

Hedge Fund Billionaire and Disney Investor Nelson Peltz Published 133 Pages on How Disney Should Change. Here's the Short Version.

Activist investor Nelson Peltz, the 81-year-old founder of multi-billion dollar hedge fund Trian Partners, published a 133-page presentation on Tuesday laying out what he'd push for if he wins a seat on Disney's board at its April 3 annual meeting. Peltz owns \$3 billion in Disney stock.

A suggested change on the corporate governance side from Peltz is having Disney provide shareholders with numbers on how business unit leaders are compensated. Peltz also wants to revamp Disney's organizational structure, but acknowledged that it was "impossible to fully understand how to best improve the current structure from the outside."

When it comes to streaming, Peltz asks for clarity around how Disney plans to keep subscribers on streaming services while also making that part of the business profitable. Disney raised prices for Disney+ and Hulu in October and introduced a Hulu tile within Disney+ in December to drive bundle subscriptions.

In the presentation, Peltz advocates for fully integrating Disney+ and Hulu into one product and evaluating if Hulu Live is a good product to offer.

Related: Disney Will Launch a 'One-App Experience' Combining Hulu Content With Disney+

Nelson Peltz, founder and chief executive officer of Trian Fund Management. Photographer: Marco Bello/Bloomberg via Getty Images

Peltz also takes issue with Disney's box office performance: "Disney's recent animated films have generated less demand at the box office and have cost significantly more to produce," the presentation reads.

Disney reported stellar earnings in February, with earnings of \$1.91 billion, up 49% from the same period a year earlier. Disney also pointed to a 1.2 million increase in Hulu subscribers from the previous quarter.

Disney CEO Bob Iger, who Peltz personally called out in the report over his close personal relationships with Disney's board, said in March that he's "working very hard not to let

this distract me.”

Peltz sought board seats last year but called off the attempt after Iger announced a multi-billion dollar plan to cut costs in tech, market, content, and its workforce. Disney implemented layoffs in March that affected 7,000 people.

Related: Disney World Had Quiet Fourth of July – Are Price Hikes Driving Visitors Away?

Members of the Disney family have been critical of Peltz, with film producer and activist Abigail Disney telling the *New York Times* that though she has had disagreements with Bob Iger, “I know for a fact that the worst thing that could happen to the company is Nelson Peltz.”

The grandchildren of Roy O. Disney and Walt E. Disney, including Abigail, signed open letters last week that clearly stated support for Iger and his leadership.

“What concerns us most about these hedge-fund-backed opportunists is that they have little to no knowledge of what Disney truly means to people like you,” one letter read. “They haven’t made arguments for why they should be entrusted with the keys to the kingdom our family built.”

Meanwhile, Peltz’s daughter, Nicola Peltz Beckham, is an actress who made her directorial debut in February.

<https://www.entrepreneur.com/business-news/nelson-peltz-wants-to-change-disney-heres-how-hed-do-it/470761>