. All observations with a mismatch, or suspiciously high or low ownership values, are then hand-checked.

In the manual hand-collection process, we first examine Item 5 and use the largest percentage associated with phrases such as “we collectively own,” “ownership in aggregate,” or “the group collectively owns.” We include in the holdings calculation any shares subject to the exercise of options. We then decide whether to retain the largest value from Item 5 or Line 13 based on the following logic. When no “aggregate” ownership is mentioned, we use the largest percentage disclosed across Line 13 and Item 5. However, Line 13 must be lower than 50%, and within 0.1 percentage points of the sum of percentages disclosed in Item 5.¹⁶ We allow for minor discrepancies due to rounding. Some 13D filings report ownership percentages in Item 2, instead of Item 5, or in a letter to the board, which is often included as an appendix to the filing. These ownership percentages are used when the maximum percentage reported in Item 5 and the maximum percentage reported in Line 13 are inconsistent, and the maximum of (Item 5, Line 13) is either less than 5% or exceeds 50%.

When the same percentage appears with inconsistent decimals within the same filing (e.g. 7.88% in Item 5, but 7.9% in Line 13),¹⁷ we retain the more precise value.

¹⁵E.g., see <https://www.sec.gov/Archives/edgar/data/100378/0000807249-11-000280.txt>.

¹⁶For example, we use 7.5% for https://www.sec.gov/Archives/edgar/data/1037976/000089534517000195/wd13d-lasalle_generation.htm

¹⁷E.g., see <https://www.sec.gov/Archives/edgar/data/854460/0000950149-04-001359.txt>.

Table IA.B.1: Hedge Funds’ Holdings by firm size. This table reports hedge funds’ initial stakes in targets conditional on a public activism announcement, split by target size. Column (1) (“T1”) shows average holdings for the smallest tercile of firms. Columns (2) and (3) (“T2” and “T3”) show average percentage holdings for the middle and largest tercile of firms, respectively. Dec10 is the largest decile (the top 10%) of firms. Firm sizes are measured by market cap (top row) and total assets (bottom row) as of the end of the year. Columns (5) through (8) compare the means in a t-test across groups. The smallest tercile of firms has an average market cap of \$40 million, and median of \$38 million. The middle tercile of firms has an average market cap of \$205 million, and median of \$187 million. The largest tercile of firms has an average market cap of \$3.2 billion and median of \$1.4 billion. The largest decile of firms has an average market cap of \$8.3 billion, and a median market cap of \$5.0 billion. The smallest firm in the top decile of firms has a market capitalization of \$2.5 billion. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Average Holdings (%)				Differences in Means			
	T1	T2	T3	Dec10	T1–T2	T1–T3	T2–T3	T1–Dec10
<i>Full Sample</i>								
Holdings by Mkt Cap.	10.725	9.337	9.000	8.589	1.388***	1.725***	0.337	2.136***
N	1,778	1,764	1,770	530	3,542	3,548	3,534	2,308
Holdings by Book Assets	10.789	9.557	8.668	8.473	1.232***	2.121***	0.889***	2.316***
N	1,850	1,844	1,845	552	3,694	3,695	3,689	2,402
<i>2003–2007</i>								
Holdings by Mkt Cap.	10.160	9.054	8.308	7.880	1.106**	1.851***	0.746**	2.280***
N	714	714	713	214	1,428	1,427	1,427	928
Holdings by Book Assets	10.311	9.014	8.110	7.843	1.297***	2.201***	0.904***	2.467***
N	749	740	739	222	1,489	1,488	1,479	971
<i>2008–2012</i>								
Holdings by Mkt Cap.	11.859	9.687	8.978	8.108	2.172***	2.881***	0.709	3.751***
N	560	558	559	162	1,118	1,119	1,117	722
Holdings by Book Assets	11.956	9.451	9.168	8.584	2.505***	2.789***	0.283	3.372***
N	584	584	582	174	1,168	1,166	1,166	758
<i>2013–2017</i>								
Holdings by Mkt Cap.	10.475	9.564	9.605	8.070	0.911*	0.871	-0.041	2.405***
N	498	498	498	148	996	996	996	646
Holdings by Book Assets	10.504	9.640	9.328	8.421	0.864	1.176**	0.313	2.083***
N	522	562	477	156	1,084	999	1,039	678

Table IA.B.2: Size Cutoffs for Holdings. This table reports firm sizes of each tercile and the largest decile, used to calculate holdings by firm size above.

	Tercile 1		Tercile 2		Tercile 3		Decile 10		
	Mean	P50	Mean	P50	Mean	P50	Mean	P50	Min
<i>2003–2007</i>									
Mkt Cap. (\$M)	41.58	39.94	195.70	173.26	2,453.13	850.34	6,431.45	3,031.70	1,627.73
N	714		714		713		214		
Book Assets (\$M)	52.97	45.24	296.93	280.65	3,781.65	1,505.44	9,745.06	3,863.40	2,496.40
N	749		740		739		222		
<i>2008–2012</i>									
Mkt Cap. (\$M)	27.79	26.50	143.89	135.48	2,460.20	1,052.12	6,510.78	4,902.69	2,076.67
N	560		558		559		162		
Book Assets (\$M)	56.34	51.65	351.06	315.53	8,160.52	2,172.92	23,157.24	8,958.59	4,111.10
N	584		584		582		174		
<i>2013–2017</i>									
Mkt Cap. (\$M)	63.58	57.93	325.45	280.65	4,991.88	2,214.60	12,462.67	8,278.78	4,096.38
N	498		498		498		148		
Book Assets (\$M)	78.31	68.73	613.39	461.66	28,733.52	3,488.70	82,177.95	10,726.95	6,327.60
N	522		562		477		156		

IA.C Regression Discontinuity Results for Pill Terminations

The adoption results in the main paper indicate that poison pills, especially those with anti-activist provisions, are associated with a reduced likelihood of public campaigns. In this section, we examine whether terminating an active pill has the opposite effect, increasing a firm’s exposure to hedge fund activism. To do so, we analyze shareholder proposals to remove poison pills, which provide a quasi-experimental setting for assessing the consequences of pill termination.

Specifically, we employ a regression discontinuity (RD) design to estimate the causal effect of poison pill termination on subsequent hedge fund activity. Following [Cuñat et al. \(2012\)](#) and [Ertimur et al. \(2013\)](#), we exploit the fact that shareholder proposals pass only if they receive at least 50% of the vote share, measured as the percentage of votes “for” out of total votes cast. This approach relies on research showing that although shareholder proposals are not binding, they significantly affect firm policies ([Ferri, 2012](#)). By comparing proposals that narrowly pass with those that narrowly fail, we isolate the effect of pill termination from other firm characteristics that vary smoothly with vote share, such as size, performance, ownership, or governance structures, that could also influence hedge fund attention and targeting.

We collect all shareholder proposals relating to the termination of active poison pills from FactSet over our sample period of 2003 through 2017. After merging with our main sample, we are left with 110 termination proposals. Panel A of Figure [IA.8](#) depicts the distribution of vote shares for these proposals. Though there is some bunching just below the 50% threshold, the McCrary test (Panel B) fails to formally reject the null hypothesis of continuity in the density of vote shares at the 5% level.

Figure [IA.9](#) displays the RD plots for two key outcomes, subsequent hedge fund clicks and hedge fund targets (public campaigns) in the four quarters after the shareholder meeting. To address concerns about ad hoc choices of bin spacing and polynomial order, we

follow the methods established in [Calonico et al. \(2015\)](#). Thus, both panels in Figure [IA.9](#) apply [Calonico et al.’s \(2015\)](#) optimal data-driven methodology using Stata’s “rdplot” command off-the-shelf. Both panels suggest an increase in hedge fund activity around the 50% vote-share threshold, consistent with greater activist interest following the passage of pill-termination proposals.

Additional placebo evidence in the Internet Appendix supports the interpretation that the post-vote increase in hedge fund activity is driven by pill removal, rather than by differences between firms with proposals that narrowly pass versus narrowly fail. First, Figure [IA.10](#) shows no clear discontinuity in targets in the eight quarters preceding the pill-termination vote. Second, Figures [IA.11](#) and [IA.12](#) report placebo tests using other governance proposals. If anything, hedge fund targeting activity appears to decline after the successful passage of a declassification proposal or a general governance proposal, respectively. Taken together, these placebo tests indicate that the post-vote increase in hedge fund activity is not simply a general response to governance-related proposals, such as increased attention due to the presence of dissatisfied institutions, but is specific to terminating a poison pill.

Accordingly, the RD evidence reinforces the patterns documented in Section 6.1. The adoption analysis shows that firms are less likely to face activism after implementing a pill, and the RD results demonstrate that removing an active pill increases a firm’s exposure to activist intervention.

IA.D Additional Figures and Tables

Figure IA.1: The Evolution of Poison Pills' Durations. This figure depicts the evolution in durations of newly adopted pills through time. Data on poison pill characteristics and provisions is hand-collected from firm SEC filings as described in Section 2. The number of new pill adoptions in the periods of 2003–2007, 2008–2012, and 2013–2017 is 156, 272, and 122, respectively. All variables are defined in Appendix Table A.1 in the main paper.

