Finding Value in Cross-Border Mergers & Acquisitions

GLOBALIZATION PARTNERS | DIANE ALBANO | CRO
DIANE ALBANO, CHIEF REVENUE OFFICER

- Three decades of strategic expertise managing complex sales and services organizations, and leading high-performance sales teams.
- Has established and grown global markets in Europe, the Middle East, Africa, Asia Pacific, and Latin America.
- Specializes in go-to-market strategy and execution, optimizing existing revenue models, and creating new business channels.
WEBINAR | WHAT WE’LL COVER

   What are the organizations’ goals?

2. How to Prepare: Top Challenges
   What’s preventing the deal from adding value, and doing so faster?

3. Finding Value Where Others Don’t
   How can you maximize deal potential?
Cross-Border M&A: Top Benefits
WEBINAR | CROSS-BORDER M&A: BENEFITS

Source: Deloitte analysis through primary survey.
Value might not add up to 100 percent because respondents could select more than one answer.
Portfolio Diversification

- 50% of companies surveyed say this is a top deal objective (Deloitte, 2016).

- Diversification can help scale revenue, but also provide a foundation for revenue longevity.

- Stagnation is a bigger liability than the potential losses involved in testing diversification.
Access to Talent

• Top talent gets hired by recruiters within 10 days (Workonic).

• European and North American employers will require 16 to 18 million more college-educated workers in 2020 than are going to be available (McKinsey).

• **TIP** - top emerging locations for tech talent: Toronto, Uruguay, Ukraine, Poland, Russia.
Growth in New Geographic Markets

• Look beyond country of origin to grab global market share

• Be ready to take full advantage of currency fluctuations

• New consumer market versus new production base
Cross-Border M&A: Challenges
What to Prepare for:

• Tax and regulatory challenges (and the time involved)

• Unexpected costs

• Managing talent and culture
WEBINAR | CHALLENGES

Tax Law & Regulatory Requirements

• 47% cited tax law and 32% cited regulatory as the top challenge (Deloitte).

• Setting up an international subsidiary presents legal, financial and tax complexities...and it takes time.
WEBINAR | CHALLENGES

Unexpected Costs

- 67% of companies reported they exceeded their budget during carve-out transactions.

- One of the top causes: underestimating the full cost of onboarding new talent and offering country-specific benefits packages.
WEBINAR | CHALLENGES

Talent & Culture

• Difficult to foresee HR issues when there are cultural barriers

• Communicating to transitioning employees in a thoughtful way

• Developing trust with new team members and preserving relationships
WEBINAR | FINDING VALUE

Do Your Due Diligence When Exploring Opportunities

• Know your countries – collect all data on tax and regulatory requirements.

• Focus on what matters – balance value and complexity.
Plan, Plan, Plan

• Set realistic timelines – don’t underestimate the potential for delay.

• Remember speed creates value – the more efficient your integration, the faster you realize returns.
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Execute with Experts

• On-the-ground expertise matters – invest in the knowledge you need to succeed.

• Think global, act local – let your in-country team lead the way.
International Expansion Support
WEBSINAR | INTERNATIONAL EXPANSION SUPPORT

BEFORE

• We help create a testing environment.

• Try out a market with low headcount on the ground.

• Know the true costs in advance.
DURING

• We assist with outlier employees, or in countries where you have no entity.

• You retain talent, we take on the risk.

• Control costs and keep timelines on track.
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ONGOING

• We continue with all regulatory, HR, legal filings, keeping professionals on our compliant payroll.

• You focus on the big picture.

• Use us as a resource for further exploration.
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