



# GRIFFING GROUP

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**Case Name:** [In Re Handy & Harman, Ltd. Stockholders Litigation](#)  
**Case Conclusion:** December 2019  
**Caption:** Delaware Court of Chancery, Consol. C.A. No. 2017-0882-TMR  
**Keywords:** Fair Value  
**Industry:** Industrial Conglomerate  
**Professionals:** [David G. Clarke, ASA](#)

Steel Partners Holdings, L.P. (“Steel Partners”) was a conglomerate whose holdings included 70% of the common stock of publicly traded industrial manufacturer Handy & Harman, Ltd. (“H&H”). In March 2017, Steel Partners announced that it had made a proposal to H&H to acquire the remaining H&H shares it did not own. After several months of negotiations with a Special Committee of H&H board members, the two companies announced they had signed an agreement pursuant to which Steel Partners would acquire, via a tender offer, the remaining H&H shares in exchange for shares of Steel Partners Series A preferred stock.

H&H’s minority shareholders filed suit for breach of fiduciary duty, alleging that the H&H Special Committee had failed to negotiate a fair price for the H&H shares subject to the tender offer.

Managing Principal David G. Clarke, ASA was retained by defendants’ counsel to examine whether the consideration offered for H&H’s minority shares represented fair value. The Griffing Group analyzed the historical pricing of Steel Partners’ common units, noting that the units traded at a discount to the total value of the company’s holdings. The Griffing Group also analyzed the trading prices of the Steel Partners’ units following the announcement of the tender offer.

That analysis indicated that Steel Partners’ trading price did not spike following the announcement, and therefore the market did not believe that the H&H shares were more valuable than the tender offer consideration. If the H&H shares were worth more (as plaintiffs claimed), the value of Steel Partners’ total holdings would be greater, but the lack of a corresponding increase in the trading price of its units would then imply that the units’ trading discount had increased substantially. There was no basis to expect or explain such an increase in the trading discount. Rather, it was evident that the H&H shares were not, in fact, worth more than the tender offer consideration. The case settled before trial.

Defendants’ counsel included Thomas Fleming and Peter Sartorius of Olshan Frome Wolosky LLP and Michelle Rice of Kaplan Rice LLP.