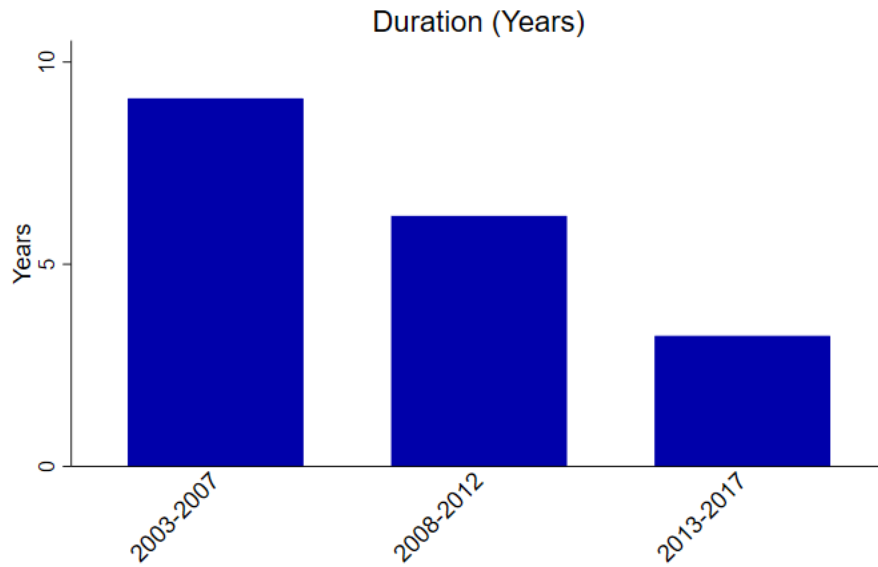


Figure IA.2: HF Clicks Validation. This figure depicts a Binscatter plot with values of threat intensity ([Gantchev et al., 2019](#)) on the x-axis and hedge fund clicks on the y-axis. Threat intensity is measured as the number of firms targeted in public activism campaigns (13Ds or proxy fights) in a Fama-French 48 industry in quarter t , divided by the total number of unique firms in the same industry-quarter. See [Gantchev et al. \(2019\)](#) for more information. Values can be negative because both variables are adjusted for calendar-quarter fixed effects. Data on hedge fund clicks is collected via the methodology described in Internet Appendix Section [IA.B.1](#), and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang.

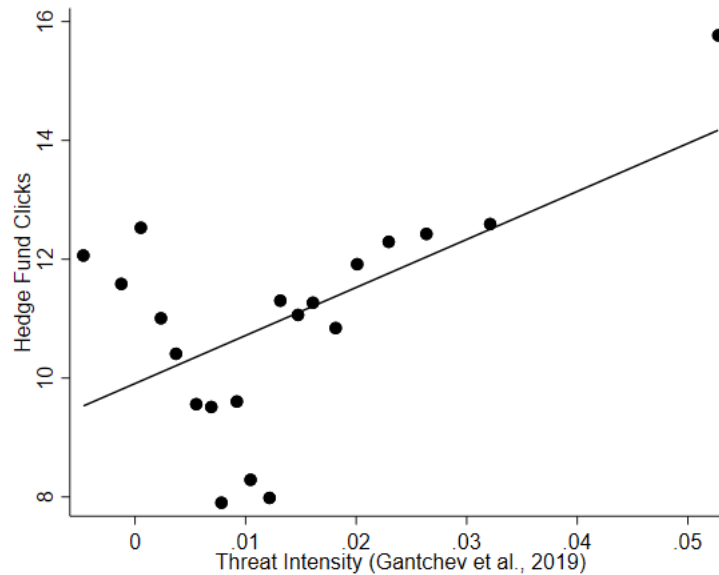


Figure IA.3: Clicks of Targeting vs. Non-Targeting Hedge Funds. This figure depicts the distribution of coefficients from regressions using randomly assigned hedge fund clicks that do not correspond to the fund that later files an activist campaign. In each replication, we randomly assign each fund j a different donor fund k within each quarter. We regress an indicator for fund j publicly targeting firm i in quarter t on both funds' clicks on firm i in quarter $t - 1$. We include the same fixed effects as in Column (4) of Table IA.1: Firm by Fund FE, Firm by Year-Quarter FE, and Fund by Year-Quarter FE. The black vertical line indicates the average focal-fund coefficient across the 1,000 placebo regressions. Data on poison pills is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1, and data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Bray, and Wei Jiang. All variables are defined in Appendix Table A.1.

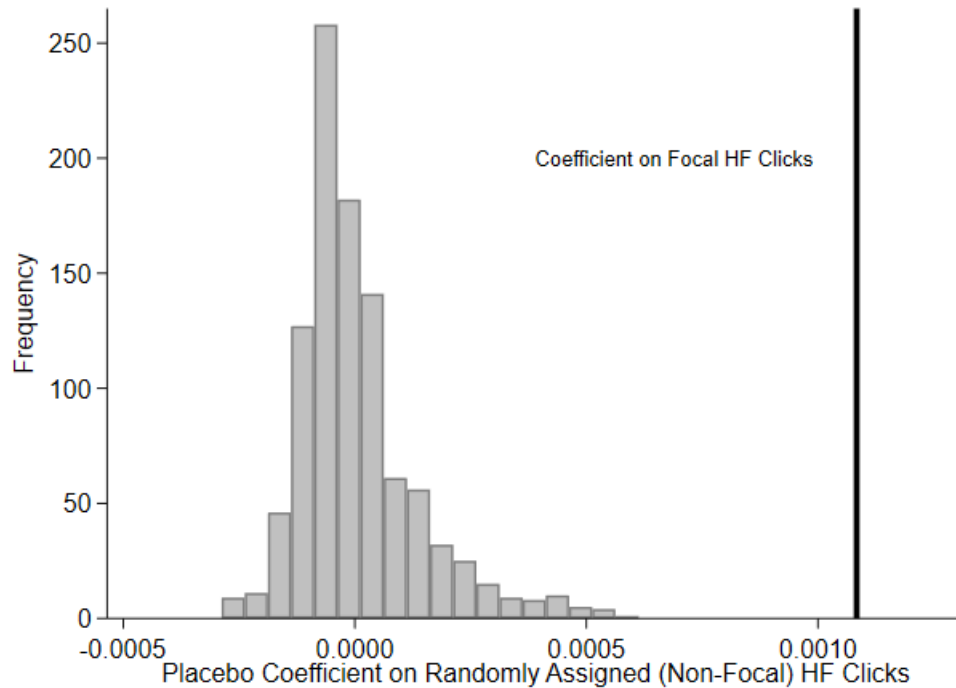
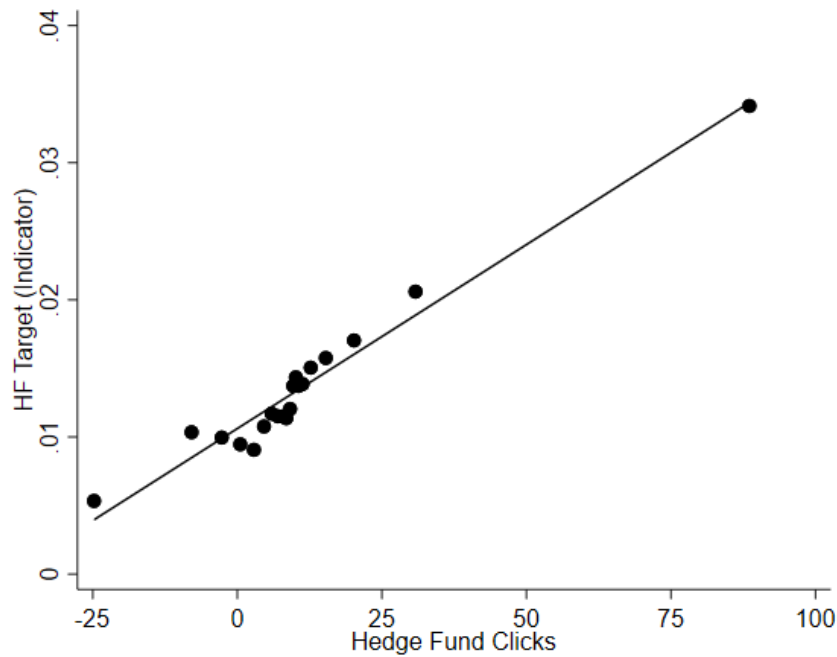
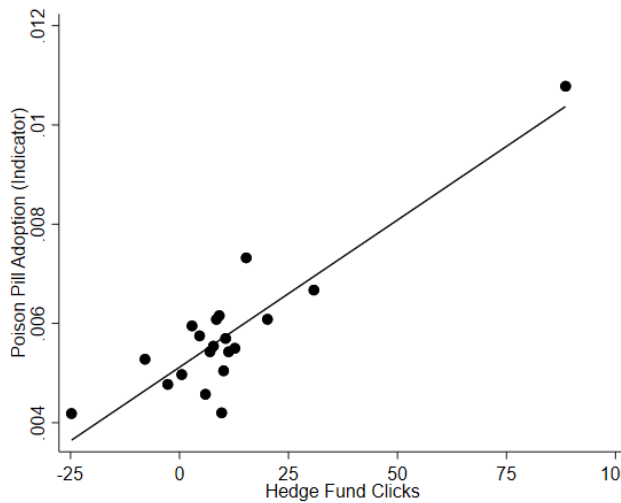


Figure IA.4: Continuous Hedge Fund Clicks as HF Threat Intensity. These figures depict the relationship between hedge fund clicks and firm outcomes (public activism campaigns and poison pill adoptions) in binscatter plots using quantile-based bins. Panel A shows hedge fund target probability, Panel B shows the probability of poison pill adoption, and Panel C shows the probability of anti-activist poison pill adoption. Adjusted values can be negative because all plotted variables are adjusted for industry-by-quarter fixed effects. Data on poison pills is hand-collected from firm SEC filings as described in Section 2 and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang. All variables are defined in Appendix Table A.1.

(A) HF Targets.



(B) All Poison Pill Adoptions.



(C) Anti-Activist Poison Pill Adoptions.

