

Telecom Italia CEO to step down if hedge fund breaks up board: report

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The head of Telecom Italia has said he will resign if a US hedge fund wins a power struggle this week with French telecom giant Vivendi, its

largest shareholder, according to reports in Britain.

Amos Genish, chief executive of Telecom Italia (TIM), told the Daily Telegraph his position would become "untenable" if Elliott, a fund that holds an 8.8-percent stake in the company, succeeds in shaking up the board at a Friday shareholders meeting.

Vivendi, which owns 24 percent of TIM, has de facto control thanks to its stranglehold on board and executive positions, and opposes Elliott's aim to replace six board members—though not Genish, whom it has said it would retain.

TIM is set to elect a new board at this week's investor gathering, following the resignation last month of eight members in a bid to preempt the fund's move.

"If the Vivendi slate does not get the majority of votes, because this is clearly the only slate to support our long-term industrial plan, I firmly believe my position as CEO would be untenable," Genish told the Telegraph.

Elliott, sometimes called a "vulture fund", proposed a motion last month to replace the board members, in the latest salvo in a simmering stand-off with Vivendi over TIM's governance.

It has repeatedly blasted the company's performance since "Vivendi nominees" joined the board in December 2015 and last month offered its own list of six "independent" replacements, well known to the Italian business community.

The move prompted the resignations of the eight TIM board members, which Elliott called "Vivendi's cynical new attempt to avoid accountability and delay the [shareholder](#) vote."

The comments by Genish, a well-respected figure who won the support of an overwhelming majority of shareholders at another meeting last week, will be seen as a blow to the fund as it tries to convince investors to back its agenda.

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