



Exceptional Leaders International

SUCCESS STORY



European IT Services Company Acquires US-Based Competitor

BACKGROUND

Today the merger and acquisition playing field is crowded. This success story is about a circumstance that has become common — one rapidly growing company seeking to acquire another rapidly growing company. Needless to say, these situations can be complex and require experience and wisdom in order to navigate them properly.

The client was a multibillion dollar European IT services business looking to expand through acquisition. The company had recently acquired a US-based competitor that itself had a global footprint and had grown through a rapid succession of acquisitions.

SITUATION

The Latin American operation of the just-acquired US organization presented several challenges. Their Mexican business had made two of its own acquisitions shortly before the acquisition, which had not been integrated. In addition, the Brazilian business was in the process of divesting a non-core portion of their business. Once this divestiture was completed, the Brazilian business would need to be restructured to allow for rapid growth to remain viable within the parent organization.

SOLUTION

An E.L.I. partner was brought in to lead the integration of the two acquired companies into the Mexican operations. The integration required a keen focus on the human capital and process side of the business. The businesses were consolidated from three separate locations to a single new location. To accomplish this required moving all three businesses to a single ERP platform. Duplicate accounting and human resource capabilities were eliminated. This consolidation into one location allowed the organization to better integrate sales and services delivery, thereby enhancing the customer experience across the company. In addition, the single location served as a demonstration site for the full range of technology services offered by the client also enhancing market visibility. After the divestiture of the non-core portion of the Brazilian business, the E.L.I. Partner led the restructuring of the remaining business to reduce overhead costs. After this restructuring, the E.L.I. Partner led the successful acquisition and integration of a multimillion dollar network and telecommunications infrastructure solutions provider which further strengthened the Brazilian service offering and provided a stable platform for growth.

RESULTS

After the E.L.I. Partner successfully led the integration of the two acquired companies into the Mexican operations, the Mexican business was primed for its transformation from an underperforming entity to a vibrant growing business. The combination of the restructuring and the acquisition in the Brazilian operation led to a multimillion dollar improvement in profitability and cash flow.

This success story took place before the referenced E.L.I. Partner joined E.L.I. It is used here as an example of the types of services we offer and to display the experience and talent of the E.L.I. Partner. The formation of E.L.I. was driven by a desire to bring multifunctional expertise together in one firm.