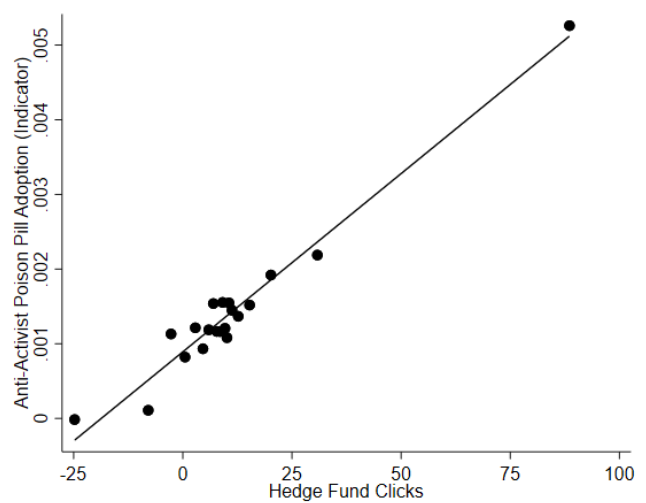


Figure IA.5: Clicks Surrounding New Pill Adoptions Excluding Firms with Public Activism Campaigns. This figure depicts the average number of hedge fund clicks for firms that adopt new poison pills, excluding firms that experience a public activism campaign in the two-year period surrounding the poison pill adoption. The x-axis represents event time, where $t=0$ represents the quarter the firm adopts the pill. Event time is grouped into 90-day intervals, with $t = 0$ covering days 0–89 after adoption. Activist hedge fund clicks exclude views of 8-K filings and clicks on the adoption date. In this way, all hedge fund clicks at quarter $t=0$ represent views on or after the day of adoption, but not before it. The red dots depict activist HF clicks, whereas the blue squares depict nonactivist HF clicks. Data on poison pills is hand-collected from firm SEC filings as described in Section 2, and data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1. All variables are defined in Appendix Table A.1.

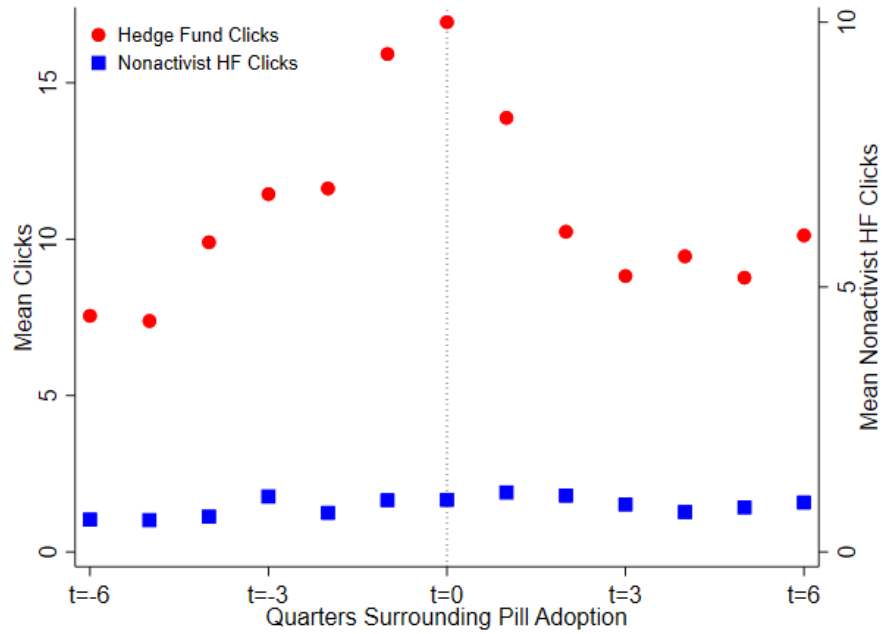


Figure IA.6: Public Acquisitions and the Commercial and Industrial Loans Rate Spread. This figure depicts the trends in the number of acquisitions of public firms and the spread between the average interest rate on commercial and industrial loans and the Federal Funds rate through time. The gray bars depict NBER recessions. Data on public acquisitions is from Thomson Reuters, data on the C&I rate spread is from the Federal Reserve Board Survey of Terms of Business Lending, and NBER recessions is from the St. Louis Federal Reserve Bank.

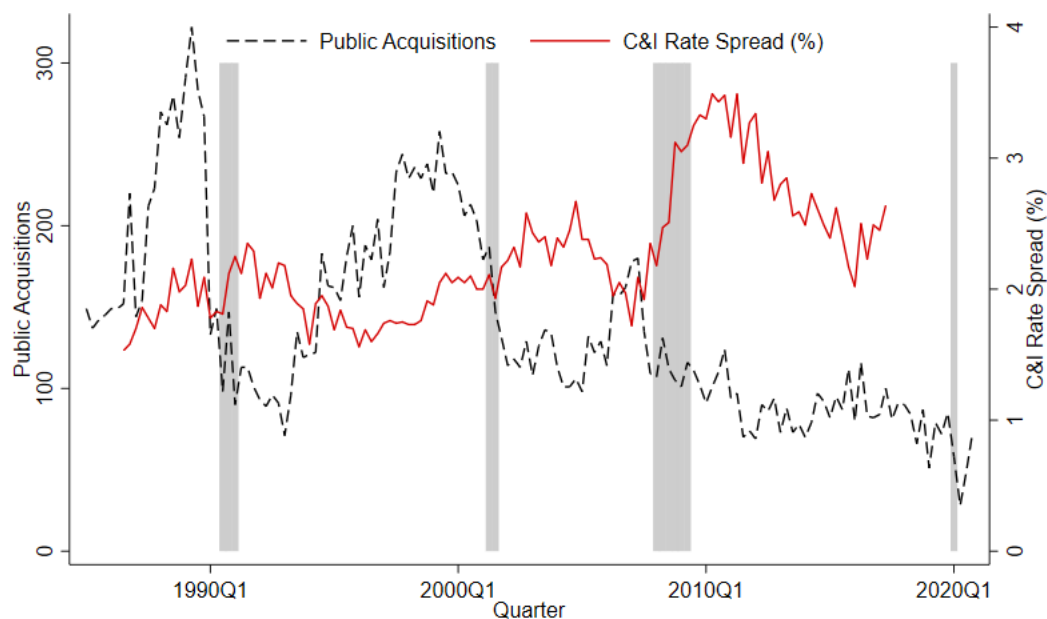


Figure IA.7: Size Distribution of Pill Adopting Firms. These figures depict the distribution of firm size (log of total book assets) for firms that adopt a poison pill over the course of our sample (red bars) against firms that do not adopt a poison pill over the course of our sample (blue bars). Panel A depicts the distributions for all pill adoptions, while Panel B depicts the distributions for anti-activist pill adoptions, and Panel C depicts the distribution for non-activist pill adoptions. Data on poison pills is hand-collected from firm SEC filings as described in Section 2 and data on firm size is from Compustat. All variables are defined in Appendix Table A.1.

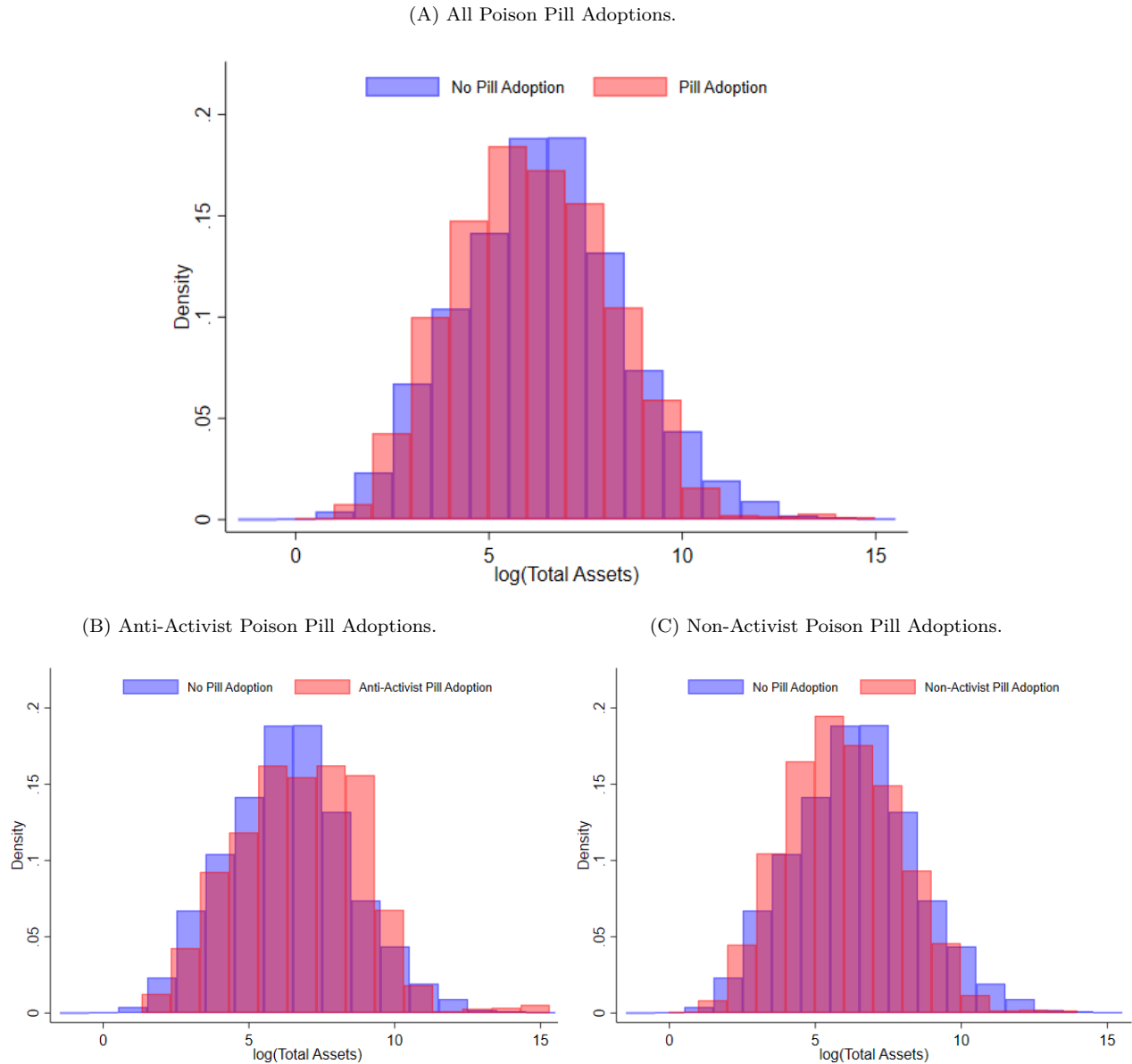
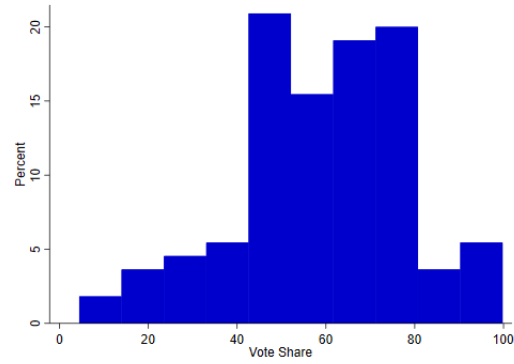


