

# INTERNATIONAL MERGERS AND ACQUISITIONS

**Credit Value:** 3 credits<sup>1</sup>

**Lecturer:** Tolstel Marina

## A. Course objectives

The course “International Mergers and Acquisitions” aims at the theoretical (concepts and theories) and practical issues (valuation) of the mergers and acquisitions. Case-study is the key method of the course.

## B. Textbooks

1. Pine II, B. J., Gilmore, J. H. (2019) The Experience Economy, With a New Preface by the Authors: Competing for Customer Time, Attention, and Money. Harvard Business Press.
2. Pine II, B. J., & Gilmore, J. H. (1998). Welcome to the Experience Economy. Harvard business review, 76(4), 97-105.
3. Schmitt, B. H. (2000). Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act, Relate. Simon and Schuster.
4. Schmitt, B. (1999). Experiential marketing. Journal of marketing management, 15(1-3), 53-67.
5. Schmitt, B. (2011). Experience Marketing: Concepts, Frameworks and Consumer Insights. Foundations and Trends® in Marketing, 5(2), 55-112.

## C. Assessment details

The final grade consists of:

| Assignments          | Grade |
|----------------------|-------|
| In-class mini-cases  | 30    |
| Homework tasks       | 40    |
| Case-study (Project) | 20    |
| Final exam           | 60    |

| Grade               | Minimum score | Maximum score |
|---------------------|---------------|---------------|
| <i>Excellent</i>    | 127,5         | 150           |
| <i>Good</i>         | 97,5          | 127           |
| <i>Satisfactory</i> | 60            | 97            |
| <i>Failed</i>       | 0             | 59            |

## METHODOLOGICAL GUIDELINES:

1. To solve case study, it is necessary to create a group of students of no more than 3-4 people.
2. The task (text, tables with data and questions) is posted on On.Econ and is distributed to students in class.
3. To solve case study, students should familiarize themselves with the materials of lectures and recommended literature in order to find a reasoned and economically correct solution to a business situation.
4. Each group prepares its case study solution based on the information given in the case study and, if necessary (if indicated in the assignment), additional sources of information.
5. It is recommended for students to describe the prerequisites used at the beginning of the solution presentation.
6. Before the time indicated on On.Econ website, the group should submit the case study solution using the login of one of the group members by sending 3 files:
  - Word document with case study solution and answers to questions posed;
  - Excel document with calculations. Different blocks of the task must be presented on different sheets of the same document;
  - A presentation of the solution, containing reasoned answers regarding calculations and

<sup>1</sup> 1 credit point is equal to 36 hours of total workload including in-class activities, self-study and exam writing

conclusions.

7. The presence of all group members is required to present the case study solution. Those members who were not present do not receive points for the case.
8. The time limit for group presentation is 15 minutes, additional 10 minutes are given to each group to answer the teacher's questions on the solution presented

**EXAM:**

1. The exam is held at the last in-class lesson, its duration is 2 astronomical hours.
2. The exam is conducted in a written form, the task is distributed at the beginning of the examination.
3. To prepare for the exam, it is necessary to repeat all the topics of the course, lecture materials, as well as the recommended literature, repeat the solution of the course tasks, all the necessary formulas for calculations.
4. The exam includes questions and case-study. The maximum amount of points for the exam is 60 points. However, the total score for the course may not exceed 150 points. Therefore, if a student earns more than 150 points based on the results of all types of work on the course, including the exam and the solution of the bonus task, then the grade for the bonus task is reduced so that the total score for the course does not exceed 150 points.

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| <p><b>Module 1: MERGERS AND ACQUISITIONS - CONCEPTS AND THEORIES</b></p> <ul style="list-style-type: none"><li>• Mergers and Acquisitions Overview</li><li>• Why Companies Merge and Acquire</li><li>• The International Merger and Acquisition Lifecycle</li><li>• M&amp;A: Legal Framework</li><li>• Measuring the Success of International Mergers and Acquisitions</li></ul> |
| <p><b>Module 2: PLANNING FOR INTERNATIONAL MERGERS AND ACQUISITIONS - STRUCTURING THE DEAL</b></p> <ul style="list-style-type: none"><li>• Legal structures</li><li>• Tax structures</li><li>• Accounting</li></ul>  |
| <p><b>Module 3: VALUATION FOR MERGERS AND ACQUISITIONS</b></p> <ul style="list-style-type: none"><li>• Valuation Methods</li><li>• Free Cash Flow and the Objectives of the Firm</li><li>• Components of Free Cash Flow</li><li>• Cost of Capital</li><li>• Defense of final projects</li></ul>  |
| <p><b>Exam</b></p> <p><b>Final project presentations</b></p>   |