BUS 262a
Alliance, Acquisition, and Divestment Strategies

Course Syllabus

Version 1

Fall 2018
Fridays, 9:30-12:20
International Hall

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# Course Outline

- **HBS cases** are available here (further instructions at end of this syllabus): [http://cb.hbsp.harvard.edu/cbmp/access/79220641](http://cb.hbsp.harvard.edu/cbmp/access/79220641)
- **IBS cases and some articles** are at [www.alliancestrategy.com](http://www.alliancestrategy.com) (links below).
- **HBR articles** are in Business Source Premier (BSP; instructions at the end of syllabus).
- **Remix Strategy** is the textbook, available on Amazon.

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<td>1 (8/31)</td>
<td>Recombinant strategy</td>
<td>Using online resources, or textbooks you have from other courses, familiarize yourself with these terms: Acquisition, Merger, Alliance, Joint Venture, Divestment, and Corporate Strategy.</td>
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| 2 (9/7) | M&A and partnerships | **Remix Strategy, Ch. 1;** Tools #1 and #2  
“Walt Disney Company and Pixar, Inc.: To Acquire or Not to Acquire?” HBS case  
“Finding the Right Path,” Capron & Mitchell, *HBR* |
| 3 (9/14) | Alliance strategy | **Remix Strategy, Ch. 2;** Tools #3, #4, and #8  
“Strategic Deal-making at Millennium Pharmaceuticals,” HBS case  
Selection of student short projects |
| 4 (9/21) | Divestments | **Remix Strategy, Ch. 3;** Tools #5, #6, and #7  
“Tyco International,” HBS case  
“Creating Corporate Advantage,” Collis/Mont., *HBR*  
“Are You Still the Best Owner?” Dobbs et al, *McKinsey Q*  
Student short-project presentations |
| **II. Governing Combinations: Design and Management** |
| 5 (9/28) | Activists and recombinations | “Genzyme and Relational Investors,” Darden case  
“Managing Corporate Portfolio,” Carlesi et al, *McK Q*  
Student short-project presentations |
| 6 (10/5) | MIDTERM EXAM | Written case analysis, done in class.  
Case will be distributed by email on 10/4. |
II. Governing Combinations: Design and Management (continued)

7 (10/12)  
Relational contracts

- Remix Strategy, Ch. 4; Tools #11 and #12
- “Xerox and Fuji Xerox,” HBS case
- “Your Alliances Are Too Stable,” Bamford/Ernst, HBR
- Student short-project presentations

III. Sharing Joint Value

8 (10/19)  
Cooperating and competing

- Remix Strategy, Ch. 5; Tools #13, #14, and #15
- “Wintel (A): Cooperation or Conflict,” HBS case #704419
- “With Friends Like These,” Yoffie & Kwak, HBR

IV. Remix Strategy: Integrated Analysis

9 (10/26)  
Multilateral negotiations

- No readings. Work on your final paper topic
- Outline of Final Paper topic is due

10 (11/2)  
Internal remix strategy

- Readings on Navigant Consulting, TBD
- Visitor: Lee Spirer, EVP, Navigant

11 (11/9)  
Managing multi-partner constellations

- Remix Strategy, Ch. 6, Tools #16, #17, and #18
- “Star Alliance, 2000,” IBS case
- Visitor: Jeffrey Goh, Star Alliance, CEO

12 (11/16)  
Acquisitions, integration, and constellations

- Remix Strategy, Ch. 7; Tool #20
- Various readings on EMC and Dell, and their merger
- Visitor: Jennifer StPierre, EMC Corporate Development

13 (11/30)  
The Dealmaker vs The State

- Review Remix Strategy, Ch. 3, and pp. 160-161
- Current documents on anti-trust and tax inversions

14 (12/4)  

- Closing discussion
- Readings to be announced

12/7  
Papers due by email to bgc@brandeis.edu
Course Description

Motivation. Business combinations are everywhere — mergers, acquisitions, joint ventures, alliances, consortia, and other types. Firms join forces to do what they could not do as well alone. Conversely, they often break themselves up into spin-offs when it seems better to do alone what they used to do together. The strategy behind these deals has become central to competitive strategy in many global industries.