Figure IA.8: Distribution of Vote Share. This figure depicts the distribution of vote share, defined as the percentage of votes “for” of votes cast, for shareholder proposals to terminate active poison pills. Panel A depicts the raw histogram, while Panel B depicts the McCrary density-test plot around the 50% voting threshold, with 95% confidence intervals. Data on shareholder proposals is from FactSet.

(A) Vote Share Histogram.



(B) McCrary Test.

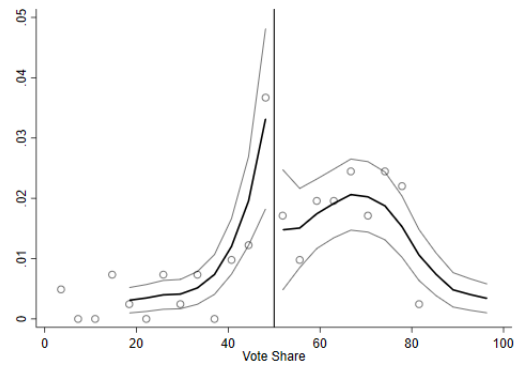
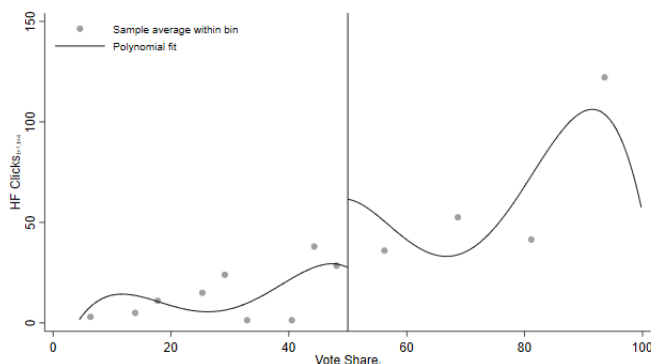


Figure IA.9: Pill Termination Proposals and Hedge Fund Activity. This figure depicts the results of regression discontinuity plots in which the dependent variable is either hedge fund clicks (Panel A) or the number of quarters in which the firm is targeted by an activist hedge fund in a public campaign (Panel B) in the four quarters following a meeting in which shareholders vote on a proposal to terminate an active poison pill. Following [Cuñat et al. \(2012\)](#) and [Ertimur et al. \(2013\)](#), we focus on the discontinuity created by close votes—those around the 50% majority threshold for such a proposal to pass. The running variable is the *Vote Share*, which is defined as the percentage of “for” votes of the total votes cast. To address concerns about ad hoc choices of bin spacing, we follow the data-driven methods established in [Calonico et al. \(2015\)](#) and use Stata’s “rdplot” with its default settings. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes all shareholder proposals to terminate an active poison pill over the period of 2003Q2 through 2017Q2, which corresponds to our main sample. Data on shareholder proposals to terminate poison pills is from FactSet, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section [IA.B.1](#), and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang.

(A) HF Clicks.



(B) HF Targets.

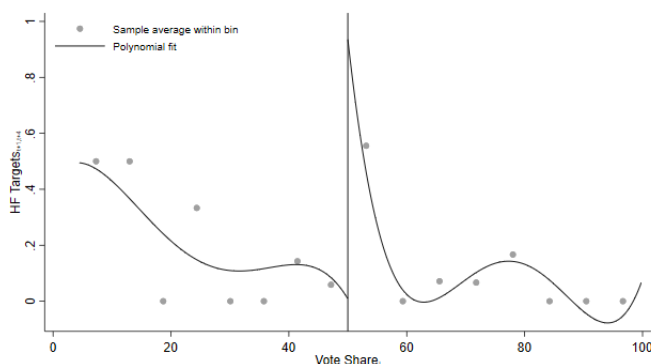
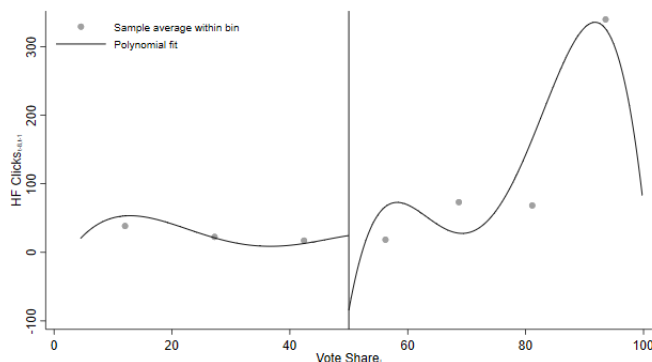


Figure IA.10: Pill Termination Proposals and Previous Hedge Fund Activity. This figure depicts the results of regression discontinuity plots in which the dependent variable is either hedge fund clicks (Panel A) or the number of quarters in which the firm is targeted by an activist hedge fund in a public campaign (Panel B) in the eight quarters *preceding* a meeting in which shareholders vote on a proposal to terminate an active poison pill. Following [Cuñat et al. \(2012\)](#); [Ertimur et al. \(2013\)](#), we focus on the discontinuity created by close votes—those around the 50% majority threshold for such a proposal to pass. The running variable is the *Vote Share*, which is defined as the percentage of “for” votes of the total votes cast. To address concerns about ad hoc choices of bin spacing, we follow the data-driven methods established in [Calonico et al. \(2015\)](#) and use Stata’s “rdplot” with its default settings. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes all shareholder proposals to terminate an active poison pill over the period of 2003Q2 through 2017Q2, which corresponds to our main sample. Data on shareholder proposals to terminate poison pills is from FactSet, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section [IA.B.1](#), and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang.

(A) Previous HF Clicks.



(B) Previous HF Targets.

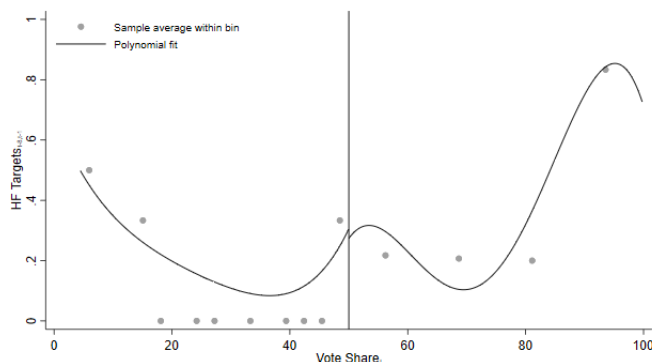
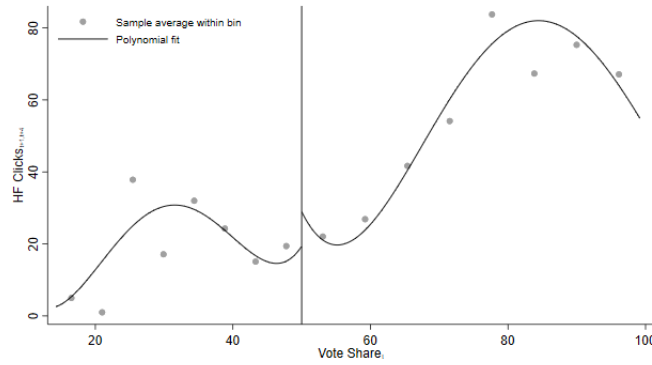


Figure IA.11: Board Declassification Proposals and Hedge Fund Activity. This figure depicts the results of regression discontinuity plots in which the dependent variable is either hedge fund clicks (Panel A) or the number of quarters in which the firm is targeted by an activist hedge fund in a public campaign (Panel B) in the four quarters following a meeting in which shareholders vote on a proposal to declassify the board of directors. Following [Cuñat et al. \(2012\)](#) and [Ertimur et al. \(2013\)](#), we focus on the discontinuity created by close votes—those around the 50% majority threshold for such a proposal to pass. The running variable is the *Vote Share*, which is defined as the percentage of “for” votes of the total votes cast. To address concerns about ad hoc choices of bin spacing, we follow the data-driven methods established in [Calonico et al. \(2015\)](#) and use Stata’s “rdplot” with its default settings. The sample includes all shareholder proposals to declassify the board over the period of 2003Q2 through 2017Q2, which corresponds to our main sample. Data on shareholder proposals is from FactSet, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section [IA.B.1](#), and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang.

