



## How To Acquire Companies Effectively

### Step 1 Clarify Strategy

Before pursuing a potential acquisition, it is best to have a clear strategy. Acquisition is a means to an end, not an end in itself. Exploring deals without strategic clarity can have drastic consequences for the acquirer. Most acquisitions fail, often because buyers did not have a clear and realistic strategy in place.

### Step 3 Identify & Select Targets

To ensure that our clients not only identify the most fitting targets, but also have a comprehensive picture of the markets they are entering, Crossroads researches all companies active in the target market. Using our proprietary research, we then work with clients to eliminate any unsuitable companies.

### Step 5 Negotiations

Effective negotiations require: (1) multiple targets; (2) a clear picture of the full spectrum of potential consequences of a deal; (3) the discipline to accept the terms that meet your goals, yet are acceptable to the counter-party; and (4) avoiding the temptation to search for the "perfect" deal. As such, Crossroads compares deals side-by-side using objective corporate finance metrics.



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Deal Close

### Step 2 Build Target Profile

Crossroads starts the buy-side acquisition process by building a detailed profile of the ideal acquisition target. The profile of the target needs to reflect the acquirer's strategy, using criteria such as size, technology profile, revenue mix, client base, operations, or other relevant considerations.

### Step 4 Outreach & Evaluation

Crossroads contacts all selected targets to ascertain their willingness to sell. As part of the initial conversation, we expand our knowledge of their business, we gauge their deal openness, and develop an understanding of the owner's motivations. These insights equip our clients to negotiate more confidently.

### Step 6 Final Diligence

At this point, only confirmatory diligence should be needed to consummate a deal. To streamline this process, Crossroads helps direct the information flow between the functional teams of the two organizations and helps coordinate the due diligence process.

There are four key elements to a successful buy-side process: **(1) clear strategy; (2) a comprehensive target pool; (3) simultaneous negotiations with multiple targets; and (4) deal structure flexibility.** The Crossroads approach to buy-side advisory ensures any acquisition contemplated meets client goals. This process allows companies to leapfrog competitors, pivot their organizations, or access new possibilities unavailable internally.



## Research

We collect and analyze the right information to facilitate better decision making as well as to uncover new opportunities for market entry, tech transfer, access to capital, partnerships, and mergers & acquisitions.

### Research Services

- Find Partners
- Identify New Markets
- Decipher Market Trends
- Understand Competitors



## Strategy

We help you position your business for long-term success and resilience. We work with you to identify fitting markets for your business, to clarify the strategic tradeoffs, and to help chart market entry, exit, or growth plans.

### Strategy Consulting

- Select Focus Areas
- Identify Divestitures
- Foresee Long-Term Risks
- Chart Deliberate Plans



## Corporate Finance

We use advanced financial modeling to enable decision makers to evaluate the full spectrum of possible financial consequences of any action. As such, we use quantitative tools to ensure objectivity and clarity in decisions.

### Outsourced CFO Assistance

- What-If Analysis
- Planning & Analysis
- Exit Value Estimation
- Transaction Preparation



## M&A Advisory

We blend our capabilities to identify the markets and strategic prospects or investors for which our client's businesses, tech, and innovations add the most value. We adapt our pitch to each prospect to maximize value.

### M&A Services

- Buy-side
- Sell-side
- Capital Formation
- Technology Transfer

We help companies and entrepreneurs  
**make and implement** the toughest business decisions!