Content. To understand this revolution in global business, we will examine the strategy behind business combinations, why companies use them, and how they are designed and managed. We will use case studies and conceptual readings to develop a framework for understanding and managing such deals. This is not a course in technical economics or in finance; instead, it deals with issues of strategy and general management; we will assume that students have a grounding in business strategy. Among the topics covered are:

- The role of combinations in competitive strategy
- Conglomerates and divestments in corporate strategy
- Designing combinations, from acquisitions to alliances
- Managing partnerships and consortia over their lifetime
- Organizational challenges in M&A and partnerships

The workload will be heavy. Required readings will consist of cases, articles from HBR and elsewhere, and assignments given in class. The assignments will include discussion and studies of combinations currently in the press and valuation exercises using real company data. The case packet will be available for purchase online; further information in the first class.

Instructor. The course is taught by professor Ben Gomes-Casseres, who has studied business combinations for 30 years; his book *Remix Strategy*, published in 2015 by Harvard Business Review Press, will be used in the class. His website www.remixstrategy.com has more information about the topic.

Class visitors. Throughout the course, we will host speakers with experience in alliances, acquisitions, and divestments. The syllabus shows probable speakers and dates, but due to their busy schedules, these may change, and others may be added. These speakers are currently likely to join us:

- **Lee Spirer**, Executive Vice President and Global Business Leader, Navigant. Leader in strategic and operational change at major consulting group.
- **Jeffrey Goh**, CEO of Star Alliance. Deep experience in airline industry, and recently appointed to head the largest multi-partner alliance grouping in global travel.
- **Jennifer StPierre**, EMC, VP of Corporate Development. Deep experience with technology M&A transactions and integration at EMC.
Relationship to other courses. There are no formal prerequisites for this course, but it is assumed that students have a background in micro-economics, business strategy, and have the ability to analyze financial statements. *Competition and Strategy* (BUS 260a) is an excellent foundation for this course and may be taken concurrently; students who have not taken that course might want to review the textbook. This course complements *Mergers and Acquisitions Analysis* (FIN 232a) and *Antitrust Economics: Regulating Competition* (ECON 241a); it does not repeat the material in those courses. This course teaches the strategy and business logic that is the foundation of any business combination (e.g. alliances, M&A, and ecosystems). The FIN course is focused on financial analysis of M&A transactions. And the ECON course is about regulatory and competition policy.

Course materials. The full syllabus and other course information will be given in the first class. The case packet is available online from HBS at the address on the top of page 2. Some articles, as noted in the class assignments, are available for free on the Business Source Premier (BSP) database of Brandeis Library. (You will need your UNET account info to sign on to BSP.) This syllabus, and some of the material needed for class will be on a special page at: www.strategygroove.com. This site will be used instead of LATTE, which is not used.

Keeping up with current trends. Newspapers every day show that deal making is hot. This course will encourage and enable you to keep up with current trends and help you to understand these deals quickly as they appear. To do this, we will discuss a number of current deals in class, beyond the cases that are assigned. Short student projects in the first half of the course will teach you how to analyze a new deal quickly and efficiently. The longer final paper project allows you to dig deeply into any deal or deal strategy of interest to you. We will host a large number of class visitors who will bring diverse perspectives from practice. Finally, I encourage you to subscribe and scan daily one or all three of these free newsletters:

- **Pro Rata, by Axios.** This is one of a new series of daily newsletters, with very condensed and punchy news, that cover everything from politics to tech. This one is the deals one. Go to: https://www.axios.com/axios-pro-rata/
- **Term Sheet, by Fortune.** An excellent source of investment news, including private equity, IPOs, and large deals, with links to excellent analysis in Fortune. Go to: http://fortune.com/gettermsheet/

Class Conduct and Performance

Because this course is based on the case method of learning, class participation by all students is critical. This method of learning is based on three premises. First, we can all learn a great deal from each other's points of view and experience. Second, we often learn more by questioning each other and debating issues than by listening passively or by reading alone. Third, there is no
“one best way” to manage complex business problems; rather, we must search for alternatives and weigh them critically.