(A) HF Clicks.



(B) HF Targets.

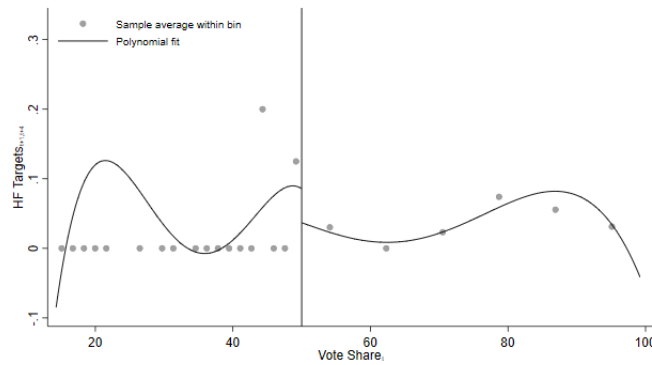
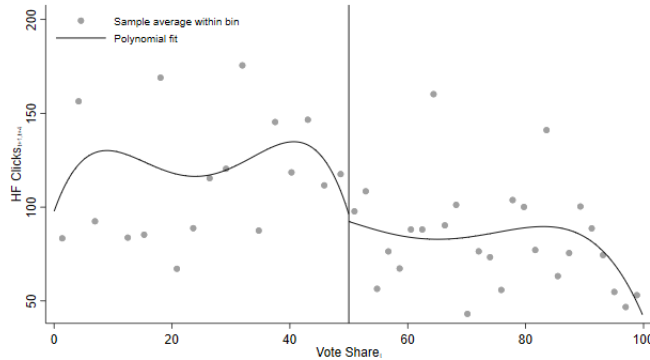


Figure IA.12: Governance-Related Shareholder Proposals and Hedge Fund Activity. This figure depicts the results of regression discontinuity plots in which the dependent variable is either hedge fund clicks (Panel A) or the number of quarters in which the firm is targeted by an activist hedge fund in a public campaign (Panel B) in the four quarters following a meeting in which shareholders vote on a proposal related to governance. Following [Cuñat et al. \(2012\)](#) and [Ertimur et al. \(2013\)](#), we focus on the discontinuity created by close votes—those around the 50% majority threshold for such a proposal to pass. The running variable is the *Vote Share*, which is defined as the percentage of “for” votes of the total votes cast. To address concerns about ad hoc choices of bin spacing, we follow the data-driven methods established in [Calonico et al. \(2015\)](#) and use Stata’s “rdplot” with its default settings. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes all shareholder proposals related to governance over the period of 2003Q2 through 2017Q2, which corresponds to our main sample. We exclude governance-related proposals that nearly always pass (greater than 95% of the time) or nearly always fail (greater than 95% of the time). Data on shareholder proposals is from FactSet, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section [IA.B.1](#), and data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang.

(A) HF Clicks.



(B) HF Targets.

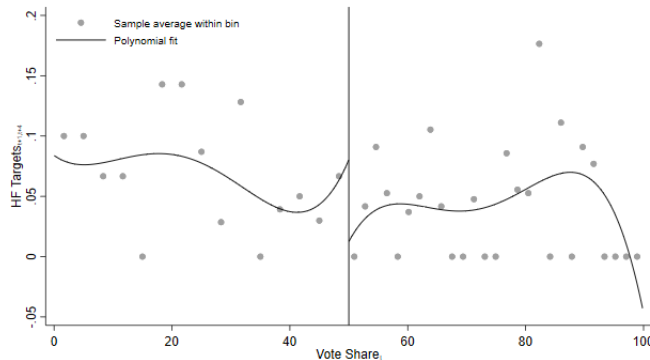


Table IA.1: Hedge Fund Clicks and Public Activism Campaigns. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if firm i is targeted by focal Hedge Fund j in quarter t , and 0 otherwise. The main independent variable of interest, *Focal Hedge Fund Clicks* $_{i,j,t-1}$ (100s), is the number of clicks by the focal (campaign-starting) hedge fund j on firm i at time $t - 1$. The sample includes firm-fund-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Activist Target by Focal HF $_t$ (Indicator)					
	(1)	(2)	(3)	(4)	(5)	(6)
Focal Hedge Fund Clicks $_{t-1}$ (100s)	0.002*** (0.000)	0.002*** (0.000)	0.001*** (0.000)	0.001** (0.000)		
log(1+ Focal Hedge Fund Clicks $_{t-1}$)					0.002*** (0.001)	
sinh $^{-1}$ (Focal Hedge Fund Clicks $_{t-1}$)						0.002*** (0.001)
Year-Quarter FE	Yes	Yes	Yes	No	No	No
Firm FE	No	Yes	No	No	No	No
Fund FE	No	Yes	No	No	No	No
Firm $\times$ Fund FE	No	No	Yes	Yes	Yes	Yes
Firm $\times$ Year-Quarter FE	No	No	No	Yes	Yes	Yes
Fund $\times$ Year-Quarter FE	No	No	No	Yes	Yes	Yes
$\bar{y}$	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Observations	4,993,522	4,993,500	4,992,030	4,988,768	4,988,768	4,988,768
R^2	0.00	0.00	0.05	0.10	0.10	0.10

Table IA.2: Placebo Test: Clicks by Targeting vs Non-Targeting Hedge Funds. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if firm i is targeted by focal Hedge Fund j in quarter t , and 0 otherwise. *Focal Hedge Fund Clicks _{$i,j,t-1$} (100s)* is the number of clicks by the focal (campaign-starting) hedge fund j on firm i at time $t - 1$. The main independent variable of interest, *All Other Hedge Fund Clicks _{$i,k \neq j,t-1$} (100s)*, is the total number of all other, non-targeting hedge funds' clicks on firm i at $t - 1$. The sample includes firm-fund-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Activist Target by Focal HF _{t} (Indicator)					
	(1)	(2)	(3)	(4)	(5)	(6)
Focal Hedge Fund Clicks _{$t-1$} (100s)	0.002*** (0.000)	0.002*** (0.000)	0.001*** (0.000)	0.001*** (0.000)		
All Other Hedge Fund Clicks _{$t-1$} (100s)	0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	0.000 (0.000)		
log(1+ Focal Hedge Fund Clicks _{$t-1$})					0.002*** (0.001)	
log(1+ All Other Hedge Fund Clicks _{$t-1$})					0.000 (0.000)	
sinh ⁻¹ (Focal Hedge Fund Clicks _{$t-1$})						0.002*** (0.001)
sinh ⁻¹ (All Other Hedge Fund Clicks _{$t-1$})						0.000 (0.000)
Year-Quarter FE	Yes	Yes	Yes	No	No	No
Firm FE	No	Yes	No	No	No	No
Fund FE	No	Yes	No	No	No	No
Firm $\times$ Fund FE	No	No	Yes	Yes	Yes	Yes
Industry $\times$ Year-Quarter FE	No	No	No	Yes	Yes	Yes
Fund $\times$ Year-Quarter FE	No	No	No	Yes	Yes	Yes
$\bar{y}$	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Observations	4,993,522	4,993,500	4,992,030	4,991,868	4,991,868	4,991,868
R^2	0.00	0.00	0.05	0.06	0.06	0.06

Table IA.3: Poison Pill Adoption and Bloomberg HeatDex. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm becomes a public activism target (Columns (1) and (2)), adopts any pill (Columns (3) and (4)), or adopts an anti-activist pill (Columns (5) and (6)) in quarter t , and 0 otherwise. The independent variables of interest are *Hedge Fund Clicks* and the Bloomberg HeatDex, which is constructed following Ben-Rephael et al. (2017) and measures attention on Bloomberg. Bloomberg’s attention data is available only after February 17, 2010. Bloomberg HeatDex ranges from 1 to 4, where 4 is assigned to stocks with the greatest attention. The sample includes firm-quarter observations over the period of 2010Q2 through 2017Q2, which corresponds to the time period in which both the EDGAR log file data and Bloomberg HeatDex data are available. All specifications include the same control variables and fixed effects as the baseline regressions. Even columns additionally control for general attention by including the number of total clicks. Missing Bloomberg HeatDex values are set to zero, and an indicator equal to 1 if Bloomberg HeatDex is missing, and 0 otherwise, is included. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	Activism Target $_t$ (Indicator)		Pill Adoption $_t$ (Indicator)			
			All		Anti-Activist	
	(1)	(2)	(3)	(4)	(5)	(6)
Hedge Fund Clicks $_{t-1}$ (100s)	0.009*** (0.003)	0.009*** (0.003)	0.003** (0.001)	0.002** (0.001)	0.002* (0.001)	0.001 (0.001)
Bloomberg HeatDex $_{t-1}$	-0.001 (0.001)	-0.001 (0.001)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
Total Clicks $_{t-1}$ (100,000s)		0.001 (0.017)		0.014 (0.013)		0.016 (0.013)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0141	0.0141	0.0047	0.0047	0.0021	0.0021
Observations	85,924	85,924	85,924	85,924	85,924	85,924
R^2	0.14	0.14	0.14	0.14	0.14	0.14

