

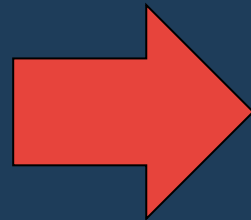
# The Essence of M&A in 6 Slides

# It's Not Complicated

The successful acquisition of a company requires 3 things to happen

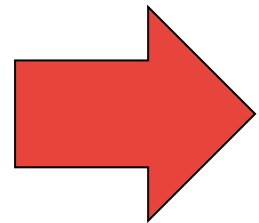
1. Clear **perception** of value
2. Based on an insightful **integration** plan
3. Under your **ownership**

That's it!



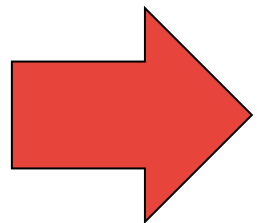
# Best Ways To Design Integration Plans

1. Imagine the plan as early as possible
2. Validate using your Operations Team
3. Validate with the seller
4. Validate during due diligence
5. Use an Integration Management Office (IMO)



# 10 Reasons Why Acquisitions Fail

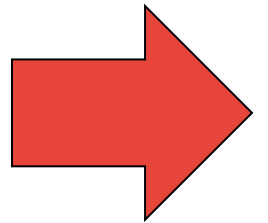
1. Post acquisition plan is flawed.
2. No postmortems continues a pattern of failure.
3. Diversification naively executed.
4. Acquirers seek scale by buying what's up for sale - no strategic rationale
5. Buying on the cheap but underestimating the post-acquisition fixing costs
6. Acquirers fail to keep the target's customers informed - leading to churn
7. Synergies identified were never achieved through poor execution.
8. Poor integration execution led to second class citizen syndrome
9. The earn-out rules lead to demotivated acquired management
10. The cultural differences were underestimated



# Simple Psychology of Every Deal

Sellers **Aspire** to Price

Buyers **Perceive** Value



# 3 Best Ways to Treat Sellers

## 1. Show respect for their achievements

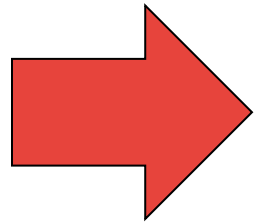
When was the last time you built a \$50m business from scratch?

## 2. Clarify assumptions behind assertions

Understanding beliefs starts with assumptions

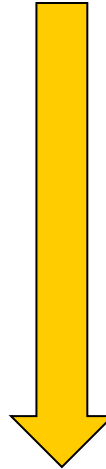
## 3. Respect their time and workload

Entrepreneurs have a business to run

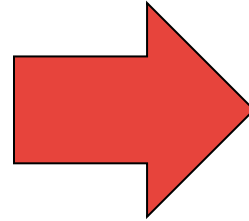


# 6 Stages of Successful Acquisition Programs

1. Develop Strategy
2. Identify Targets
3. Target Assessment
4. Negotiate Price & Deal Structure
5. Due Diligence & Legals
6. Post Completion, Post - Mortems & Integration



Always be  
thinking  
integration



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