In order for this method to work, we must all be prepared to go beyond case facts in the discussion. We will assume that everyone has prepared the case and readings thoroughly--there is simply no time to explain or reiterate case facts. Our discussions will aim to be analytical, not descriptive. This does not mean that we will ignore the facts; to the contrary, students should strive to back up their arguments with the facts of the case. In sum, I will expect three P’s from students in every class:

- **Presence.** You are expected to prepare for and attend all class sessions. It is your responsibility to catch up on material for any class that you miss. You may be excused from class if you are ill, or for urgent family or personal reasons. Under those circumstances, you may make up work by submitting a written analysis, upon agreement with instructor (optional). Attending career fairs, interviews, lunches, internships, team meetings, or other career-related events are not excused absences. You need to make your own trade-offs about these, i.e. decide which are important enough for you to miss class. You will not be penalized for the fact that you missed an occasional class for such reasons, but you will obviously miss the material presented and miss a chance to participate in class; there will be no make-up assignments for these absences. Multiple unexcused absences may carry a penalty in class participation.

- **Preparation.** You are expected to do the class assignments on time. This means that you are ready to start class or answer assigned questions if called on. In addition, it means that you have analyzed the case and exhibits, not just read them lightly. Where there is numerical analysis to be done to understand the financials or economics of the case, you will be expected to do this. It is often extremely useful to work in groups in preparing the cases for each class; you are encouraged to do this.

- **Participation.** You are expected to share your views and questions in class. Your class participation grade will depend on the cumulative quality of your contributions in class (see further below). This means that frequency of contributions counts, but also the quality of your comments. A good quality comment is one that applies relevant concepts to the facts of the case and that advances the discussion of issues on the floor. Listening patiently to your peers and engaging them respectfully will be valued.

Class times are Fridays, 9:30-12:20. **Please be on time; we start sharply at 9:30. Late arrivals are disruptive.** If you need to arrive late or leave early, please warn me beforehand. There will be a 15min break during this period. Since this is nearing lunch time, and we want you to eat healthily, you may bring some nourishment to class, as long as your eating does not disturb others – that is, please avoid choices that are too noisy or too aromatic ;).

**Laptops** are not needed during class discussion and should not be open; even "quiet" screens are distracting to those around you. You should print the materials you need for class and take
notes on paper, as it is not possible to analyze a case deeply without marking it up. Calculators are allowed in class. Text-messaging and smartphone/tablet use will follow the standards of a business meeting – use them only if it is an urgent matter or they device is needed for the work at hand. No computer or communication devices will be allowed during the midterm exam.

**Grading**

Students will be graded on a combination of the following:

- **Contributions to class discussions (40%).** I will keep a record of class performance for each student and determine a grade based on the frequency and quality of in-class comments. Students will receive a midterm evaluation on class participation.

- **Midterm examination (25%).** The midterm will take place in normal class time, but you will be given a case to read the day before. In the class time, you will be given 2-5 questions to answer using the case as evidence. The exam is open book.

- **An original final paper analyzing one or more combinations (35%).** Final papers may be written in teams of 2-3 students. The paper is an opportunity for you to delve more deeply into analysis of the strategy behind a combination or divestment, as discussed below. Depending on your progress on the paper, you may get an opportunity to present the work to the class in the final week of the course.

**Final Paper**

The final paper is an opportunity to examine in depth the strategy behind a combination (alliance, acquisition, constellation) or a divestment, or a larger strategy involving these kinds of deals. You may choose to study any market (defined by industry, country, or region); in fact, it is a good idea to include in your analysis how the deals address the competitive success factors in the market. The focal point of your paper must be a company, not an industry or country.

