Mergers and Acquisitions

Professor: Michael Counihan
E-mail: mike@newtech-capital.com
Office hours: by appointment

Course Description

*Mergers & Acquisitions* deals with combinations of businesses (mergers and acquisitions), ways that value can be added to both sides in these transactions, and the process that businesses go about in order to complete a merger or acquisition. In this class, we will dive into all the main parts of M&A Transactions. The bulk of the class will be the students going through an M&A transaction, in the role of a financial M&A professional to one of the parties in the transaction. There will be a class project where students role play parts of the transaction process, and an exam to test students understanding of key concepts.

Objectives

The main objective of the course is to introduce the student to the work that occurs when businesses pursue a merger or acquisition. Specifically, students will:

- Gain a solid understanding of what M&A deals are, and what are their main components
- Go through the main work that businesses and corporations undertake when analysing whether a potential merger or acquisition is good for them to pursue
- Learn the perspective of a company that is looking to be acquired, and the work that they need to do in order to successfully complete an M&A transaction

Methodology

There will be 5 three-hour sessions (see tentative planning below), each of which will consist of two 1.5 hour sessions with a short break in between.

This overall class will be divided into 3 main parts:

- Lectures, where the main key information and knowledge is covered
- Discussion, where students ask questions and contribute answers to posed topics
- Workshop/experiential, where students act and do the work that real M&A professionals would do on a transaction
Evaluation criteria

Student Grades will be based on:

30% - participation, including making good/additive comments, not disrupting or making noise when the professor or other students are talking. There could be 1-2 short written assignments students are to prepare and turn in based off of the readings or other class preparation (these will factor into the grade also).

30% - Exam of the key topics covered during the course

40% - the main project throughout the class where students act as M&A advisors. This part of the grade will be comprised of both a written, handed in document, and a final presentation.

Students are required to attend 80% of classes. Failing to do so without justified reason will imply a Zero grade in the participation/attendance evaluation item and may lead to suspension from the program.

As with all courses taught at the UPF BSM, students who fail the course during regular evaluation will be allowed ONE re-take of the examination/evaluation. Students that pass any Retake exam should get a 5 by default as a final grade for the course. If the course is again failed after the retake, students will have to register again for the course the following year.

In case of a justified no-show to an exam, the student must inform the corresponding faculty member and the director(s) of the program so that they study the possibility of rescheduling the exam (one possibility being during the “Retake” period). In the meantime, the student will get an “incomplete”, which will be replaced by the actual grade after the final exam is taken. The “incomplete” will not be reflected on the student’s Academic Transcript.

Plagiarism is to use another’s work and to present it as one’s own without acknowledging the sources in the correct way. All essays, reports or projects handed in by a student must be original work completed by the student. By enrolling at any UPF BSM Master of Science and signing the “Honor Code,” students acknowledge that they understand the schools’ policy on plagiarism and certify that all course assignments will be their own work, except where indicated by correct referencing. Failing to do so may result in automatic expulsion from the program.”

Calendar and Contents (tentative)

<table>
<thead>
<tr>
<th>Session info.</th>
<th>Content</th>
<th>Week</th>
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<tbody>
<tr>
<td>Tuesday, 13/2, 17:00</td>
<td>Main overview of M&amp;A including important definitions, types of transactions, forms of transactions and payments, other important factors affecting acquired companies</td>
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<td>- An exercise on a Potential Buyers Search</td>
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<tr>
<td>Tuesday, 20/2, 17:00</td>
<td>Lecture going over points on main differences between public company and private company M&amp;A</td>
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- Lecture with student collaboration, on the construction of the “Teaser” or “No-Name” document

- Case Study: Genicon: Keep growing or sell the company?

Tuesday, 27/2, 17:00
- Lecture and discussion, reviewing the M&A rationales in depth

- Lecture with student collaboration, on the construction of the Pitch Deck for a Target Company

- Student workshop with professor collaboration on constructing the Pitch Deck

Tuesday, 6/3, 17:00
- Short Exam on topics covered through course (45 minutes – 1 hour)

- Review of all topics for the final presentation. Q&A on any questions on content, protocol and requirements for the final presentations

- Student workshop with professor collaboration on course project - all topics and final preparation

Tuesday, 13/3, 17:00
- Final Presentations given by the different student groups, including question and answer from students in the audience to each presenting team

Reading Materials / Bibliography/ Resources

Genicon Case: Keep growing or sell the company

HBS Case Overview on M&A Fundamentals

Slides provided by the professor.

Bio of Professor

Michael Counihan has spent the majority of his career in investment banking, company financing, fundraising and M&A. He has lived in San Francisco, New York, London and Barcelona while working both at major investment banks, Merrill Lynch and Citigroup and boutique firms such as Prime Capital Investors and NewTech Capital, where he works today.

In addition to extensive financial work, Michael has launched technology startups in both collaborative consumption and flash sales e-commerce.

Michael is a professor of Finance, including Investment Banking topics. He completed his MBA at IESE Business School and University of Chicago - Booth School of Business, and he completed the Chartered Financial Analyst (CFA) Program.