M&A AT A GLANCE

Paul|Weiss

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Key Takeaways

- U.S. M&A declined by both deal value and deal count in September compared to August. Global M&A fared better, with deal value up, but deal count down.
- Year over year (YOY), global deal value is up, but global deal count and U.S. activity are all down.
- Telecommunications was the most active U.S. industry in September by total deal value as a result of the Frontier/Verizon deal (Paul, Weiss advised Frontier), the month's largest.
- Inbound U.S. crossborder activity was down in September compared to August by both deal value and deal count. France led by inbound deal value and Canada led by inbound deal count.
- Outbound activity was up by deal value, but down by deal count. Jersey led by outbound deal value and the United Kingdom led by outbound deal count.
- Among definitive $100 million+ U.S. public deals announced in September, interesting observations include the following:
  - September's lone financial deal also had the month's only go-shop; and
  - There were no tender offers.
- Among all $100 million+ U.S. public deals announced in September (including those for which a definitive agreement was not signed), 36.4% were hostile or unsolicited (compared to 19.3% LTM).

Strategic vs. Sponsor Activity

U.S.
Total
$107.4 billion – ▼23.0%
582 deals – ▼30.0%
Strategic
$67.4 billion – ▼24.5%
368 deals – ▼36.4%
Sponsor
$40.0 billion – ▼20.1%
214 deals – ▼15.4%

Global
Total
$327.6 billion – ▲20.3%
2,322 deals – ▼15.6%
Strategic
$239.8 billion – ▲20.6%
1,796 deals – ▼19.1%
Sponsor
$87.7 billion – ▲19.4%
526 deals – ▼0.6%

Industry Activity

most deals
193 deals
Computers & Electronics

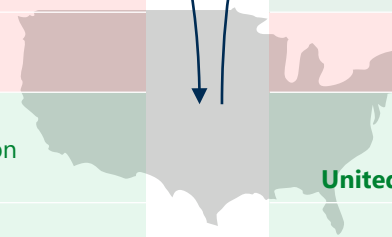
last 12 months
2,852 deals
Computers & Electronics

most dollar value
$30.2 billion
Telecommunications

last 12 months
$320.8 billion
Computers & Electronics

Crossborder Activity

U.S. Inbound	U.S. Outbound
$9.7 billion ▼49.9%	$8.9 billion ▲62.4%
80 deals ▼19.2%	86 deals ▼20.4%
leading country **France** – $3.0 billion **Canada** – 15 deals	leading country **Jersey** – $2.5 billion **United Kingdom** – 19 deals
leading country last 12 months **Japan** – $54.3 billion **Canada** – 220 deals	leading country last 12 months **Canada** – $36.1 billion **United Kingdom** – 336 deals

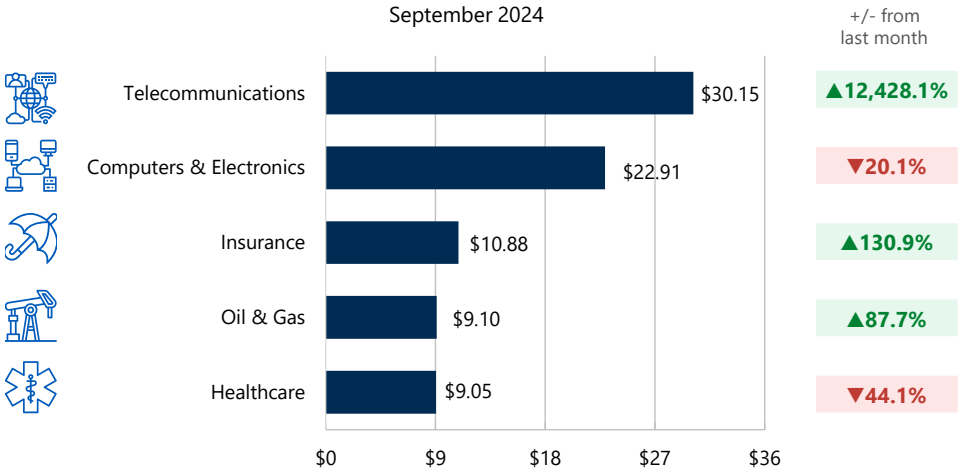


All data in this publication is for September 2024 and is as of October 10, 2024, unless otherwise specified. Each metric in this publication that references deal volume by dollar value is calculated from the subset of the total number of deals that includes a disclosed deal value.

