

Carl Icahn defends Ackman, slams Lipton

CNBC

By Lawrence Delevingne

April 23, 2014

Maybe it was the martini that helped Carl Icahn publicly support longtime nemesis Bill Ackman.

"I never thought I'd be defending him, but I don't think there's anything wrong with that," Icahn said of the Pershing Square Capital Management founder's bid for [Allergan](#) with [Valeant](#) during a CNBC interview Tuesday night at the IMN Active-Passive Investor Summit in New York.

"We have our differences, but I never said he's not a smart guy. I think the concept of this is good. I hope it works out better for him than [Herbalife](#) did, and I think it will," Icahn added shortly after taking sips from a martini passed to him while on camera. "There's nothing wrong with making a bid for a company and using someone else's funds."

Icahn added he would consider teaming up with a company to make a hostile bid for another, like Ackman. "Any activism is good as long as it's legal," the billionaire chairman of Icahn Enterprises said.

Icahn also weighed in on another longtime adversary, Wachtell, Lipton, Rosen & Katz founding partner Marty Lipton.

"Marty Lipton I think is just dead wrong," Icahn said of the corporate lawyer's negative views on activist investors.

"Lipton continues to say 'they're short termist, they're no good.' It's like a witch doctor almost," Icahn said. "Well why? What are your facts? 'Anecdotal.' Who's giving him the anecdote? What's his evidence? You know who? Some of his clients that are paying him millions and millions of dollars. So you don't think they're a little biased?"

Icahn added that contrary to Lipton's claims, he has invested "billions" in his companies and helps many of them for the long term. He also cited [recent research](#) by Harvard Law School professor Lucian Bebchuk that shows the long-term benefits to companies of activist investor involvement.

Lipton has criticized Icahn, Ackman and other activist investors in the past for making short-term profits off the companies they target while hurting their long-term health. Lipton has represented some of the corporations targeted by such investors and wrote a [rebuttal to the Bebchuk study](#).