Table IA.4: Poison Pill Adoption, Hedge Fund Clicks, and the Impact of Outliers. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm adopted any poison pill (Columns (1)–(3)) or an anti-activist poison pill (Columns (4)–(6)) in quarter t , and 0 otherwise. The main independent variable of interest is *Hedge Fund Clicks* (as well as the log and inverse hyperbolic sine transformations), which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	Pill Adoption $_t$ (Indicator)					
	All			Anti-Activist		
	(1)	(2)	(3)	(4)	(5)	(6)
Winsorized Hedge Fund Clicks $_{t-1}$	0.0041** (0.0017)			0.0036*** (0.0012)		
$\log(1 + \text{Hedge Fund Clicks}_{t-1})$		0.0057*** (0.0021)			0.0049*** (0.0016)	
$\sinh^{-1}(\text{Hedge Fund Clicks}_{t-1})$			0.0047*** (0.0017)			0.0039*** (0.0013)
Total Clicks $_{t-1}$ (100,000s)	0.0096 (0.0075)	0.0088 (0.0072)	0.0083 (0.0072)	0.0061 (0.0065)	0.0054 (0.0063)	0.0051 (0.0063)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0058	0.0058	0.0014	0.0014	0.0014
Observations	175,122	175,122	175,122	175,122	175,122	175,122
R^2	0.10	0.10	0.10	0.12	0.12	0.12

Table IA.5: Poison Pill Adoptions and Hedge Fund Clicks Controlling for Time-Varying Unobserved Heterogeneity in Hedge Funds and Selection in Firm and Hedge Fund Matching. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm adopted any poison pill (Columns (1)–(3)) or an anti-activist poison pill (Columns (4)–(6)) in quarter t , and 0 otherwise. The main independent variable of interest is *Hedge Fund Clicks* (as well as the log and inverse hyperbolic sine transformations), which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$. We control for unobserved time-varying heterogeneity in hedge funds by including a fund by year-quarter fixed effect, and for firm-hedge fund matching by including a firm by fund fixed effect. Because poison pills vary only at the firm-quarter level, and not the firm-fund-quarter level, we cannot include firm by year-quarter fixed effects. The sample includes firm-fund-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	Pill Adoption _{<i>t</i>} (Indicator)					
	All			Anti-Activist		
	(1)	(2)	(3)	(4)	(5)	(6)
Hedge Fund Clicks _{<i>t</i>-1} (100s)	0.004*** (0.001)			0.003** (0.001)		
log(1+ Hedge Fund Clicks _{<i>t</i>-1})		0.006*** (0.002)			0.005** (0.002)	
sinh ⁻¹ (Hedge Fund Clicks _{<i>t</i>-1})			0.005*** (0.002)			0.004** (0.002)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm × Fund FE	Yes	Yes	Yes	Yes	Yes	Yes
Fund × Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry × Year-Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0061	0.0061	0.0061	0.0021	0.0021	0.0021
Observations	4,505,787	4,505,787	4,505,787	4,505,787	4,505,787	4,505,787
R^2	0.15	0.15	0.15	0.17	0.17	0.17

Table IA.6: Poison Pill Adoption and Rolling Weighted Hedge Fund Clicks. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm adopted any poison pill (Panel A) or an anti-activist poison pill (Panel B) in quarter t , and 0 otherwise. The independent variables of interest are hedge fund clicks, weighted by a 3-year rolling average of fund characteristics. *Demeaned HF Clicks* subtract the three-year rolling average of clicks by a particular hedge fund. *13F Decile* is the decile of total fund assets in 13F holdings. The *Number of Campaigns* is the total number of activism (13D or proxy fight) campaigns. *Percent Success* is the number of campaigns in which a fund achieved its stated goal, divided by the number of campaigns with a specifically stated goal. *Percent Proxy Fight* is the number of campaigns with a proxy fight divided by the total number of campaigns. *Age* is the time since the activist's first filing. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Poison Pill Adoption _t (Indicator)					
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Panel A: All Poison Pills</i>						
Demeaned HF Clicks _{t-1}	0.003** (0.001)					
13F Decile Weighted HF Clicks _{t-1}		0.003* (0.001)				
Number of Campaigns Weighted HF Clicks _{t-1}			0.000 (0.000)			
Percent Success Weighted HF Clicks _{t-1}				0.004 (0.002)		
Percent Proxy Fight Weighted HF Clicks _{t-1}					0.002 (0.002)	
Age Weighted HF Clicks _{t-1}						0.003** (0.001)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry × Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0058	0.0058	0.0058	0.0058	0.0058
Observations	175,122	175,122	175,122	175,122	175,122	175,122
R^2	0.10	0.10	0.10	0.10	0.10	0.10
<i>Panel B: Anti-Activist Poison Pills</i>						
Demeaned HF Clicks _{t-1}	0.002* (0.001)					
13F Decile Weighted HF Clicks _{t-1}		0.003** (0.001)				
Number of Campaigns Weighted HF Clicks _{t-1}			0.001** (0.000)			
Percent Success Weighted HF Clicks _{t-1}				0.004** (0.002)		
Percent Proxy Fight Weighted HF Clicks _{t-1}					0.002* (0.001)	
Age Weighted HF Clicks _{t-1}						0.002* (0.001)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry × Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014
Observations	175,122	175,122	175,122	175,122	175,122	175,122
R^2	0.12	0.12	0.11	0.12	0.11	0.12

Table IA.7: Poison Pill Adoption and Full Sample Weighted Hedge Fund Clicks. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm adopted any poison pill (Panel A) or an anti-activist poison pill (Panel B) in quarter t , and 0 otherwise. The independent variables of interest are hedge fund clicks weighted by a full-sample historical average of fund characteristics. *Demeaned HF Clicks* subtract the historical average of clicks by a particular hedge fund. *13F Decile* is the decile of total fund assets in 13F holdings. The *Number of Campaigns* is the total number of activism (13D or proxy fight) campaigns. *Percent Success* is the number of campaigns in which a fund achieved its stated goal, divided by the number of campaigns with a specifically stated goal. *Percent Proxy Fight* is the number of campaigns with a proxy fight divided by the total number of campaigns. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Poison Pill Adoption $_t$ (Indicator)				
	(1)	(2)	(3)	(4)	(5)
<i>Panel A: All Poison Pills</i>					
Demeaned HF Clicks $_{t-1}$	0.003** (0.001)				
13F Decile Weighted HF Clicks $_{t-1}$		0.002* (0.001)			
Number of Campaigns Weighted HF Clicks $_{t-1}$			0.001 (0.001)		
Percent Success Weighted HF Clicks $_{t-1}$				0.004* (0.002)	
Percent Proxy Fight Weighted HF Clicks $_{t-1}$					0.002* (0.001)
Controls	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0058	0.0058	0.0058	0.0058
Observations	175,122	175,122	175,122	175,122	175,122
R^2	0.10	0.10	0.10	0.10	0.10
<i>Panel B: Anti-Activist Poison Pills</i>					
Demeaned HF Clicks $_{t-1}$	0.002** (0.001)				
13F Decile Weighted HF Clicks $_{t-1}$		0.002** (0.001)			
Number of Campaigns Weighted HF Clicks $_{t-1}$			0.001* (0.001)		
Percent Success Weighted HF Clicks $_{t-1}$				0.003** (0.002)	
Percent Proxy Fight Weighted HF Clicks $_{t-1}$					0.002** (0.001)
Controls	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0014	0.0014	0.0014	0.0014	0.0014
Observations	175,122	175,122	175,122	175,122	175,122
R^2	0.12	0.12	0.12	0.12	0.12

Table IA.8: Hedge Fund Activism, Anti-Activist Poison Pills, and Director Turnover. This table reports the results of linear regression models in which the dependent variable is an indicator variable equal to 1 if the firm experiences the departure of a director in quarter t , and 0 otherwise. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main variables of interest are indicators equal to 1 if a firm adopts a poison pill, experiences an activist filing a Schedule 13D, or experiences an activist announcing a proxy contest. All variables are defined in Table A.1 of the main paper. Data on director turnover is from BoardEx. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Director Turnover $_t$ (Indicator)			
	(1)	(2)	(3)	(4)
Anti-Activist Pill $_{t-3,t-1}$	0.036** (0.014)		0.038*** (0.014)	
Activism Target $_{t-3,t-1}$	0.029*** (0.005)			
Proxy Fight $_{t-3,t-1}$			0.077*** (0.014)	
Anti-Activist Pill $_{t-4,t-1}$		0.028** (0.012)		0.030** (0.012)
Activism Target $_{t-4,t-1}$		0.029*** (0.004)		
Proxy Fight $_{t-4,t-1}$				0.072*** (0.012)
Controls	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes
Year $\times$ Quarter FE	Yes	Yes	Yes	Yes
Observations	175,122	175,122	175,122	175,122
R^2	0.08	0.08	0.08	0.08

Table IA.9: Hedge Fund Interest, Poison Pill Adoption, and Subsample Splits. This table reports the results of linear regression models examining whether the relationship between hedge fund interest and corporate outcomes differs by firm size. Columns (1)–(4) report results for poison pill adoption, where the dependent variable is an indicator that takes the value of 1 if the firm adopts any type of poison pill (Columns (1)–(2)) or an anti-activist poison pill (Columns (3)–(4)). Columns (5)–(8) report results for activism targeting, where the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund through a 13D filing or proxy contest, with the same any-pill (Columns (5)–(6)) and anti-activist pill (Columns (7)–(8)) treatment definitions used in the interaction terms. Within each pair, “Large” and “Small” denote firms above and below the sample median of log market capitalization, respectively. We report F-statistics and p-values for tests of equality of the hedge fund clicks coefficient (and the clicks $\times$ pill adoption interaction, where applicable) across the Large and Small subsamples. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type = Size =	Poison Pill Adoption _t (Indicator)				Activism Target _t (Indicator)			
	All		Anti-Activist		All		Anti-Activist	
	Large	Small	Large	Small	Large	Small	Large	Small
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Hedge Fund Clicks _{t-1} (100s)	0.004*** (0.002)	-0.002 (0.003)	0.003** (0.001)	-0.003 (0.002)				
Hedge Fund Clicks _{t-1,t-2} (100s)					0.006*** (0.001)	0.001 (0.003)	0.005*** (0.001)	0.001 (0.003)
Poison Pill Adoption _{t-1}					0.021** (0.010)	0.012 (0.008)	0.015 (0.021)	0.020 (0.020)
Hedge Fund Clicks _{t-1,t-2} $\times$ Poison Pill Adoption _{t-1}					-0.014*** (0.004)	-0.025 (0.019)	-0.014*** (0.005)	-0.041*** (0.015)
F-stat: HF Clicks (Large – Small) (p-value)		3.273 (0.07)		5.346 (0.02)				
F-stat: HF Clicks $\times$ Pill Adoption (Large – Small) (p-value)						0.300 (0.58)		2.869 (0.09)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0044	0.0071	0.0013	0.0016	0.0100	0.0170	0.0100	0.0170
Observations	85,907	85,199	85,907	85,199	85,907	85,199	85,907	85,199
R^2	0.15	0.16	0.17	0.18	0.17	0.17	0.17	0.17