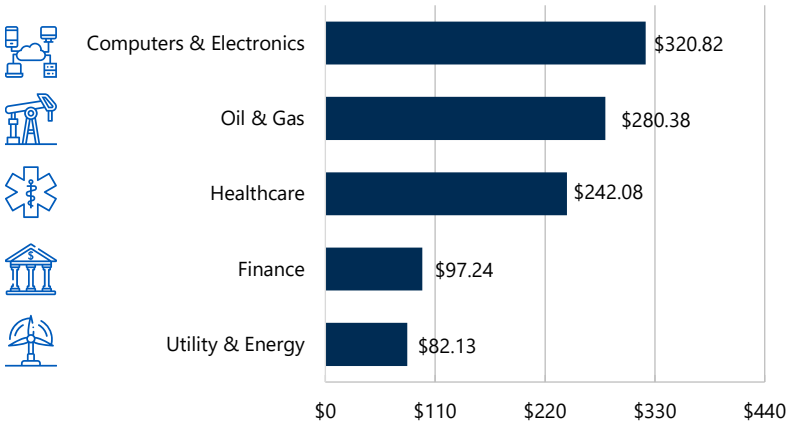
Most Active U.S. Target Industries[1]

Deal Value (U.S.$B)

September 2024

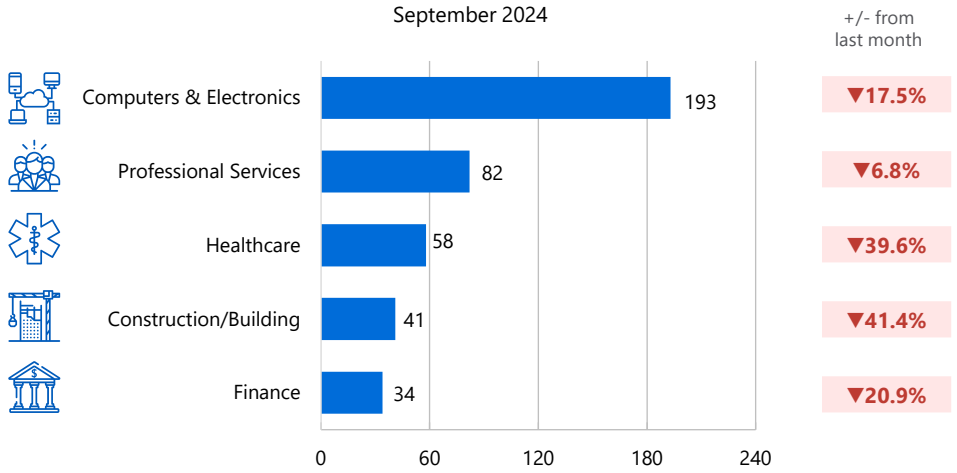


Last 12 Months

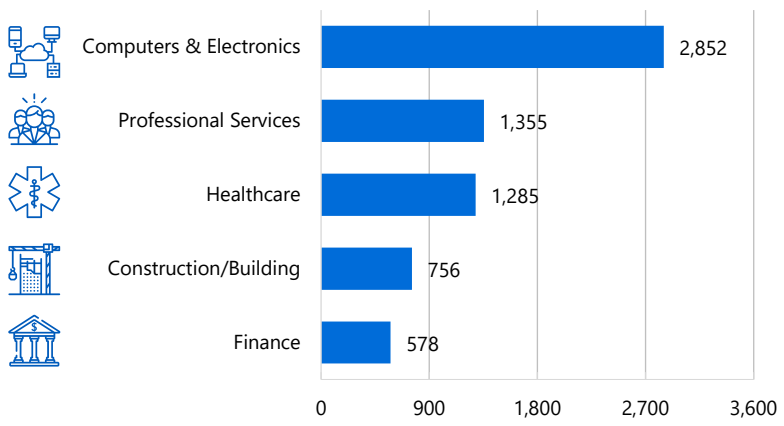


Number of Deals

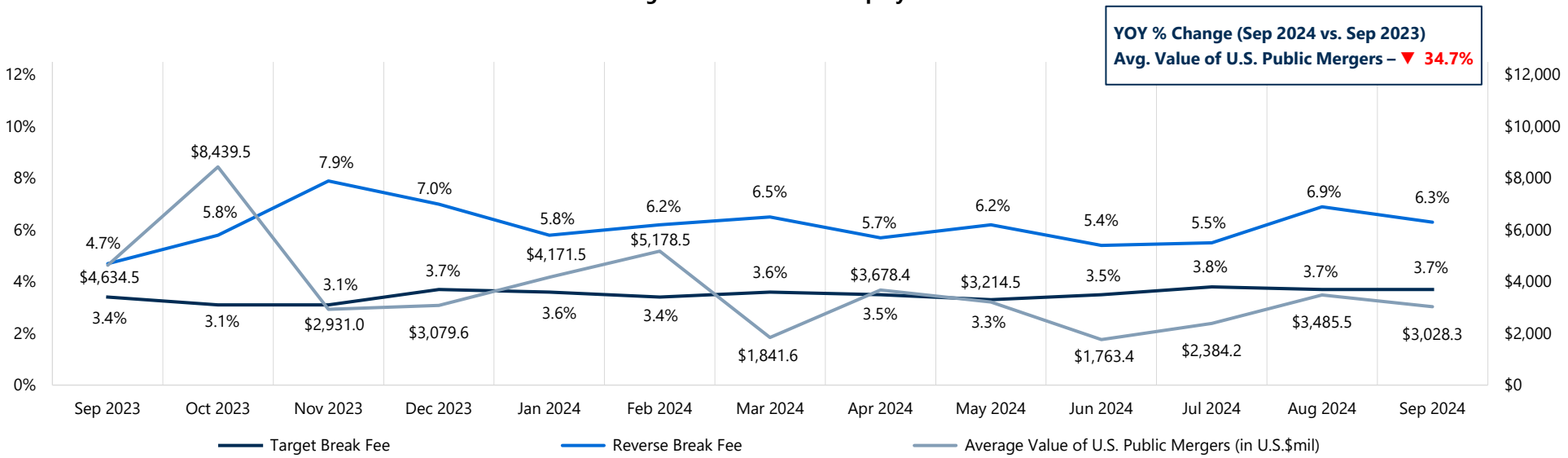
