MERGERS: Hear The Realities
So You Can Prepare

Experience

Benefits of Mergers

• Synergy gains
• Streamlined efficiencies
• Greater impact
• New fundraising opportunities
• More animals saved
What’s Behind The Curtain?

• Most are really acquisitions
• Three types of mergers:
  – Horizontal
  – Vertical
  – Conglomerate
• 70-90% fail
• Culture is the barrier

Reasons for Failure

• No strategic plan
• Poor stakeholder engagement and third-party mediation
• Lack of organization-wide engagement

Road Blocks To Expect

• Board members who don’t see the value or purpose
• Volunteers who liked the current way of doing things and have a lot invested
• Staff who don’t want change
• Donors who picked the competition for a reason
• Confused public
What comes first?

• How does it normally begin?
  – Relationship building
  – Collaboration
  – Joint ventures
  – Partnerships

Lesson # 1

Patience & Endurance

Anatomy of a Merger

Before

Public Phase

Fast Track

After
Lesson # 2

Know when to Jump

Lesson # 3

Have a plan

Lesson # 4

Pay attention to all the stakeholders
Lesson #5

Learn reflective listening and practice humility

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Words of wisdom

- Be patient; mergers take years
- Do due diligence:
  - Fiscal health
  - Valuation of assets
  - Disclosing lawsuits and debts
- Have a strategic plan:
  - First 100 Days
- Take care of your people
- Accept that you will lose people:
  - Staff, volunteers, and donors
- Volunteer forums are essential

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Any Questions?

Thank You