**Paper outline review.** To help you in selecting an appropriate topic and case, I will give you suggestions early in the course and will need to approve your paper proposal in advance. **Please submit a brief outline of what you will study in your paper on or before November 3rd (the earlier the better!).** This outline does not need to be detailed, but you should try to define your issue and you should do some preliminary research to check if data are available to address the issue. The outline should contain the following elements:

1. **Statement of the issue or question to be addressed.** You may choose any issue from those discussed in the course, but must state up front in the paper what you intend to address. In this section, give a short overview of where your issue fits in the course and which concepts you will use to explore your issue.
2. **Statement of the evidence (or case) you will use to address your issue**, that is, the firm(s) or organization(s) you choose to examine, and why this is a good context for your analysis. In selecting the case(s) you will examine, be sure you can get the information you need before you commit to the topic.

3. **Sources of data.** In this section, say whether you have so far been able to find useful information and where you think you will find more. You can use data from the business press, from annual reports, and from other sources. A useful place to start is with the online resources available through the Brandeis library; for a guide, go to: [http://guides.library.brandeis.edu/business/Strategy](http://guides.library.brandeis.edu/business/Strategy).

**Final paper format.** There is no set format for the final paper – use whatever organization you think best shows your work. Be sure that it covers the following points:

1. **Restate what questions you are researching.** These may have changed since you wrote the outline, so restate them here, as they apply to the actual paper you produced.

2. **Presentation of the most important facts.** In your paper, you should keep this section to a minimum – describe only what is needed for the reader to understand the context and to begin addressing the issues you are exploring. Do not write a full-fledged descriptive “case.” It is often better to give the facts as part of the analysis, rather than as a story up front.

3. **Analysis of your evidence.** This is the most important part of the paper; use the evidence you gathered to answer the questions you raised at the start. It is best to choose a clear focus and framework and use it throughout the presentation and analysis of the data.

4. **Conclusions.** End with a section drawing the implications of your study for decision makers. What are the main lessons you learned? Are they applicable to other situations? Note that this is not a section on recommendations to the company you study – you don’t need those for this project.

**Paper length** depends on the size of your team, if any. Papers written by individuals should be 8-12 double-spaced pages, not counting exhibits; papers written by teams of two students can be 12-20 pages, and papers by three students can be 20-30 pages. Exhibits should be used and analyzed in the paper, not added as “padding.” Exhibits can be included in the flow of the text or at the back of the paper; if at the back, make sure that the text refers clearly to each exhibit, as needed. The final electronic file that is submitted to me (see below) should have exhibits in the same electronic file; do not send two separate electronic files.

Please be sure to **cite your sources and provide references.** All direct quotes, specific data, paraphrased text, all tables and graphics, and important arguments should be properly sourced with foot- or end-notes; a bibliography can be used as reference for general discussions. Every year I am forced to downgrade some papers because of insufficient referencing; papers that
plagiarize the work of others in a major way are not treated so kindly. If you have any doubts or confusion about what I require, see the document here: https://www.brandeis.edu/global/current-students/academic/integrity/index.html

Papers should be **submitted to me by email in PDF format** no later than the day listed in the schedule. Unexcused late submissions will be penalized. If you have a good reason for missing this deadline (e.g. illness), you will need to get an “Incomplete” from me before this date.

**How I treat poorly referenced papers.** If a paper handed in at the end of the course is poorly referenced, I will send it back to you for correction, unless the paper appears to be a flagrant case of plagiary. The resubmitted paper, assuming referencing is satisfactory, will receive a 1/3-grade penalty for lateness. But no further action will be taken in these cases. Other violations of academic honesty norms will be dealt with as described in the handbook of Student’s Rights and Responsibilities at Brandeis.

**How to contact me**

Your main contact for questions about the course is me. Email is the quickest way to reach him; he usually responds promptly. You will also be expected to check your Brandeis email regularly, as I will send out notices to class from time to time.

I will have weekly **office hours** in Lemberg 258 on **Fridays 1:30-3:00 pm or by appointment**.