September 2024



Last 12 Months



Average Break Fees as % of Equity Value[2]



Average Break Fees as % of Equity Value[3, 4]

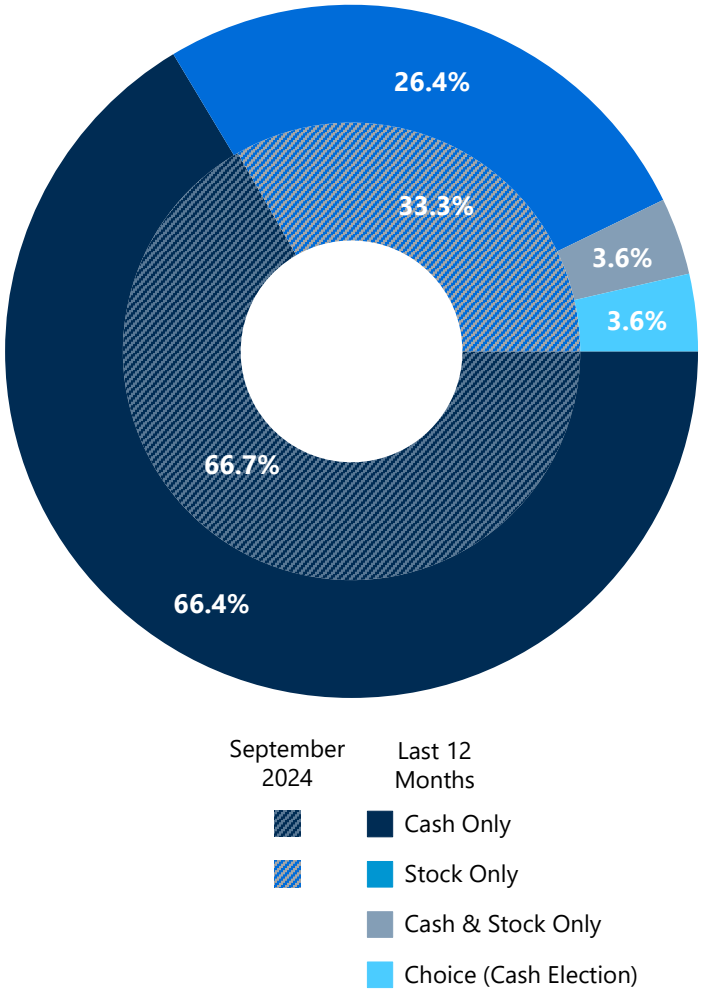
	September 2024	Last 12 Months
Target Break Fee for All Mergers	3.7	3.5

