



MERGERS AND ACQUISITIONS BUY SIDE — SELL SIDE

SUCCESSFUL MERGERS AND ACQUISITIONS HAPPEN WHEN OPPORTUNITY, EXPERIENCE, PLANNING, & PERSISTENCE COMBINE.

The objective of any merger or acquisition should be to maximize shareholder value. While this goal can be stated simply, the means of achieving it are complex.

Merger, acquisition, divestiture, and partnering opportunities are significant milestones in the life cycle of any company. The strategic, managerial, financial, and organizational activities are significantly different from typical day-to-day operating issues. Company leaders that get too involved in M&A activities often neglect operations, causing key business initiatives to fail.

Gates and Company's team of senior professionals has broad experience assisting clients in all aspects of the M&A process. We participate with clients from the earliest stage of helping to define objectives to the successful closing of a transaction. And Gates and Company can also help with implementation issues following a transaction to ensure long-term success.

Gates and Company
understands complex
business transactions and
has a history of success.

Buy Side

Companies seeking to expand their business must consider a mix of strategic initiatives. Mergers/acquisitions can provide tremendous value, yet their impact on overall growth objectives must be thoroughly understood prior to moving forward. The most difficult part of an acquisition is often the integration that follows a successful transaction. Contemplating various integrations issues prior to embarking on an acquisition helps better define characteristics of target companies and greatly improve the likelihood of long-term success.

Gates and Company's proven methodology involves the following steps:

- Clearly define and prioritize what you want and why (e.g., technology, market share, revenue, control point, etc.).
- Develop criteria to identify opportunities in terms of ideal product mix, service, technology, location, size, level of innovation, skills, etc.
- Perform scouting to identify candidates. Assess, screen, and prioritize the list.
- Approach candidates to determine receptiveness to a "relationship". This is done anonymously by Gates and Company **to avoid signaling** strategic intent to competition.
- Complete due diligence on top candidate(s): assess technology, management, products, financials, etc.; compute valuation; risk assessment; fit analysis; etc.
- Structure and negotiate a win-win deal.
- Integrate planning and implementation support.

Sell Side

Whether a company looking for liquidity through the sale of its business or a firm wanting to divest a non-core unit, selling a business at maximum value is a carefully orchestrated process. Understanding what prospective buyers value most, creating documentation that highlights the compelling features of the business, and coordinating and negotiating multiple offers are all ingredients that enable a business to be sold at maximum value.

As with buy-side work, selling a business is something that is best initiated in an anonymous fashion. Gates and Company's process involves the following steps:

- Strategic positioning for value maximization.
- Financial analysis and valuation of business.
- Due diligence to speed process for prospective buyers.
- Draft Offering Memorandum
- Identification and ranking of prospective buyers.
- Anonymous contact and screening of potential buyers.
- Coordination of accounting and legal activities related to the transaction.
- Negotiation and advisory services to structure optimum deal.

Gates and Company has developed techniques and methods that can achieve transaction values in excess of a company's market value.

Gates and Company has proven methods for negotiation that help clients get the best deal.

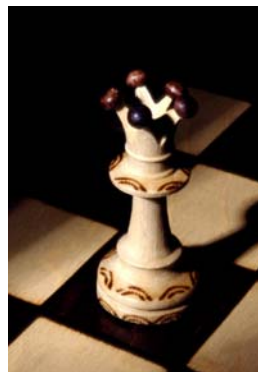
A Trusted Advisor

Gates and Company's investment banking specialists can help your company achieve its goals, with a proven process and successful track record.

Gates and Company has an extensive network and substantial contacts to source candidates on both the buy and sell side. Our direct involvement with a number of industry organizations provides a constant flow of emerging technology deals.

Gates and Company's investment banking professionals have all had operating experience and understand the challenges that management faces on a daily basis.

And Gates and Company's management consulting business has domain experts with expertise to help businesses grow and maximize their value.



Please contact Gates and Company to see how we can help maximize the value of your next business transaction.