You are expected to be honest in all of your academic work. **This includes proper citation of the work of others in your papers and presentations.** Potential sanctions include failure in the course and suspension from the university. If you have any questions about my expectations, please ask. If you have any confusion about what we require, see the page on IBS website on Academic Integrity and the related pages on “Plagiarism” and on “Citations.” Start here: http://www.brandeis.edu/global/current-students/academic/integrity/index.html

If you are a student with a documented disability on record at Brandeis University and you wish to have a reasonable accommodation made for you in this class, please see me immediately. Please keep in mind that reasonable accommodations are not provided retroactively.
Tips for Preparing, Participating, and Learning in Case Classes

1. **Read the assignment questions and think** about how this case and the questions fit in the course. What have we done so far? What appears to be the topic for this class?

2. **Skim the case**; this means:
   - Read opening paragraphs and the headings of sections
   - Look at every exhibit to see what kind of data are offered
   - Read quickly a few parts of the case to glean the main themes
   - Go back to the assignment questions: What will you need to focus on in the case?

3. If there is an additional reading that is to be used in analyzing the case, read that next, or decide what other **tools you need to attack the case**. Sometimes additional reading is optional; in that case read it later. Use your judgment in allocating reading time.

4. **Read the case** and mark up useful information. Don’t highlight all of it; just scribble and highlight as needed to bring out the most important facts and issues. Keep an eye out for case facts that may be useful in answering the assigned questions or the main issues.

5. **Analyze the exhibits**; this means:
   - Identify what important messages they contain that speak to the issues
   - Do some calculations to get beyond the numbers that are presented (e.g. ratios)
   - Spend extra time on exhibits that seem to be core to the issues, skim over others

6. **Prepare your analysis**, this means:
   - Write down your answers to the assignment questions, in bullet or short form
   - Make reference to case facts to support your answers
   - Write down any additional issues that may be interesting to bring up in class

7. **Discuss your analysis** with fellow students; this means:
   - Get together in a study group or over coffee or dinner
   - Hear the perspectives of others; share insights; get tips for your analysis
   - “Rehearse” with them how and what you would say in class

8. You are now **ready for class!**
   - If you are lucky, you will be called to start class; open with your best shot
   - Otherwise, raise your hand and jump into the discussion with additional thoughts
   - Early in a class, you can usually use your prepared analysis; later, topics may evolve

9. **When you get the floor**:
   - Try to connect (build, debate) to what was said before, or to the issues “on the floor”
   - Try to explain your idea and argument, using facts to back it up, and be ready to elaborate
   - Don’t be concerned about your speaking skills or accent: We will listen!

10. After class, jot down **what you learned**, including
    - New insights about the topic or about how to approach the subject next time
    - Tips to yourself about case analysis and preparation
Study Assignments

Note: For each class, the assignment usually includes one or more cases and one or more conceptual readings (article or chapter). In class we will discuss the cases, while applying the concepts. In other words, you must study and "prepare" each case, using the assignment questions to guide you. Look carefully at the assigned pages, as in some cases you do not read to read the whole case or chapter.

See page 2-3 of this syllabus for a summary of readings and for a reminder of where to get the materials. You are responsible for acquiring the materials and following this syllabus.
I. Creating Joint Value: Combining Complementary Resources

8/31

*Analytical Framework*

**Readings:**

- Use online resources, or textbooks you have from other courses, familiarize yourself with these business actions and the general considerations in using them:
  - Acquisition
  - Merger
  - Alliance
  - Joint Venture
  - Divestment
  - Corporate Strategy

- For each situation, think of a case or example that you know from reading or from experience. Be prepared to share these examples in class conversation.

**Study questions:**

1. How do you define each of these business actions?
2. What are the key challenges that each action involves?
3. If you were a consultant to a CEO considering each of these actions, how would you frame the issues you would need to address to help the CEO make the right decision?
M&A and Partnerships

Readings:

- “Walt Disney Company and Pixar, Inc.: To Acquire or Not to Acquire?” HBS case (in online packet)
- Remix Strategy, Ch. 1; Tools #1 and #2

Study questions:

