

Beyond the Deal Newsletter

*Mergers and Acquisitions that
Achieve Breakthrough Gains*

www.beyondthedeal.net

November 2012

Quote of the Month

"A lot of acquisitions go sour because they don't pay attention to integrating cultures. It's great to buy these companies, but they lose a lot of value when they're not integrated well."

Lorraine Rieger McGregor, CEO, Spirit West Management Ltd.

Special Edition November Newsletter:

On Thursday, November 29 at 1 pm ET, you have a singular opportunity to hear from the key leadership involved in carrying out a successful transformational acquisition and integration. INC Research acquired Kendle, a company two times its size. The rule of thumb for an acquisition to be transformational (and not just a bolt on) is that the acquired company be at least 15% of the size of the acquiring company. This scale of acquisition makes it impossible to ignore the impacts of the new acquisition and separate it from all other operations. The Kendle acquisition more than qualifies as a transformational transaction. Every element of both organizations was reviewed, rethought, re-conceived and re-integrated. INC Research took this opening to create a new company that was more capable and had more to offer the two legacy companies did individually and ran with it.

Only occasionally do transformational acquisitions live up to their promise. In this case, the evidence shows this is exactly what happened.

INC Research did just about everything right: beginning with mapping out its strategic goals and alignment and then threading them through all the phases of the acquisition and integration implementation. A strong confirmation of the power of this integration is that level of customer satisfaction was higher after the completion of the integration than it was before.

Leadership was key during all phases: providing the necessary quality of

judgment and active direction in all strategic and operational areas. This set the stage for the target selection, carrying out due diligence, and negotiations, all in concert with a well grounded integration planning process. INC Research drew from an impressive array of capabilities it had developed over the past decade in both its internal operations and its previous acquisitions to make this work.

One of the most remarkable things about this acquisition is that the CEO designate, Jamie Macdonald, was just about to take on the role of CEO of Kendle when it was acquired. INC Research is capitalizing on a thorough knowledge of Kendle that he brings into the new organization at the leadership level. This makes a substantial difference in understanding and sensitivities required to meld the two global companies in the most strategically advantageous ways. This also shows that INC Research operates as an open organization where the quality of its people trumps which organization they were originally part of.

In every dimension of both acquisition and integration, this is a blockbuster and inspiring story that is well worth knowing

I am delighted to be moderating the Webinar. The Webinar will be as interactive as is possible. Get your questions ready! We will make every effort to make sure you get them heard and responded to.

I am pleased to be joining with eknow and INC Research to bring this important Webinar to you.

Register now for the Webinar at:

<https://www3.gotomeeting.com/register/397623614>

ē•know presents: The Art of M&A Webinar Series

How INC Research Acquired A Competitor Twice Its Size, And Won Big

If your company is actively acquiring or planning future acquisitions, this free, interactive, one-hour webinar is not to be missed

Thursday, November 29th at 1:00pm ET.

The clinical research space is extremely competitive. Privately held Raleigh, NC-based, INC Research determined that buying publicly traded Kendle Corp., a competitor twice as large, would position the newly combined company to better serve its global pharmaceutical customers to bring new products to market in order to improve world health. Taking on a strategic, transformative initiative of this magnitude was not without its challenges and risks. Anything less than success has high costs and a poor return on investments financially, in time and in the level of effort required.

Jamie Macdonald, CEO-designee, and Jeffrey A. Kueffer, SVP of Global Operations Management, will discuss how their company planned and executed this transformative initiative, integrating operations and thousands of employees in several countries, with impressive results.

- Learn how INC Research overcame obstacles and managed the risk with intense planning and extraordinary execution to succeed across the board in all of its strategic M&A goals.
- Find out how the team executed this deal and the immense value of having experienced team members.
- Discover how, even during the integration, the company improved its ranking to become #1 among its competitors in customer satisfaction, a remarkable accomplishment perhaps without precedent.

The achievements of the INC Research leadership team will show that even the boldest growth strategy can succeed if you do your homework.

This event should be attended by CEO's, CFO's, the rest of the deal team, and those involved in all phases of the M&A process from targeting and due diligence through post acquisition integration. This event will be moderated by widely published author and M&A expert, Jay Chatzkel, who most recently co-wrote the M&A bestseller, *Beyond the Deal*.

