Course Title: An Introduction to Mergers & Acquisitions  
Course Code: BUS 128  
Instructor: Neil Shroff  

Course Summary:  
This course teaches the principles of M&A and would be valuable for anyone looking to buy or sell a company for themselves or their employer. Students will learn:  
• Financial and strategic reasons a merger or acquisition should be considered,  
• Strategies employed by both sides of a middle-market transaction,  
• Practical methods for shareholders and acquirers for planning for an acquisition,  
• Seller’s and Buyer’s methods for determining the value of a company,  
• Tax and legal implications to both sides of a transaction,  
• Overcoming pitfalls commonly encountered in the process during the negotiations, due diligence, the drafting of the definitive purchase agreement and closing  

*Please see course page for full description and additional details.*  

Grade Options and Requirements:  
• No Grade Requested (NGR)  
  o This is the default option. No work will be required; no credit shall be received; no proof of attendance can be provided.  
• Credit/No Credit (CR/NC)  
  o Students must attend at least 80% of live class sessions.  
• Letter Grade (A, B, C, D, No Pass)  
  o Students must attend at least 80% of live class sessions, and complete responses to various practical questions (to be discussed further in class).  

*Please Note: If you require proof that you completed a Continuing Studies course for any reason (for example, employer reimbursement), you must choose either the Letter Grade or Credit/No Credit option. Courses taken for NGR will not appear on official transcripts or grade reports.*  

Class sessions will be recorded for students who miss a class.
Tentative Weekly Outline:

Class 1
- Introductions
- Course overview and Syllabus review
- Pros and cons of each type of exit strategy
- Integrating timing into an exit strategy
- Building the value of a company after knowing your exit strategy

Class 2
- Corporate strategy: buy or build analysis
- How a buyer decides whether or not they are interested in purchasing a company
- Corporate Development Guest Lecturer

Class 3
- Common valuation techniques
- Differences between how a buyer values a company and what they offer
- Class Project: Form groups and identify your deal role. Work in your groups to determine valuation of target company from given fact set (complete by Class 5)

Class 4
- Deciding to work with a sole buyer or a competitive multiple buyer process
- Typical preparation prior to going to market
- Investment banking sell-side process
- Roles of various advisors and how to choose them
- Identifying likely prospective strategic buyers
- Differences in deals and process between strategic buyers and private equity groups
- Class Project: Work in your groups to determine valuation of target company from given fact set (complete by Class 5)

Class 5
- What the financial deal terms mean to your take home
- How are taxes on the deal structured to each side
- Why middle-market M&A deal terms are not the ones you read in the news
- How technology acquisition deal terms differ from those of other acquisitions
- Class Project: Negotiate a BRIEF Letter of Intent with Sellers (complete prior to Class 7)

Class 6
- What really happens during due diligence?
- Preventing due diligence from killing your deal
- Preventing a buyer from using your valuable information against you

Please contact the Stanford Continuing Studies office with any questions
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Class 7
- What do lawyers do during due diligence?
- Typical terms in a purchase agreement
- Where are the typical hang-ups in negotiating the purchase agreement?
- What happens between signing and closing
- What happens during the closing process
- M&A Lawyer Guest Lecturer
- Class Project: Negotiate a price adjustment based on due diligence findings (complete prior to Class 8)

Class 8
- What happens during integration
- Common reasons that acquisitions fail
- Class review
- Integration Guest Lecturer
- Class Project: Brief presentation of outcomes in class