Table IA.10: Surveillance Proxy Validation. This table reports validation tests for two DEF 14A-based surveillance proxies. Columns (1)–(3) report firm-level linear regression models in which the dependent variable is the keyword-based High Surveillance indicator, which equals 1 if the share of DEF 14A-covered years during 2003–2017 in which the proxy statement names a proxy or shareholder-services vendor or refers to a proxy solicitor, information agent, solicitation agent, or related solicitation assistance is above the sample mean, and 0 otherwise. Columns (4)–(6) repeat the same specifications using the LLM-based High Surveillance indicator, which equals 1 if the share of DEF 14A-covered years classified by a large language model (Claude) as containing a proxy solicitor or stronger shareholder-services signal is above the sample mean, and 0 otherwise. All variables are defined in Table A.1. Data on proxy statement text is collected from DEF 14A filings, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the industry level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Keyword Above-Mean Proxy			Claude GE2 Above-Mean Proxy		
	(1)	(2)	(3)	(4)	(5)	(6)
log(Book assets)	0.071*** (0.006)	0.066*** (0.006)	0.069*** (0.006)	0.076*** (0.006)	0.070*** (0.007)	0.070*** (0.007)
Institutional Ownership	0.069* (0.040)	0.065 (0.039)	0.122*** (0.038)	0.052 (0.038)	0.046 (0.038)	0.117*** (0.034)
Hedge Fund Clicks	0.046 (0.056)	0.053 (0.055)	0.047 (0.053)	0.033 (0.053)	0.042 (0.051)	0.050 (0.050)
Total Clicks	0.219 (0.300)	0.181 (0.270)	0.042 (0.183)	0.189 (0.276)	0.141 (0.240)	0.016 (0.164)
DEF 14A Years Observed		0.007*** (0.002)	0.004** (0.002)		0.009*** (0.002)	0.005** (0.002)
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes
Controls	No	No	Yes	No	No	Yes
$\bar{y}$	0.3424	0.3424	0.3418	0.3251	0.3251	0.3247
Observations	6,220	6,220	6,202	6,220	6,220	6,202
R^2	0.15	0.15	0.17	0.15	0.16	0.18

Table IA.11: Surveillance Infrastructure, Hedge Fund Interest, and Poison Pill Outcomes. This table reports the results of linear regression models examining whether the relation between hedge fund interest and poison pill outcomes varies with DEF 14A-based surveillance proxies. Columns (1)–(4) use the keyword-based High Surveillance indicator, and Columns (5)–(8) use the LLM-based High Surveillance indicator. Within each proxy, the first two columns report results in which the dependent variable is an indicator that takes the value of 1 if the firm adopts any poison pill or an anti-activist poison pill, respectively, in quarter t , and 0 otherwise. The next two columns report results in which the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund in a public campaign in quarter t , and 0 otherwise. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The keyword-based High Surveillance indicator equals 1 if the share of DEF 14A-covered years during 2003–2017 in which the proxy statement names a proxy or shareholder-services vendor or refers to proxy/information-agent solicitation assistance is above the sample mean. The LLM-based High Surveillance indicator equals 1 if the share of DEF 14A-covered years classified by a large language model (Claude) as containing a proxy solicitor or stronger shareholder-services signal is above the sample mean. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1. Data on poison pill characteristics and provisions is hand-collected from firm SEC filings as described in Section 2, data on proxy statement text is collected from DEF 14A filings, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. For brevity, coefficients for the other double interaction terms in the activism-target regressions are omitted from the table. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	Keyword Above-Mean Proxy				Claude GE2 Above-Mean Proxy			
	Pill Adoption $_t$		Activism Target $_t$		Pill Adoption $_t$		Activism Target $_t$	
	All	Anti-Activist	All	Anti-Activist	All	Anti-Activist	All	Anti-Activist
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Hedge Fund Clicks $_{t-1}$ (100s)	0.002 (0.001)	0.001 (0.001)			0.001 (0.001)	0.001 (0.001)		
Hedge Fund Clicks $_{t-1} \times$ Surveillance Firm	0.003 (0.002)	0.003* (0.002)			0.005** (0.002)	0.004** (0.002)		
Hedge Fund Clicks $_{t-1,t-2}$ (100s)			0.003** (0.002)	0.004** (0.002)			0.005*** (0.002)	0.005*** (0.002)
Poison Pill Adoption $_{t-1}$			0.009 (0.008)	0.010 (0.020)			0.009 (0.008)	0.011 (0.020)
Hedge Fund Clicks $_{t-1,t-2} \times$ Poison Pill Adoption $_{t-1}$			-0.012** (0.005)	-0.018* (0.010)			-0.012** (0.006)	-0.020** (0.010)
Hedge Fund Clicks $_{t-1,t-2} \times$ Poison Pill Adoption $_{t-1} \times$ Surveillance Firm			0.003 (0.006)	0.008 (0.010)			0.004 (0.007)	0.010 (0.011)
Total Clicks $_{t-1}$ (100,000s)	0.005 (0.007)	0.003 (0.006)	0.026 (0.021)	0.026 (0.021)	0.005 (0.007)	0.003 (0.006)	0.028 (0.021)	0.028 (0.021)
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0014	0.0136	0.0136	0.0058	0.0014	0.0136	0.0136
Observations	170,234	170,234	170,234	170,234	170,234	170,234	170,234	170,234
R^2	0.11	0.12	0.12	0.12	0.11	0.12	0.12	0.12

Table IA.12: Firm Size, Institutional Ownership, Hedge Fund Interest, and Poison Pill Outcomes. This table reports the results of linear regression models examining whether the relation between hedge fund interest and poison pill outcomes varies with an observable proxy for surveillance capacity based on firm size and institutional ownership. Top Size-IO Decile Firm is an indicator equal to 1 if the firm is simultaneously in the top decile of lagged book assets and the top decile of lagged institutional ownership, and 0 otherwise. Columns (1) and (2) report results in which the dependent variable is an indicator that takes the value of 1 if the firm adopts any poison pill or an anti-activist poison pill, respectively, in quarter t , and 0 otherwise. Columns (3) and (4) report results in which the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund in a public campaign in quarter t , and 0 otherwise. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1. Data on poison pill characteristics and provisions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. For brevity, coefficients for the other double interaction terms in the activism-target regressions are omitted from the table. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	Pill Adoption _{<i>t</i>}		Activism Target _{<i>t</i>}	
	All (1)	Anti-Activist (2)	All (3)	Anti-Activist (4)
Hedge Fund Clicks _{<i>t</i>-1} (100s)	0.003** (0.001)	0.002** (0.001)		
Hedge Fund Clicks _{<i>t</i>-1} × Top Size-IO Decile Firm _{<i>t</i>-1}	0.031*** (0.011)	0.015* (0.008)		
Hedge Fund Clicks _{<i>t</i>-1,<i>t</i>-2} (100s)			0.005*** (0.001)	0.005*** (0.001)
Poison Pill Adoption _{<i>t</i>-1}			0.013** (0.006)	0.014 (0.014)
Hedge Fund Clicks _{<i>t</i>-1,<i>t</i>-2} × Poison Pill Adoption _{<i>t</i>-1}			-0.007** (0.004)	-0.010** (0.004)
Hedge Fund Clicks _{<i>t</i>-1,<i>t</i>-2} × Poison Pill Adoption _{<i>t</i>-1} × Top Size-IO Decile Firm _{<i>t</i>-1}			-0.010 (0.007)	-0.003 (0.008)
Total Clicks _{<i>t</i>-1} (100,000s)	0.007 (0.007)	0.005 (0.006)	0.027 (0.020)	0.027 (0.020)
Firm FE	Yes	Yes	Yes	Yes
Industry × Quarter FE	Yes	Yes	Yes	Yes
Controls	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0014	0.0136	0.0136
Observations	175,122	175,122	175,122	175,122
R^2	0.10	0.12	0.12	0.12

Table IA.13: Hedge Fund Interest and Poison Pill Adoptions - Excluding Takeover Bids and Rumors. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm adopts a poison pill in quarter t , and 0 otherwise. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variable of interest is *Hedge Fund Clicks*, which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$. The table excludes time periods around an actual takeover bid (Columns (1) and (4)), or a rumored bid (Columns (2) and (5)), or both (Columns (3) and (6)). All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on takeover bids is from SDC Platinum while data on rumored bids is hand-collected from news reports, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