Jamie Macdonald - CEO-designee, INC Research



Jamie Macdonald leads INC Research's operations as well as its global therapeutic business units. He has more than 15 years of senior management experience in operational and financial roles in the CRO and biopharmaceutical industries. Mr. Macdonald joined INC Research in 2011 when the Company acquired Kendle where he also had served as COO. Prior to Kendle, he served as Senior Vice President and Head of Global Project Management at Quintiles with direct responsibility for a team that delivered approximately \$2 billion in annual service revenue.

He earned a Bachelor of Arts in Economics from Heriot-Watt University in Edinburgh, Scotland and is a UK qualified Chartered Management Accountant (ACMA). As announced by the Company Aug. 16, 2012, as part of a planned succession, Mr. Macdonald has been promoted to Chief Executive Officer of the Company effective Jan. 1, 2013.

Jeffrey A. Kueffer - SVP Global Operations Management, INC Research



Jeffrey Kueffer is the principal architect of the TrustedProcess™ which is the metrics driven methodology INC Research employs to consistently deliver "actionable" information to their Customers - on time and on budget. Mr. Kueffer oversees the development, deployment and use of the TrustedProcess™ methodology by all INC project teams.

Mr. Kueffer attended the University of Arizona and completed his BS in Public Administration in 1977. In 1987, Jeff completed his MBA, with a concentration in Systems Analysis from the University of New Mexico. With over twenty five years of Project Management experience, Jeff has worked in both the public and private sector with primary

emphasis in Operations Management, Software development, and Business Process Re-engineering. For the last fourteen years, Mr. Kueffer has worked in a variety of senior operational leadership positions in support of Pharmaceutical Clinical Drug Development.

Jay Chatzkel - Co-Author of "Beyond the Deal"



Jay Chatzkel is Principal of Progressive Practices, where he assists organizations in transforming themselves into knowledge-based, intelligent enterprises. This includes working with organizations to develop skills and practices in the areas of merger and acquisition integration, intellectual capital, knowledge management, social media, leadership and collaboration, business process management and performance measurement. He is also the editor of the Beyond the Deal Newsletter.

He is the author of three books: Beyond the Deal: Mergers and Acquisitions that Achieve Breakthrough Performance Gains (Co-Author with Hubert Saint-Onge, McGraw-Hill, 2009) Knowledge Capital: How Knowledge-Based Enterprises Really Get Built (Oxford University Press, 2003) and Intellectual Capital (John Wiley & Sons, 2002). Mr. Chatzkel is North American Editor, Journal of Intellectual Capital, and Editor for Conferences and Events, Journal of Knowledge Management. He has written numerous articles and conference reviews. Mr. Chatzkel has a Bachelor's degree from Bucknell University and has Masters degrees from the University of Wisconsin at Madison and the Kennedy School of Government at Harvard University.

Register now for the Webinar at:

<https://www3.gotomeeting.com/register/397623614>

For more information on eknow@:

www.eknow.com

Subscribe to the Beyond the Deal Blog

Link to the Beyond the Deal Blog, with continuing updates on the changing world of Integration 2.0, with additional articles and commentary. You can subscribe to it at: www.beyondthedeal.net/blog/.

Using Social Media to Speed Up and Improve Performance and Outcomes of Your Integration Processes

Is social media a fad or is it a viable set of tools for advantage in an integration? Social media is now mature enough to be a major accelerator of speed and quality in integration outcomes. Click on this link to the [Social Media Strategy to Transform Integrations](#) PowerPoint presentation to see how you can start developing this capability in your organization now. See how you can develop and implement an effective social media strategy in your firm. Contact [Jay Chatzkel](#) or [Euan Semple](#) to make arrangements and for further information.

In addition to having the Newsletter sent to you directly, you can access the Newsletter and article library at: <http://www.beyondthedeal.net/Newsletter.html>.

Please send in your comments, contributions and suggestions to [Jay Chatzkel](#), editor. They are important to making the newsletter as relevant to you as possible. You are welcome to forward this newsletter on to a colleague or friend.

All the best,

Jay Chatzkel
Progressive Practices

Jay L. Chatzkel is coauthor of the *[Beyond the Deal](#)*, and editor of the Newsletter. He is Principal of [Progressive Practices](#) where he assists organizations in transforming themselves into knowledge-based, intelligent enterprises. This includes working with organizations to develop skills and practices in the areas of merger and acquisition integration, intellectual capital, knowledge management, leadership and collaboration, business process management and performance measurement.

He is also author of *Knowledge Capital: How Knowledge-Based Enterprises Really Get Built* (Oxford University Press, 2003) and *Intellectual Capital* (John Wiley & Sons, 2002).