Buying & Selling Companies

A 1-day course available for delivery in-house

Course Overview:

This course is an amalgamation of the one day "buying a company" course and the one day "selling a company" course.

The destruction of shareholder value through ill-thought-out acquisitions is a well known feature of the M&A market. From a buyer's point of view, the major risks and problems likely to be encountered by professional advisers, principals and entrepreneurs are highlighted with guidance for their avoidance or mitigation. Process and commercial failures are examined and the necessity for a sound acquisition plan is emphasised.

The objective of a seller should be to achieve the highest price subject to the least onerous terms and to walk away from a transaction with measurable and finite liabilities. From a seller's point of view, this course examines common errors and pitfalls in the disposal process and emphasises strategies for realising maximum value on a disposal.

Course Content:

Acquisitions

- Acquisition objectives
- Process & commercial errors
- Why acquisitions 'fail'
- The acquisition plan
- Approach tactics
- Evaluating the synergies

Earn-outs

- Constructing the formula
- Identity of interest?
- Format
- Buyer's & seller's refinements
- Caveat vendor

Disposals

- Typical mistakes in disposals
- Planning for success
- Appointment of advisers
- Engagement letter and fees
- Preparing the company for sale
- Grooming and separation issues
- Resolving management problems
- Writing an Information Memorandum

Valuation

- What price to expect?
- NAVs, DCF & PERs
- Valuation by comparison

Negotiation

- Negotiations on value
- Controlling the process
- Letters of Intent / Heads of Agreement
- Giving exclusivity
- Completion