

The Value of Entity Management: A Multi-Part Study By Deloitte

Part 1: The Impact on Mergers & Acquisition

Deloitte Legal Business Services

02.14.2022

A multi-part study by Deloitte Legal Business Services fills a gap in research on the value of proper legal entity management (LEM). The first part of the study, featuring insights from 12 prominent mergers and acquisitions (M&A) attorneys, dives deeper into why LEM is so important and how you can avoid pitfalls that kill M&A deals.

Deloitte's report, "The Value of Entity Management, Part 1: The Impact on Mergers and Acquisitions", finds that companies with sound legal entity management attract higher prices, among other benefits, in M&A transactions. Several of the M&A professionals emphasized the effect that LEM failings have on a seller's credibility, leading to closer scrutiny of other aspects of their business and coloring the entire negotiation. "It's a credibility issue," Sheppard Mullin partner Shon Glusky said in the report. "If I'm going to give you \$100 million, I want to know that the company you were running was run properly."

Attorneys

Shon E. Glusky

Practice Areas

Corporate

Mergers and Acquisitions