

台灣大學國際企業所MBA班
Fall 2010
國際併購與合資策略大綱

授課教師：吳青松

研究室及電話：管理學院二館1016室

Telephone: 33664963)

Email : cswu@management.ntu.edu.tw

授課時間：星期三 14:20-17:20

教室：管壹B02

Course Goals

Merger, acquisition, joint venture and strategic alliance activity is running at a feverish pace across national boundaries. As industries continue to consolidate and globalize, mergers and acquisitions, alliance and joint ventures will remain at a high level, if not accelerate. This course combines financial, legal and governance perspectives in order to more fully understand the process and objectives of mergers and acquisitions, alliances. Strategy and Finance theory is centrally important to understanding business objectives, tax considerations, securities laws, and governance implications in change of control transactions. A sound understanding of the transactional process in mergers and acquisitions, alliances requires a fundamental ability to apply the concepts of finance and management theory to important topics such as valuation, motives, financing, managerial entrenchment, defenses and cross-border negotiation issues, and antitrust questions.

In mergers, acquisitions and alliances, the devil is in the details—accurately assessing the value of the deal, managing the complex process of bringing it to a close, and then making the combined business work. The success of a deal lies in the ability to get your hands around the very slippery issues of valuation, risk, integration, and understanding downside exposure.

Through a series of discussions and real-life case studies, the managerial, economic, and financial bases for mergers, acquisitions and alliances will be examined in the course. Methods for determining a company's value, risk, and the price that should be offered for the selected target are also explored in details.

Student will understand the reasons why acquisitions and alliances succeed and fail. They will also experience in working through potential deals from start to finish, including information gathering, negotiations, and the due diligence process in the final team project.

In sum, the major goals of the course are :

1. to foster strategic thinking and perspective. For most issues there are no right "answers", only reasoned judgment
2. to analyze the human motivations and economic/political forces which cause business combinations at particular times

The format of the course is designed to foster integrated strategic management discussions, introducing the fundamental components: participants and their roles, valuation methodology, legal/political precedents and accounting issues.

Besides the text being assigned, we will also concentrate on handouts and cases distributed. The grade will be strongly influenced by class participation. A final project will also be conducted jointly by student teams with 4-6 members each.

Required Text

1. J. F. Weston, Mitchell, M. L., and Mulherin J. H. (WMM), "Takeovers, Restructuring, and Corporate Governance", 4th Edition, Prentice Hall, 2004.
2. 企業併購與重組，Weston/Siu/Johnson 原著 (3E, 2001)，吳青松譯，雙葉書廊，2004 出版。
3. 合併與收購，哈佛商業評論，克雷等著，李田樹譯，天下文化，2002.

Grading Schemes:

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|------------------|-----|
| Case Discussion | 40% |
| Class Discussion | 20% |
| Term Project | 40% |

Term Project:

At the beginning of the semester, students will form groups--consisting of four to six students per group--to follow assigned cases and readings listed in the syllabus.

Each group will choose a real, public traded company in Asia as an acquiring corporate entity. The team will engage in a term project drafting a proposal to acquire or merge or ally with other public traded companies of their choosing.

The paper shall contain relevant and concrete information on strategic rationale, financial valuation, and estimation of potential synergies of the transaction. The term project will be presented during the two final sessions in the course. The paper will provide students the opportunity to gain an in-depth and hand-on knowledge of the topics that have been discussed in the class.

Class Schedule

Session 1 9/15

A. Introductory Discussion

1. Course goals
2. Housekeeping details

B: An Overview of International Business Entry Strategies

C: Terminology

Session 2 9/22

Mid-Autumn Festival (中秋節)

Session 3 9/29

Video: Barbarians at the Gate

Session 4 10/6

A. Theories of M&A

B. The Takeover Process

C. Strategic Planning for M&A
WMM, Ch. 5, 6, 17

Session 5 10/13

A: Current and Historical perspectives

B: Corporate Governance

WMM, Ch. 1, 7, 20

Session 6 10/20

A. Deal Structures: Forms of Consideration

WMM, Ch. 4

Case #1: "Hewlett-Packard-Compaq: The Merger Decision"

Session 7 10/27

A. The Legal and Regulatory Framework

WMM, Ch. 2

Session 8 11/3

A. Methods of valuation: High-tech Valuation, Consumer Goods Industry valuation

Case #2: "Interco"

WMM, Ch. 9, 10

Session 9 11/10

A. Methods of valuation: Financial Service Valuation, E-Commerce

Case #3: "Wells Fargo and Northwest: Merger of Equal (A)"

Session 10 11/17

A. Determination of Exchange Ratio

Case #4: "Preparing for the Google IPO: A Revolution in the Making?"

Session 11 11/24

A. Takeover Defense

WMM, Ch. 19

Case #5: "Anheuser-Busch versus SabMiller: Bidding War in China's

Beer Industry"

Session 12 12/1

A. Tax Planning Options

B. Selling a Business

WMM, Ch. 11, 12, 13

Session 13 12/8

A. Corporate Restructuring

WMM, Ch. 16, 18

Case #6: "Handspring and Palm, Inc: A Corporate Drama in Five Acts"

Session 14 12/15

A. Post-merger Integration

Case #7: "Cisco System, Inc.: Acquisition Integration for Manufacturing"

Session 15 12/22

A. The Nature of Joint Venture & Strategic Alliances

B. Negotiation and Evaluation

WMM, Ch. 14

Case #8: "Eli Lilly in India: Rethinking the Joint Venture Strategy"

Session 16 12/29

A. Governance and Organizational Learning of Joint Ventures

Session 17 1/5

Team Project Presentation/Submission

Session 18 1/12

Team Project Presentation/Submission