



Elon Musk Appointed To Twitter Board Of Directors; Vows To Make “Significant Improvements”

Description

Update (8:42am ET): It didn't take long for Musk to respond and in a tweet – what else – moments after the Twitter 8K, and shortly after Twitter's (soon outgoing) CEO Parag Agrawal tweeted that “I'm excited to share that we're appointing @elonmusk to our board! Through conversations with Elon in recent weeks, it became clear to us that he would bring great value to our Board” adding that Musk is an “intense critic of this service”...

He's both a passionate believer and intense critic of the service which is exactly what we need on [@Twitter](#), and in the boardroom, to make us stronger in the long-term. Welcome Elon!

— Parag Agrawal (@paraga) [April 5, 2022](#)

... Musk responded with what may be the most polite pink slip in modern history: “Looking forward to working with Parag & Twitter board to make significant improvements to Twitter in coming months!”

Looking forward to working with Parag & Twitter board to make significant improvements to Twitter in coming months!

— Elon Musk (@elonmusk) [April 5, 2022](#)

And now sit back and wait for the procession of resignations from Twitter's woke snowflakes who can't imagine life in a world where free speech is – gasp – allowed.

Meanwhile, founder and former CEO Jack Dorsey, who recently lamented that Twitter has become a cesspool of woke censorship...

the days of usenet, irc, the web...even email (w PGP)...were amazing. centralizing discovery and identity into corporations really damaged the internet.

I realize I'm partially to blame, and regret it.

— jack?? (@jack) [April 2, 2022](#)

.... was quick to congratulate Musk.

I'm really happy Elon is joining the Twitter board! He cares deeply about our world and Twitter's role in it.

Parag and Elon both lead with their hearts, and they will be an incredible team.
<https://t.co/T4rWEJFAes>

— jack?? (@jack) [April 5, 2022](#)

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There was uncharacteristic radiosilence out of Twitter all day Monday following the news that Elon Musk has accumulated a 9.9% “passive” stake in the stock, with the clear intention of making substantive content changes in what has become a platform rules by snowflakes for snowflakes. Well, moments ago that silence was broken when TWTR dropped an 8K, in which it announced that the company will appoint Musk to the Company's Board of Directors.

*TWITTER TO APPOINT ELON MUSK TO BOARD OF DIRECTORS
<pic.twitter.com/pcDmXFTxuL>

— zerohedge (@zerohedge) [April 5, 2022](#)

The 8K also revealed that key provision that “for so long as Mr. Musk is serving on the Board and for 90 days thereafter, Mr. Musk will not, either alone or as a member of a group, become the beneficial owner of more than 14.9% of the Company's common stock outstanding at such time, including for these purposes economic exposure through derivative securities, swaps, or hedging transactions.”

In other words, Twitter is seeking not so much to add Musk to the board as hoping to prevent him from buying even more of the company, or the full thing. To be sure, Musk may not have to even want to buy the entire company: as BofA wrote in its response to the Musk-TWTR news, all the billionaire may be after is learning what makes TWTR tick:

Stake opens up new possibilities

Based on early investor feedback, we think Street doesn't expect an outright acquisition,

but does see an increased potential for positive change at Twitter. The type of form used (13G) often indicates the investor isn't seeking to acquire control, or to influence who controls it. Twitter is more vulnerable than some of its Internet peers to outside pressure because its founders don't have special voting control. We see the news as positive for the stock as it opens up potential for Mr. Musk taking up a board seat and influencing vision and execution. We are also hearing feedback that stock is of greater risk to short sellers due to potentially higher retail interest/activity.

Musk could want changes to Twitter content policies

In January, Mr. Musk criticized Twitter's feature of profile pictures linked to non-fungible tokens, saying that Twitter has the wrong priorities. Posting a screenshot of Twitter's new feature, Musk said "this is annoying" and followed up with criticism of crypto-related spam. On March 25, Mr. Musk conducted a Twitter poll asking his followers whether Twitter adheres to the principles of free speech. After more than 70% of the poll takers said no, he asked whether a new platform was needed and said he was giving serious thought to starting his own. We think Mr. Musk likely has some agenda for change at Twitter, which is both an opportunity, but also a risk as material changes (such as fewer restrictions on content) could drive more regulatory scrutiny and drive advertisers away. Other risk is that Mr. Musk is in a learning period, and could build competitive platform if Twitter does not agree to modify its content policies.

And while we await Musk's response to Twitter, one thing is clear: the current management team at Twitter headed by woke CEO Parag Agrawal is as good as gone...

The consequences of this poll will be important. Please vote carefully.
<https://t.co/UDJlvznALB>

— Parag Agrawal (@paraga) [April 5, 2022](#)

... while a look at the stock shows what happens when "get woke, go broke" flips into reverse: the mere possibility that Twitter will once again become a free speech platform instead of an echo chamber for rabidly self-fellating liberal "bluechecks", has pushed TWTR stock higher by another 5% after yesterday's record post-IPO surge.



by Tyler Durden

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