



Welcome

KALIBER42 Marketing Support

Takover Communications - Risk of Lacking Performance

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Monitoring

- Total worldwide value of mergers and acquisitions topped \$2.7 trillion in 2005
- an 38% increase over previous year
- expected to rise again
- figures reveal another record: instead of creating value, deals destroy value



Alert

McKinsey:

- nearly 80% don't earn back the the costs of the deal itself
- average mergers have 50% chance of resulting in reduced productivity or profit



Alert

MIT

- study: too less attention paid to decision of branding the new entity during negotiations
- in 64% of cases, target company's name and symbol simply disappeared or the two corporate identities continued to „simply“ exist independently

although many important decisions are made before, during and after a merger or takeover, one of the most important decisions seems to be part of a post-merger-cleanup job

Consequences



- no solid platform or coherent story for the new entity to start from

Dimensions of communication



Employees

Customers

**Main target:
Acceptance &
Comittment**

Media

Potential
Investors

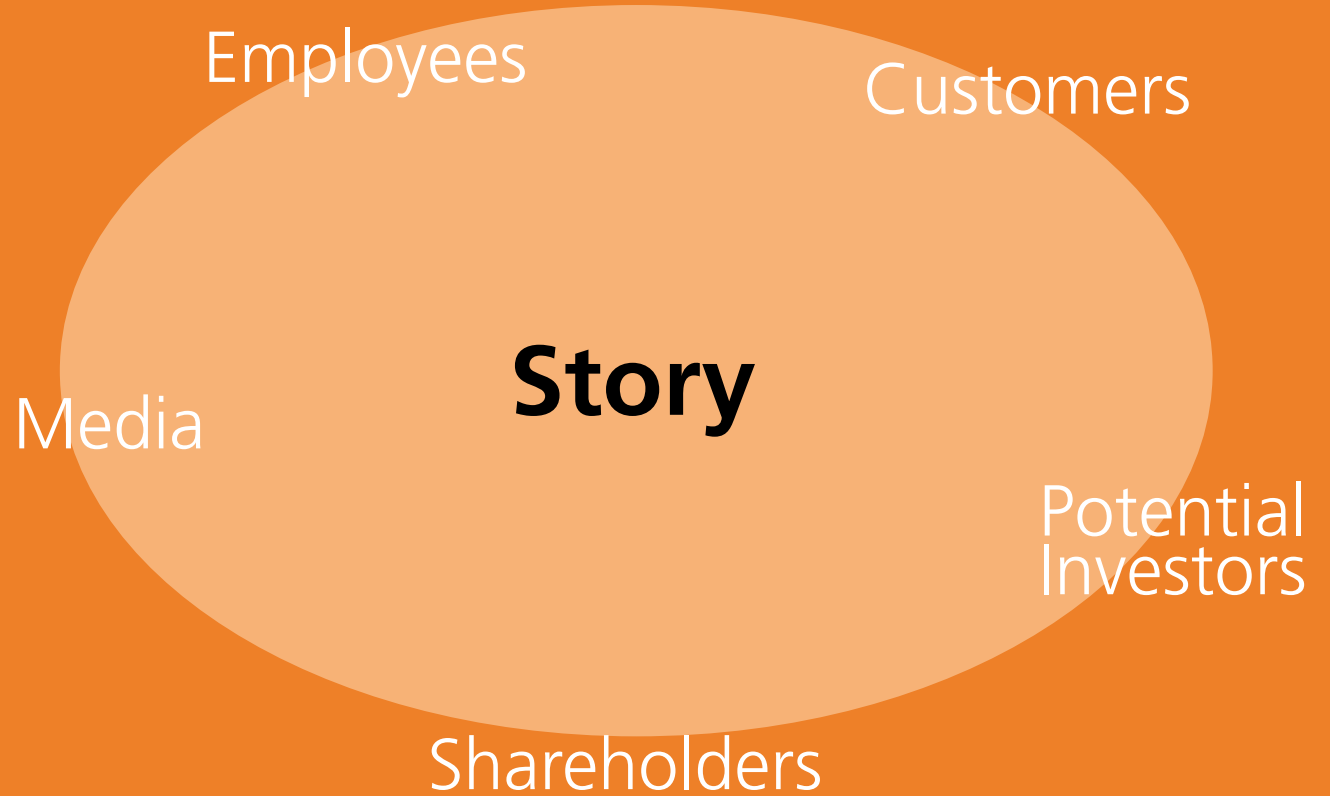
Shareholders

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Needs and Wants





Dimensions of communication

- You cannot „not-communicate“
 - even if you do not say anything, this is a statement
- >>> stories evolving themselves independantly, driven by rumour, uncertainty, fear or anger
- time-to-time press releases are not enough to stop rumours and give everyone a secure feeling

Dimensions of strategy

>>>new entity fail to leverage any potential increase in brand equity

Worst case: relationship between organisations suffers, synergies lie idle, employees drift to competitors, etc.

>>>if decisions of brand strategy are made AFTER the deal is closed, it's almost too late, especially, if employee morale, customer satisfaction and the new entity's share price have already plunged

Takeover Communication
must be Change Communication
must be constantly supporting Communication



KALIBER42

We think of ROI!

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