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H.J. HEINZ

M&A

INTRODUCTION

The H.J. Heinz Company — a worldwide food corporation — is one of the most outstanding examples of M&A in recent years. The \$23bn machinery deal signed in 2013 featuring the two giants, Berkshire Hathaway and 3G Capital, points towards convergence in food and beverages sector.

STRATEGIC UNDERPINNING

The multiplicity of reasons for the acquisition includes Heinz well-established global brands, solid supply chain and a broad product offering. This was well in line with 3G Capital's business model to make new investments in large FMCG organizations while Berkshire Hathaway aimed at achieving high long term functioning and corporate financial strength by means of this relationship.

FINANCIAL ANALYSIS

The Heinz acquisition was one of the most syndicated deals and followed a unique underwriting structure. It was a 50/50 cash and stock deal where Berkshire paid \$12 billion in cash and infused 3G Capital's symedad when it comes to management efficiencies.

CONCLUSION

Introducing the H.J. Heinz M&A case as an apt example for illustrating how strategic fit and implementation are critical to success in M&As. For further discussion, check on [Thecase.solutions.com](https://www.thecase.solutions.com). This case is a rich case study for students seeking insight into the strategic, organizational, and managerial dynamics and possibilities present in large-scale change initiatives.

RECOMMENDATION

This case is just a sample partail case solution. Please place the order on the website to order your own orignally done case solution.

Resource: Visit thecasesolution.com for detailed analysis and more case studies.