	September 2024	Last 12 Months
Reverse Break Fee for All Mergers[5]	6.3	6.1
Reverse Break Fee for Mergers Involving Financial Buyers[6]	6.4	6.4
Reverse Break Fee for Mergers Involving Strategic Buyers[7]	6.2	6.0

U.S. Public Merger Go-Shop Provisions[3, 4]

	September 2024	Last 12 Months
% of Mergers with Go-Shops	16.7	7.1
% of Mergers Involving Financial Buyers with Go-Shops[8]	100.0	15.8
% of Mergers Involving Strategic Buyers with Go-Shops[9]	0.0	3.9
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops[10]	45.0	35.3
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops[11]	45.0	38.0
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops[12]	N/A	31.3

Form of Consideration as % of U.S. Public Mergers[13]



Tender Offers as % of U.S. Public Mergers

September 2024	0.0
Last 12 Months	11.4

Hostile/Unsolicited Offers as % of U.S. Public Mergers[14]

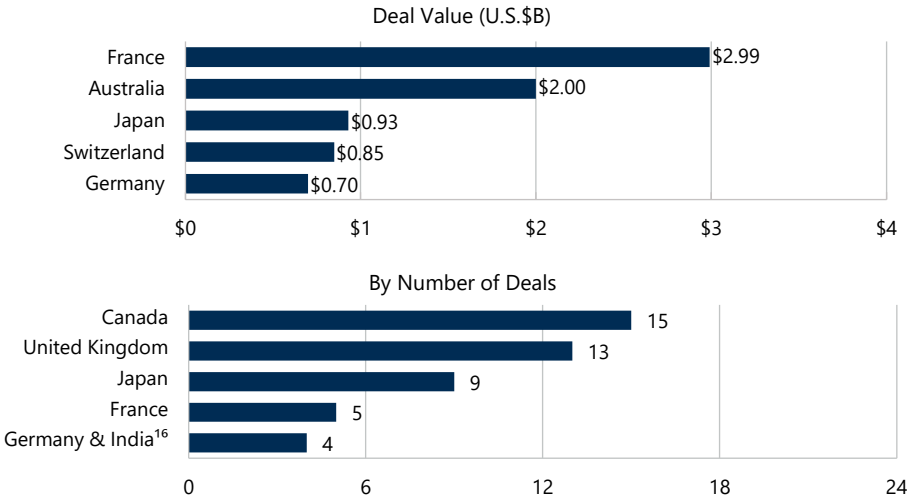
September 2024	36.4
Last 12 Months	19.3

Unaffected Premium %[14, 15]

