



ALLYUM

3 reasons to adopt an active acquisition policy

In Belgium, the external growth operations are common for both, big and familial companies. As a result, we count 306 acquisitions last year (*). Lots of them are realized opportunistically. Nevertheless, a strong acquisition policy is a crucial element to develop the activities of the company. Allyum, Mergers & Acquisitions advisor, shares its three main arguments in favor of an active external growth strategy.

1 – Choose an active acquisition policy

Many businesses leaders work opportunistically, they wait for a banker or a neighbor to propose them to buy a company. This position lacks proactivity and limits the choices. “Being selective does not mean closing down opportunities, but rather taking the time to study all the possible options” highlights Raphaël Abou, Managing Director of Allyum. This is the role of Allyum: sourcing, contacting and helping to acquire companies that will contribute to the achievement of growth objectives.

2 – Focus on day-to-day

“Time consuming”, this is the definition which is the most often mentioned where the CEOs are interviewed concerning the realization of an acquisition operation. Allyum intermediates in these projects to relieve the management and enables them to focus on their business while enjoying a global view of potential targets. “We take the time to compare in detail the different targets, to select them as well as to plant the first milestones” specifies Raphaël Abou.

3 – Prepare the ground

If companies think about using a merger & acquisition expert when they complete an operation, they often do not know the crucial role that he can play upstream. "We recommend that our clients mandate us from the first thoughts to adopt an active acquisition policy. In such case, the company presents its strategy - business development or technology acquisition - the size, the location and the sector of activity desired. Without forgetting the available budget. Raphaël Abou: "We help them to identify and to approach the most relevant companies and to conclude a deal in ideal conditions, whose valuation is part but not only ... Often, we also play a key role as intermediary between the sellers' expectations difficult to combine with those of buyers".

