

CASESTUDY

mergers & acquisitions

MANUFACTURING COMPANY

For more information contact your Conner Strong & Buckelew representative at 1-877-861-3220.

THE CHALLENGE

Our manufacturing client was performing due diligence on an acquisition that would add a significant competitive advantage to their business. The client had knowledge that a number of its competitors were also interested in pursuing this acquisition and that they would need to differentiate their bid.

OUR RESPONSE

To address this issue, Conner Strong & Buckelew was able to present a program which allowed our client to include a Representations & Warranties product within their bid. This product was able to replace 85% of the escrow requirement and allowed the buyer to feel comfortable with the seller's representations and warranties. In addition, the seller was then able to take more profit from the firm at the time of sale.

THE RESULT

As part of Conner Strong & Buckelew's consultative process, we were able to provide a risk transfer tool to assist with the successful acceptance of a bid to acquire the target firm. Within days of submission of their bid, exclusivity was provided to our client and the deal progressed seamlessly. It was later discovered that the seller was utilizing proceeds from the sale of his business to fund his retirement and appreciated the cash flow certainty which resulted from this deal structure.