1. Does the combination of Disney and Pixar create more value than what the companies could create separately? Why or why not?
2. What are the various forms of combination that Disney and Pixar could use if they were interested in exploiting the joint value that you identify? Think about contracts, joint ventures, reciprocal investments, merger, and so on.
3. Has this calculation of combination value changed over time? Why?
4. Would an acquisition increase the value that Disney and Pixar could create together? If so, who should manage the combined entity?
9/14

Alliance Strategy

Readings:

- “Strategic Deal-making at Millennium Pharmaceuticals,” HBS case (in online packet)
- Remix Strategy, Ch. 2; Tools #3, #4, and #8

Study questions:

1. Evaluate Millennium’s alliance strategy. Why is the company pursuing this strategy?

2. What does Millennium have to do right to make the strategy succeed? What can go wrong?

3. Compare the various alliances that Millennium created over time. Is there a pattern? Is there a progression? Do the alliances fit together?

In class project:

We will discuss short student projects to be done in the first half of the course. There is nothing you need to prepare yet.
9/21

*Divestments*

Readings:

- “Tyco International,” HBS case (in online packet)
- “Creating Corporate Advantage,” Collis/Montgomery, in HBR (available on BSP)
- *Remix Strategy, Ch. 3;* Tools #5, #6, and #7

Study questions:

5. What was the thinking behind Tyco’s original diversification strategy?

6. Is diversification a good reason for the conglomerate strategy? Why or why not?

7. Should Tyco be broken up? What factors should be considered, and why?

8. If it is to be broken up, in how many pieces should it be broken, and which?

In class project: Short student presentations on current business deals, by one or two teams. Teams and topics will be assigned in an earlier class.
II. Governing Collaboration: Design and Management

9/28

Activists and Recombinations

Readings:

- “Genzyme and Relational Investors,” Darden case (in online packet)
- Read these updates to the case:
  - https://www.wsj.com/articles/SB10001424052748703373404576147483489656732

Study Questions:

1. How should Termeer respond to Whitworth in their meeting at the end of April, 2009?
2. How should Termeer respond to Sanofi’s acquisition bid in September 2010?
3. What does Sanofi see in Genzyme that convinced it to pay a premium for the acquisition? Do you think the premium paid can be justified by Sanofi?
4. Compare the perspectives of Whitworth and of Sanofi regarding Genzyme. Why do these perspectives agree or differ?
5. What will be the keys to success in the Genzyme-Sanofi merger?
6. Are activists a healthy mechanism for ensuring good corporate performance?

In class project: Short student presentations on current business deals, by one or two teams. Teams and topics will be assigned in an earlier class.
10/5
MIDTERM EVALUATION

Thursday, 10/4
Not a class, but be on the lookout: I will email the exam case to you.

If for any reason you cannot receive the email in this way, talk to beforehand. You will need this case in order to do take the exam the following day. The exam itself is open-book; bring the case itself to the exam.

Friday, 10/5 (9:30-11:30)
Midterm exam (in normal class time and place)

You will be asked to answer 2-5 questions about the situation in the case; please bring the case with you, but do not hand in the case. You will get exam booklets to use and that is the only material you should hand in.
II. Governing Collaboration: Design and Management (continued)

10/12

_Relational Contracts_

**Readings:**

- “Xerox and Fuji Xerox,” HBS case (in online packet)
- **Remix Strategy, Ch. 4;** Tools #11 and #12
- “Your Alliances are Too Stable,” Bamford/Ernst in HBR (available on BSP)

**Study Questions:**

1. What were the key success factors in this JV in the 1970s and 1980s?

2. What are likely to be the keys to success after that date, in the 1990s?

3. Focus on one of the issues raised at the end of the case: How should Xerox and Fuji Xerox manage the low-end laser-printer business?

**In class project:** Short student presentations on current business deals, by one or two teams. Teams and topics will be assigned in an earlier class.
III. Sharing Joint Value

10/19

Cooperating and competing

Required readings:

- “Wintel (A),” HBS case (in online packet).
- Remix Strategy, Ch. 5; Tools #13, #14, and #15
- “With Friends Like These,” Yoffie/Kwak in HBR (available in BSP)

Study questions:

1. What are the key drivers of Intel’s business model?
2. What are the key drivers of Microsoft’s business model?
3. Given these drivers, where should you expect to see conflict and where cooperation?