	Pill Adoption $_t$ (Indicator)			Anti-Activist Pill Adoption $_t$ (Indicator)		
	(1)	(2)	(3)	(4)	(5)	(6)
Hedge Fund Clicks $_{t-1}$ (100s)	0.0039*** (0.0013)	0.0023** (0.0012)	0.0026** (0.0013)	0.0029*** (0.0011)	0.0015* (0.0009)	0.0016* (0.0009)
Total Clicks $_{t-1}$ (100,000s)	0.0074 (0.0069)	0.0079 (0.0066)	0.0081 (0.0068)	0.0045 (0.0062)	0.0057 (0.0060)	0.0060 (0.0061)
Excludes =	Bids	Rumors	Both	Bids	Rumors	Both
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0056	0.0052	0.0052	0.0014	0.0012	0.0012
Observations	171,773	174,824	171,562	171,773	174,824	171,562
R^2	0.10	0.10	0.10	0.12	0.12	0.12

[illegible]

Table IA.16: Hedge Fund Interest and Poison Pill Adoptions - Excluding Public Campaigns in the Year Prior. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm adopts a poison pill in quarter t , and 0 otherwise. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variable of interest is *Hedge Fund Clicks*, which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$. The table excludes observations for firm-quarters that experienced a public activism campaign in the full calendar year prior. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on takeover bids is from SDC Platinum, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	All	Anti-Activist Provisions					Other Provisions	
		I(Trigger $\leq 10\%$)	NOL	AIC	Synthetic equity	Anti- Activist	I(Trigger $> 10\%$)	Non- Activist
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Hedge Fund Clicks $_{t-1}$ (100s)	0.003*** (0.001)	0.003*** (0.001)	0.002* (0.001)	0.001** (0.001)	0.002*** (0.001)	0.003*** (0.001)	0.000 (0.001)	0.000 (0.001)
Total Clicks $_{t-1}$ (100,000s)	0.001 (0.004)	-0.003 (0.003)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.003)	0.004 (0.003)	0.003 (0.003)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0053	0.0015	0.0009	0.0007	0.0012	0.0012	0.0038	0.0041
Observations	166,980	166,980	166,980	166,980	166,980	166,980	166,980	166,980
R^2	0.11	0.12	0.12	0.12	0.10	0.12	0.11	0.10

Table IA.17: Hedge Fund Interest, Poison Pill Adoption, Classified Boards, and Public Activism Campaigns. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund in a public campaign in quarter t , and 0 otherwise. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variable of interest is *Hedge Fund Clicks*, which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$ and $t - 2$ interacted with the adoption of a poison pill in quarter $t - 1$. The table includes results that include a triple interaction between hedge fund clicks, poison pills, and classified boards. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as outlined in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, data on classified boards is from Guernsey et al. (2024), and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

[illegible]

Table IA.18: Hedge Fund Interest, Poison Pill Adoption, Advance Notice Bylaws, and Public Activism Campaigns. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund in a public campaign in quarter t , and 0 otherwise. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variable of interest is *Hedge Fund Clicks*, which is equal to the number of views of SEC public filings (clicks) by activist hedge funds in quarter $t - 1$ and $t - 2$ interacted with the adoption of a poison pill in quarter $t - 1$. The table includes results that include a triple interaction between hedge fund clicks, poison pills, and advance notice bylaw provisions. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as outlined in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, data on advance notice bylaws is from Factset, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

[illegible]

Table IA.19: Poison Pills and Additional Defensive Measures. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if a firm adopted a classified board (*CB*, Columns (1) and (3)) or advance notice bylaws (*AN*, Columns (2) and (4)) concurrently with any poison pill (Columns (1) and (2)) or an anti-activist poison pill (Columns (3) and (4)), respectively. In Columns (5) and (6), the dependent variable takes the value of 1 if the firm adopted any poison pill, and in Columns (7) and (8), the dependent variable takes the value of 1 if the firm adopted an anti-activist poison pill in quarter t , and 0 otherwise. The independent variables of interest are *Hedge Fund Clicks* and the adoption of either a classified board or an advance notice bylaw in quarter $t - 1$. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, data on activist hedge fund public campaigns is from Boyson et al. (2022) and Bebchuk et al. (2015) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	CB & PP	AN & PP	CB & PP	AN & PP	Pill Adoption _t (Indicator)			
	All		Anti-Activist		All		Anti-Activist	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Hedge Fund Clicks _{t-1} (100s)	0.00005 (0.00006)	0.00005 (0.00009)	0.00002 (0.00002)	0.00010 (0.00009)	0.00354*** (0.00121)	0.00354*** (0.00121)	0.00281*** (0.00101)	0.00280*** (0.00101)
I(Classified board _{t-1})					0.00051 (0.00326)		-0.00053 (0.00191)	
I(Advance Notice Bylaw _{t-1})						0.00476 (0.00639)		-0.00116* (0.00065)
Hedge Fund Clicks _{t-1} × I(Classified board _{t-1})					-0.00598 (0.00450)		-0.00223 (0.00226)	
Hedge Fund Clicks _{t-1} × I(Advance Notice Bylaw _{t-1})						-0.01085 (0.00834)		-0.00097 (0.00116)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry × Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0000	0.0001	0.0000	0.0000	0.0058	0.0058	0.0014	0.0014
Observations	175,122	175,122	175,122	175,122	175,122	175,122	175,122	175,122
R^2	0.12	0.10	0.07	0.06	0.10	0.10	0.12	0.12

Table IA.20: The Number of Hedge Funds and Anti-Activist Pill Adoptions. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm adopts a poison pill with various characteristics (e.g., plans with trigger thresholds of 10% or less, NOL pills, etc.) in quarter t , and 0 otherwise. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variable of interest is *Number of Hedge Funds*, which is equal to the number of hedge funds with positive views of SEC public filings in quarter $t - 1$. The characteristics and provisions considered in this table are described in Section 2. All variables are defined in Table A.1 of the main paper. Data on poison pill adoptions is hand-collected from firm SEC filings, data on hedge fund clicks is collected via the methodology described in Section IA.B.1, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Poison Pill Type =	All	Anti-Activist Provisions				
		I(Trigger $\leq 10\%$)	NOL	AIC	Synthetic equity	Anti- Activist
	(1)	(2)	(3)	(4)	(5)	(6)
# of Hedge Fund $_{t-1}$ (10s)	0.005*** (0.001)	0.004*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.003*** (0.001)	0.004*** (0.001)
Total Clicks $_{t-1}$ (100,000s)	0.002 (0.007)	-0.003 (0.006)	0.002 (0.006)	-0.005** (0.002)	-0.006* (0.003)	-0.001 (0.006)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
$\bar{y}$	0.0058	0.0017	0.0010	0.0008	0.0014	0.0014
Observations	175,122	175,122	175,122	175,122	175,122	175,122
R^2	0.10	0.11	0.12	0.12	0.10	0.12

[illegible]

Table IA.22: Anti-Activist Pills and Activism Targets — Time Trends. This table reports the results of linear regression models in which the dependent variable is an indicator that takes the value of 1 if the firm is targeted by an activist hedge fund in a public campaign in quarter t , and 0 otherwise. We define targeted in a public campaign to be the filing of a 13D or the announcement of a proxy fight by an activist hedge fund. The sample includes firm-quarter observations over the period of 2003Q2 through 2017Q2, which corresponds to the time period in which the EDGAR log file data is available. The main independent variables of interest are Hedge Fund Clicks $_{t-1,t-2}$, indicators for poison pill adoption in quarter $t-1$, and their interactions with an indicator for the pre-2013 period (2003–2012). The two periods contain 127 and 121 anti-activist pill adoptions, respectively. The Pre-2013 Total Effect row reports the linear combination of the clicks-pill interaction and its pre-2013 interaction, i.e., the implied deterrence effect in 2003–2012. Column (1) reports results for anti-activist pills, and Column (2) reports results for NOL pills. All variables are defined in Table A.1. Data on poison pill characteristics and provisions is hand-collected from firm SEC filings as described in Section 2, data on hedge fund clicks is collected via the methodology described in Internet Appendix Section IA.B.1, data on activist hedge fund public campaigns is from [Boyson et al. \(2022\)](#) and [Bebchuk et al. \(2015\)](#) and was graciously shared by Nicole Boyson, Alon Brav, and Wei Jiang, and data on firm financials is taken from CRSP/Compustat Merged Quarterly. Robust standard errors, clustered at the firm level, are reported in parentheses. *, **, and *** denote significance at the 10%, 5%, and 1% level, respectively.

Pill Type =	Activism Target $_t$ (Indicator)	
	Anti-Activist Pill (1)	NOL Pill (2)
Hedge Fund Clicks $_{t-1,t-2}$ (100s)	0.005*** (0.001)	0.005*** (0.001)
Anti-Activist Pill $_{t-1}$	0.021 (0.022)	
NOL Pill $_{t-1}$		0.041 (0.030)
Pre-2013		
HF Clicks $_{t-1,t-2} \times$ Anti-Activist Pill $_{t-1}$	-0.016*** (0.006)	
HF Clicks $_{t-1,t-2} \times$ NOL Pill $_{t-1}$		-0.025** (0.011)
HF Clicks $_{t-1,t-2} \times$ Pre-2013	0.000 (0.002)	0.000 (0.002)
Anti-Activist Pill $_{t-1} \times$ Pre-2013	-0.013 (0.030)	
NOL Pill $_{t-1} \times$ Pre-2013		-0.024 (0.039)
HF Clicks $_{t-1,t-2} \times$ Anti-Activist Pill $_{t-1} \times$ Pre-2013	0.009 (0.007)	
HF Clicks $_{t-1,t-2} \times$ NOL Pill $_{t-1} \times$ Pre-2013		0.018 (0.012)
Pre-2013 Total Effect: Clicks $\times$ Pill + Interaction	-0.007* (0.004)	-0.007 (0.005)
Controls	Yes	Yes
Firm FE	Yes	Yes
Industry $\times$ Quarter FE	Yes	Yes
$\bar{y}$	0.0136	0.0136
Observations	175,122	175,122
R^2	0.12	0.12

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