# Elliott Management ramps up activist campaign against Phillips 66 in energy sector showdown



John Pike, a prominent partner at hedge fund Elliott Management, has initiated one of the most aggressive activist campaigns in the energy sector in recent years, targeting US oil and gas company Phillips 66. The campaign marks a renewed and confrontational approach by Elliott as it seeks to influence the strategic direction of major energy firms.

The catalyst was a tense meeting in Manhattan between Pike and Phillips 66's CEO, a last attempt to negotiate a settlement and avoid a costly proxy battle. The failure to reach an agreement prompted Elliott to nominate a slate of four new directors to Phillips 66's board, signalling a full-scale proxy fight scheduled for the coming shareholder vote.

John Pike, a 22-year veteran of Elliott Management and a member of the hedge fund’s 12-person management committee, oversees teams with expertise in energy and several other sectors, including utilities and mining. He is known among colleagues as a "lone wolf" within Elliott, adhering to a traditional and aggressive activist style. Unlike some of Elliott’s more corporatised campaigns, Pike’s approach is marked by a calm, analytical demeanour combined with a readiness to engage in drawn-out battles with firm resolve.

Since 2013, Pike has led Elliott’s forays into the energy sector, starting with a high-profile campaign against Hess Corporation. Elliott has invested over $21.6 billion across publicly traded energy companies under his lead and secured 13 board seats in five energy companies. Elliott's activism often centres on breaking up large energy conglomerates to focus on core business areas, frequently advocating for divestment of non-core assets.

Notably, Elliott's campaigns tend to oppose large energy firms maintaining significant renewable energy portfolios. For example, Elliott has pushed companies like BP and NRG Energy to divest renewable businesses, a stance aligned according to some insiders with the political views of Elliott’s founder, Paul Singer. A letter recently circulated by Elliott described the global "net zero" transition as imposing "massive costs" and dragging on growth, although others suggest the firm's position is driven by financial rather than political calculations.

The UK oil giant BP has been a significant focus of Elliott’s activism since the firm disclosed a large stake in February. Following Elliott’s involvement, BP's chairman Helge Lund announced plans to step down, with the company accelerating its divestment of assets by $20 billion and pledging increased investment in oil and gas development by 25%. Elliott has raised its stake in BP past 5% and reportedly demands the company boost free cash flow to $20 billion by 2027 by cutting costs and capital expenditure.

Phillips 66 presents perhaps Pike’s most intense campaign to date. Now entering its 17th month, Elliott’s push may result in significant asset sales, including the company's midstream operations and joint ventures, alongside potential leadership changes. Phillips 66 has contested Elliott’s campaign, accusing the hedge fund of conflicts of interest tied to its pursuit of another company, Citgo.

Experts highlight the challenges of boardroom changes in European companies like BP compared with US firms. Christopher Kuplent of Bank of America noted, “In Europe, board changes are much more difficult,” and called BP "the lowest-quality supermajor oil company" with "no quick fix," according to Per Lekander, a hedge fund manager focused on clean energy transitions.

Elsewhere in the sector, Elliott’s influence has received a more welcoming reception. Rich Kruger, CEO of Canadian oil company Suncor Energy, which Elliott approached with activist demands in 2022, noted that its investors generally endorsed Elliott’s strategy. He said, “I’ve had a lot of hallelujahs from my long-term shareholders about Elliott’s strategy,” reflecting a degree of patience and alignment of goals despite Elliott's more aggressive reputation.

John Pike’s role in shaping Elliott’s recent energy-focused activism is notable. Colleagues describe him as a discerning investor who responds to “well-reasoned analysis” without being swayed by “shallow campaign rhetoric.” Yet his campaigns underline Elliott’s ongoing willingness to employ robust activist tactics to reshape major players in the energy sector, indicating a strategic prioritisation of financial performance and asset optimisation over transition ambitions within the companies targeted.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://fortune.com/2025/04/13/phillips-66-and-activist-investor-elliott-face-off-on-a-classic-conglomerate-quandary-are-the-pieces-of-a-huge-company-worth-more-together-or-broken-up/> - This article provides context on Elliott Management's aggressive activist campaign against Phillips 66, including their proxy fight and demands for structural changes to enhance shareholder value.
2. <https://www.prnewswire.com/news-releases/elliott-releases-third-party-survey-results-finding-that-phillips-66-shareholders-rank-the-company-last-in-operations-ceo-effectiveness-and-value-creation-302430291.html> - This press release details the results of a survey among Phillips 66 investors, highlighting dissatisfaction with the company's strategy and structure, aligning with Elliott's push for change.
3. <https://www.hedgeweek.com/elliott-escalates-phillips-66-proxy-battle/> - This article discusses the escalation of the proxy battle between Elliott Management and Phillips 66, emphasizing Elliott's strategy of influencing board composition to drive strategic change.
4. <https://www.barrons.com/articles/elliott-management-bp-stake-51661045537> - Although not directly linked, this type of article typically discusses Elliott Management's activist efforts, such as its stake in BP and its push for strategic changes, reflecting similar strategies applied elsewhere.
5. <https://www.bloomberg.com/news/articles/2022-09-22/suncor-energy-agrees-to-elliott-management-s-activist-demands> - This article covers Elliott Management's activist involvement with Suncor Energy, highlighting its welcoming reception and alignment with investor goals, contrasting with its more confrontational approach with Phillips 66.
6. <https://www.morningstar.com/news/dow-jones/20240402736/elliott-management-seeks-major-changes-at-phillips-66-as-proxy-battle-heats-up> - This article likely details Elliott Management's push for significant changes at Phillips 66, including potential board reshuffling, aligning with their broader activist strategy in the energy sector.
7. <https://www.ft.com/content/4d74c192-790b-4413-a34a-c9bc866d2075> - Please view link - unable to able to access data