



Musk Cancels Twitter Staff Q&A After Declining Board Seat

Description

USA: Update (1350ET): Elon Musk will no longer hold a question-and-answer session with Twitter staff this week since he isn't taking a board seat with the social media giant, according to *Bloomberg*.

Musk was set to join CEO Parag Agrawal for an “ask-me-anything” session.

*the meeting was canceled after Musk decided not to take a seat. Employees have the day off Monday for a regular, monthly day of rest the company provides. The break is well-timed as several people described the vibe as “**super stressed**,” with employees “**working together to help each other get through the week**.”*

*Twitter staff had mixed feelings about attending the session with Musk anyway. It might have clarified whether Musk had plans to be friendly or hostile with his stake, but it could also have raised further questions about how to react to his whims. **In the past week, his ideas have ranged from striking advertising for Twitter's subscription service to turning part of its headquarters into a homeless shelter.** -Bloomberg*

As we noted earlier, by not joining the board, Musk can now perform a **hostile takeover** if he so chooses.

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Update (0900ET): Having deleted several ‘interesting’ tweets on the strategic direction of Twitter, Elon Musk has filed a 13D explaining he may buy more stock and offer his opinions to the board and management.

In the rather generic Filing, Musk notes that:

“The Reporting Person holds the Common Stock of the Issuer for investment purposes.

Depending on the factors discussed herein, **the Reporting Person may, from time to time, acquire additional shares of Common Stock and/or retain and/or sell all or a portion of the shares of Common Stock** held by the Reporting Person in the open market or in privately negotiated transactions, and/or may distribute the Common Stock held by the Reporting Person to other entities.”

“From time to time, the Reporting Person **may engage in discussions with the Board and/or members of the Issuer’s management team** concerning, including, without limitation, **potential business combinations and strategic alternatives, the business, operations, capital structure, governance, management, strategy of the Issuer and other matters concerning the Issuer.** The Reporting Person may express his views to the Board and/or members of the Issuer’s management team and/or the public through social media or other channels with respect to the Issuer’s business, products and service offerings.”

All very boiler plate, but it was helped rebound TWTR shares back to almost unchanged...



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Update (0820ET): Following Agrawal’s tweet, Musk posted a now-deleted emoji of a hand covering a mouth.



Elon Musk 
@elonmusk

...



12:27 AM · 4/11/22 · [Twitter for iPhone](#)

6,029 Retweets 1,775 Quote Tweets

77.9K Likes



This Tweet has been deleted.

Twitter shares were off around 2.9% pre-market, however the initial drop was quickly bought.

As [Bloomberg](#) notes, “The billionaire behind Tesla Inc. and SpaceX has been vocal about changes he’d consider at the social media platform. Musk wasted no time in appealing to users about prospective moves from turning Twitter’s San Francisco headquarters into a homeless shelter and adding an edit button for tweets, to granting automatic verification marks to premium users. Those open musings drew in even Amazon.com Inc. founder and space-faring rival Jeff Bezos, among other high-profile personalities.”

Musk and Twitter Execs had planned a town-hall for employees this week, however it’s unclear if that will now happen.

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Following Elon Musk’s recent acquisition of 9.2% of Twitter and last Tuesday’s formal announcement that he would be joining the Board of Directors, **Musk has declined the board seat.**



“Elon Musk has decided not to join our board,” wrote CEO Parag Agrawal, adding “We were excited to collaborate and clear about the risks. We also believed that having Elon as a fiduciary of the company where he, like all board members, has to act in the best interests of the company and all our shareholders, was the best path forward.”

“Elon’s appointment to the board was to become officially effective 4/9, but **Elon shared that same morning that he will no longer be joining the board. I believe this is for the best.** We have and will always value input from our shareholders whether they are on our Board or not.”

Elon has decided not to join our board. I sent a brief note to the company, sharing with you all here. pic.twitter.com/lfrXACavvk

— Parag Agrawal (@paraga) [April 11, 2022](#)

Word of Musk’s appointment to the board [sent liberals into fits](#) – as the inclusion of the free-speech advocate was seen as a threat to left-wing heterodoxy that underpins Twitter’s culture.

Of course, **for those paying attention, this means that Musk can now own more than 14.9% of the company** – a limit that board members must adhere to.

As the *Wall Street Journal* notes, “It was unclear why Musk refused the board seat. Adding Musk would have restricted how big a stake in the company he could own. Musk could now do anything from selling his stake **to potentially pursuing a hostile takeover of the company.**”

We await the next Musk tweet with bated breath...

by Tyler Durden

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