Heads up: Your paper topics outlines are due in next class. See syllabus above.
IV. Remix Strategy: Integrated Analysis

10/26
Multilateral negotiations

No readings.

Work on your paper topics...

Other Assignment:

Your paper topics outlines are due today – please email it to me by close of business the day before (11/2), or hand in a print at the start of today’s class. See syllabus above for what the outline should cover; it should be 1-2 pages long.
11/2

**Internal Remix Strategy**

**Visitor: Lee Spirer**, Executive Vice President and Global Business Leader, Navigant Consulting

**Required readings:**

- Navigant’s 2011 10k:  
- Handout from last class, with data about Navigant in 2008

**Study questions:**

Evaluate Navigant’s strategy and performance up to 2010, the last year reported in the 10K.

1. What were the competitive advantages of this professional services business in 2010?
2. What was the logic behind Navigant’s acquisitions? How were they integrated?
3. How do you think the economic downturn is affecting Navigant in 2010?

In 2012, Julie Howard, who had been 25 years with the company, was named CEO. She hired Lee Spirer to join her as COO. They revamped the management team, reset strategy, and began a transformation of the company.

4. Given the history, what should be Spirer’s priorities in 2012?
5. What challenges do you think Spirer faced, and how might he have responded to those challenges?

**Bio of visitor:**

Lee Spirer is in charge of all of Navigant’s global business lines, business development team and technology organization. Over the course of his 25-year career, Mr. Spirer has served in key strategic and operational leadership roles in a range of professional, business and technology services organizations. His experience includes founding Altegrity Risk International for Providence Equity Partners, then playing a key role in the acquisition of Kroll and the subsequent integration of his business. Previously, he was the Global Leader of Corporate Strategy and Business Development for Dun & Bradstreet Corporation. After taking Mainspring, a venture backed advisory firm, to public markets, he played a key role in its sale to IBM. At IBM, he went on to play a major role in the acquisition of PWC Consulting and assumed the position of General Manager for the $750M Global Financial Markets business of IBM Business Consulting. Earlier in his career Mr. Spirer was a Principal at Booz-Allen & Hamilton, focused on Financial Services Strategy Consulting. Mr. Spirer is a graduate of The Wharton School, with a Master of Business Administration, Finance and Strategic Planning. He received a Bachelor of Arts in Economics from Brandeis University.
Multi-partner constellations
Visitor: Dr. Jeffrey Goh, CEO of Star Alliance GmbH

Readings:


• Remix Strategy, Ch. 6; Tools #16 and #17

Study questions:

1. Why have alliances proliferated in the global airline industry?

2. How do the constellations govern cooperation and competition in the group?

3. Advise Star Alliance on these two issues:
   a. Evaluate the governance of Star – would you make any changes?
   b. Evaluate the threat from Gulf carriers – how should Star respond?

Bio of visitor:

Dr. Jeffrey Goh became CEO of Star Alliance in January 2017. Prior to that, he was Chief Operating Officer and General Counsel of Star Alliance, with responsibilities including strategy and membership development, human resources, joint sourcing and fuel-related projects, as well as legal, finance and project Management. Jeffrey Goh joined Star Alliance in 2007 from the International Air Transport Association (IATA) and prior to that taught and practiced law. He holds a doctorate in the principles and policies of regulating airline competition and regulation.
11/16

**Acquisition integration**

**Visitor: Jennifer StPierre, Vice President, Operations ISG, Dell EMC**

**Required readings:**

- **Remix Strategy, Ch. 7; Tool #20**
- Analysis of the merger by VC firm: [http://a16z.com/2015/10/26/dell-emc-vmware/](http://a16z.com/2015/10/26/dell-emc-vmware/)

**Study questions:**

1. Why did Dell and EMC decide to merge? Consider the logic of the merger from the point of view of each the two parties.

