

Due diligence with a focus on sales & operations as part of a managed M&A bidding process

Due diligence of a machine tool company focussing on market analysis and company positioning for a private equity investor

challenge

- **Accompanying the due diligence:** of a private equity investor as part of a guided bidding process
- **Framework condition:** Target company with negative EBIT, declining sales trend for several years
- **DD Focus on market/sales and operations:** Identification of fields of action, "red/yellow flags" and development of recommendations for optimization

approach

- **Step-by-step procedure in phases** with breakpoints in order to be able to evaluate "go/no-go" decisions
- **Analysis of the market environment** based e.g. on sales data and structured interviews with key people in the company, customers, competitor analyses and supplementary market studies
- **Rapid Plant Assessment**

result

- **Evaluation of the company's positioning** within the market segment in comparison to competitors based on selected positioning criteria
- **Basic assessments** of market development in the niche segment were compiled and tested with individual customers, among others
- **Identification and evaluation of** key competitors and trends as well as opportunities and risks in the sales area
- **Brief analysis of core sales processes** and derivation of recommendations for improvements
- Recommendations for the **improvement of delivery performance**
- Recommendations for the **improvement of production control**
- **Assessment of potential** in the area of Sales & Operations
- **Evaluation of upside potential**, linked to proposals for implementation