

Wisconsin dealmakers more optimistic about M&A market

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After 18 months of pervasive gloom, dealmakers from Wisconsin are increasingly more positive about the mergers and acquisitions environment, according to the twice-yearly DealMakers Survey by the Association for Corporate Growth (ACG) and Thomson Reuters.

While the last three surveys were consistently dreary, with more than 80 percent of dealmakers reporting a fair to poor M&A environment, the most recent survey reports that 91 percent of Wisconsin dealmakers expect an increase in M&A activity in the next six months.

“The M&A market is clearly getting stronger,” said Ronald Miller, ACG-Wisconsin president and managing director at Cleary Gull Inc. “The lending market is slowly beginning to rebound and both strategic buyers and financials buyers are actively looking for acquisitions.”

According to Thomson Reuters, the volume of all worldwide mergers and acquisitions totaled \$573.3 billion during the first quarter of 2010, a 21-percent increase over the first quarter of 2009. Eighty-eight percent of survey respondents identified the current environment as a buyer’s market, and 95 percent expect strategic investments to accelerate in 2010.

The survey polled investment bankers, private equity professionals, corporate development officers, lawyers, accountants and business consultants in March and April 2010. Dealmakers expect the following sectors to experience the most merger activity in the second half of 2010: Manufacturing and Distribution (48 percent); Business Services (23 percent); Financial Services (5 percent); and Healthcare/Life Sciences (5 percent).

“As the economy improves, the business services sector is expected to gear up quickly to help companies grow, while real estate, finance and manufacturing present good opportunities for distressed investing,” said Jim Beecher, publisher of Buyouts, a Thomson Reuters publication. BizTimes will explore the current market at its “M&A Forum: Buy? Sell? Hold?” on Wednesday, May 19, from 7:30 to 11:30 a.m. at The Pfister Hotel, 424 E. Wisconsin Ave., Milwaukee.

The keynote speaker will be Mark Herndon, president of Dallas-based Parkwood Advisors LLC, a financial services firm specializing in mergers and acquisitions, investment banking and private equity financing. Herndon is co-author of “The Complete Guide to Mergers and Acquisitions: Process Tools to Support M&A Integration at Every Level.”

Several breakout sessions will follow Herndon’s keynote presentation. The breakout sessions will be designed to help business owners and their advisors develop plans and strategies for an acquisition, prepare a company for an eventual sale or craft strategies to invest a windfall realized once a business sale is complete.

The breakout sessions will be led by experts from Reinhart Boerner Van Deuren Attorneys at Law and Northern Trust Bank. The cost to attend the event is \$75 per person and \$600 for a table of eight. For information or to reserve a spot, visit www.biztimes.com/site/m-a-forum.