2. What are the key areas that Dell and EMC need to integrate to realize the value promised?

3. What challenges do you see for this merger integration?

**Bio of class visitor:**

**Jennifer StPierre** joined EMC in 2006 through the Finance Training Program. Since then she has worked 8 years in corporate development, focused on transaction execution and solving complex operational problems. She closed over $5.7 billion in software and other technology acquisitions leading teams of 30-60 people through the transaction process. Her primary responsibilities consist of negotiating deal terms, directing due diligence, developing complex business plans and determining the post close operating/integration models. She has also helped to structure joint ventures, led market landscape investigations and closed multiple minority equity investments in privately held technology companies. She holds an MBA in Finance from Bentley University.
11/30

*The Dealmaker vs The State*

**Required reading:**

- Review Remix Strategy, review Ch. 3 again, and read pp. 160-161
- Review the basic reasoning of the government authorities in horizontal mergers:
- Review the basic reasoning of the DOJ in one vertical merger:
- Look up current press reports on CVS-Aetna merger proposal.

**Study questions:**

1. What is the rationale of the anti-trust authorities for regulating horizontal mergers?
2. What is the rationale of the DOJ for regulating the ATT-Time Warner vertical merger?
3. How do these rationales apply to the proposed CVS-Aetna merger?
12/4

Closing discussion

Required reading:

- To be determined

Study questions:

1. To be determined
FINAL PAPER

12/7 Papers due

See pp. 8-10 of this syllabus for paper requirements and suggested content. Unexcused late submissions will be penalized. If you have a good reason for missing this deadline, you will need to get an “Excused Incomplete” from me before this date.

Remember to reference your sources properly. Improperly referenced papers will be returned ungraded and may be subject to disciplinary action. If you have any doubts about our standards of Academic Integrity or the processes by which these are enforced, see: http://www.brandeis.edu/global/current-students/academic/integrity/index.html

Course requirements differ; in this course, the minimum you should cite are:

- All direct quotes and verbatim text
- All major ideas and arguments
- All graphics, charts, and data series (if you compile a chart or calculate a series, say where the raw data is from and say what you did)
- Any text taken verbatim from the web or another source
- Major portions of text that are paraphrased or drawn from another source
Selected Bibliography


$$\text{____, World Class: Thriving Locally in the Global Economy. New York: Simon and Schuster, 1995.}$$


$$\text{____, "Joint Ventures and the Option to Expand and Acquire," Management Science, January, 1991, pp. 19-33.}$$


Recommended Readings available on Business Source Premier

Go to the BSP database, and search by title and author to get a PDF that you can save and read, but, which you cannot print. The BSP database is available on the Brandeis LTS Research Guide, under Current Students/Academic Resources on the IBS webpage.

Title: Finding the Right Path
Authors: Capron, Laurence and Mitchell, Will

Title: Creating Corporate Advantage
Authors: David J. Collis; Cynthia A. Montgomery
Source: Harvard Business Review; May 1998

Title: Your Alliances Are Too Stable
Authors: Ernst, David and Bamford, James
Source: Harvard Business Review; Jun 2005

Title: With Friends Like These
Authors: Yoffie, David B. and Kwak, Mary
Source: Harvard Business Review; Sep 2006

HBS Cases available (for purchase) on Harvard Business School Publishing website (www.hbsp.com)

I have created a course area on the Harvard Business Online website where you can order the required materials for this course.

Click on the link below to order the course materials:
http://cb.hbsp.harvard.edu/cbmp/access/79220641

If you have not registered with Harvard Business Online, you will be required to do so. This URL will provide you with a list of required materials for use in this course. The products are listed at the bottom of this email.

The cases that should be available in the package for this course, and that you will need to have to do the work in the course are the following:

9-709-462  The Walt Disney Company and Pixar, Inc.: To Acquire or Not to Acquire?
9-800-032  Strategic Deal-Making at Millennium Pharmaceuticals
9-798-061  Tyco International
UV6529    Genzyme and Relational Investors: Science and Business Collide?
9-391-156  Xerox and Fuji Xerox
9-704-419  Wintel (A): Cooperation or Conflict

This syllabus was last updated on: April 16, 2018 by BGC