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# Managing M&A Deal Momentum

Building Value Symposium

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# What is Negotiation?

Negotiation is a **problem-solving process** in which two or more people **voluntarily** discuss their **differences** and attempt to reach a **joint decision** on their **common concerns**.



## What is Deal Momentum in an M&A deal?

- Basic human psychology
- Buy in, commitment and inertia caused by the creative and collaborative process of a deal
- Can be negative or positive
- Needs to be managed and understood



# How do you create Positive Deal Momentum?

- By identifying and resolving issues in a collaborative and co-operative manner
- By dealing with issues in the correct order of magnitude
  - once big issues solved, the little ones will “take care of themselves”
- By creating a negotiation atmosphere of mutual respect and integrity so issues can be raised and addressed when needed (**language is critical**)



## Destroyers of Deal Momentum in M&A

- Disrespect / Hurt feelings / Animosity
- False or misguided expectations/positions
- Exposed truths
- Repeatedly missing milestones/deadlines



## Keys to Managing Deal Momentum

- Do your homework / Be prepared for anything
- Know your own baggage (and the other sides!)
- Listen and negotiate respectfully
- Identify and neutralize deal breakers or gating issues early



## Keys to Managing Deal Momentum - (con't)

- Be prepared to be creative
- Manage expectations and deliverables
- Seek professional / outside advice before mind pegs set



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## **Farris, Vaughan, Wills & Murphy LLP**

2500 - 700 West Georgia Street  
Vancouver, BC V7Y 1B3

**Bradley A. Newby**

604.661.9308

[bnewby@farris.com](mailto:bnewby@farris.com)