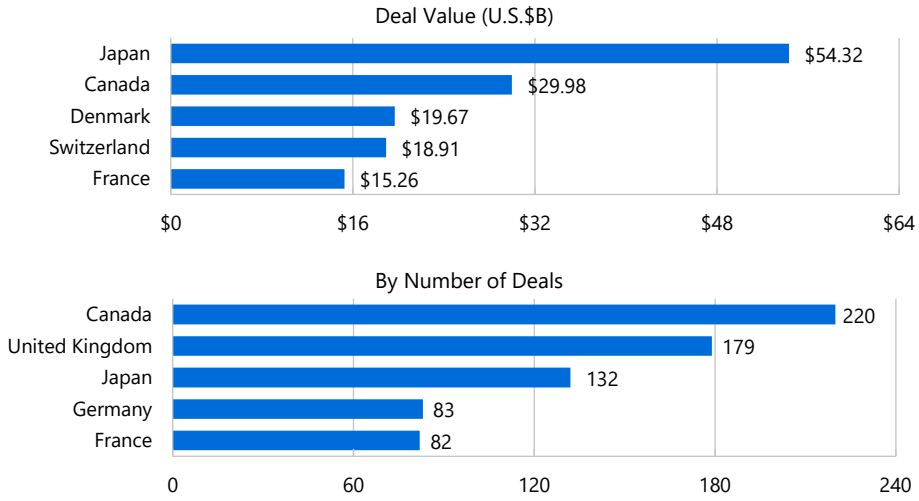
September 2024	47.5
Last 12 Months	42.9

Top 5 Countries of Origin for Inbound U.S. Crossborder Transactions

Inbound U.S. Crossborder Transactions for September 2024

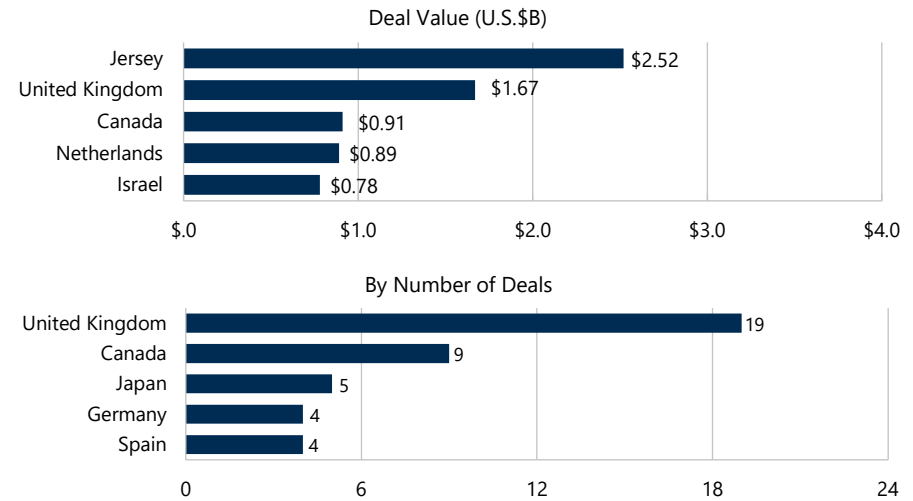


Inbound U.S. Crossborder Transactions for the Last 12 Months

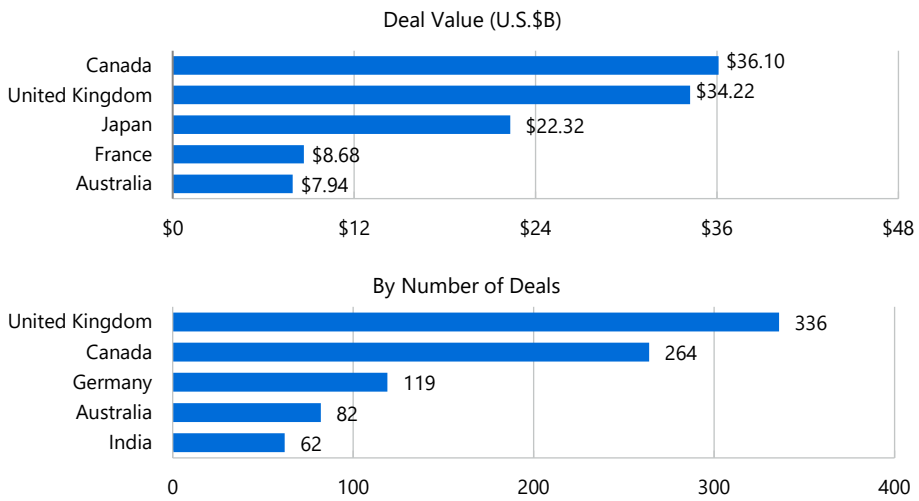


Top 5 Countries of Destination for Outbound U.S. Crossborder Transactions

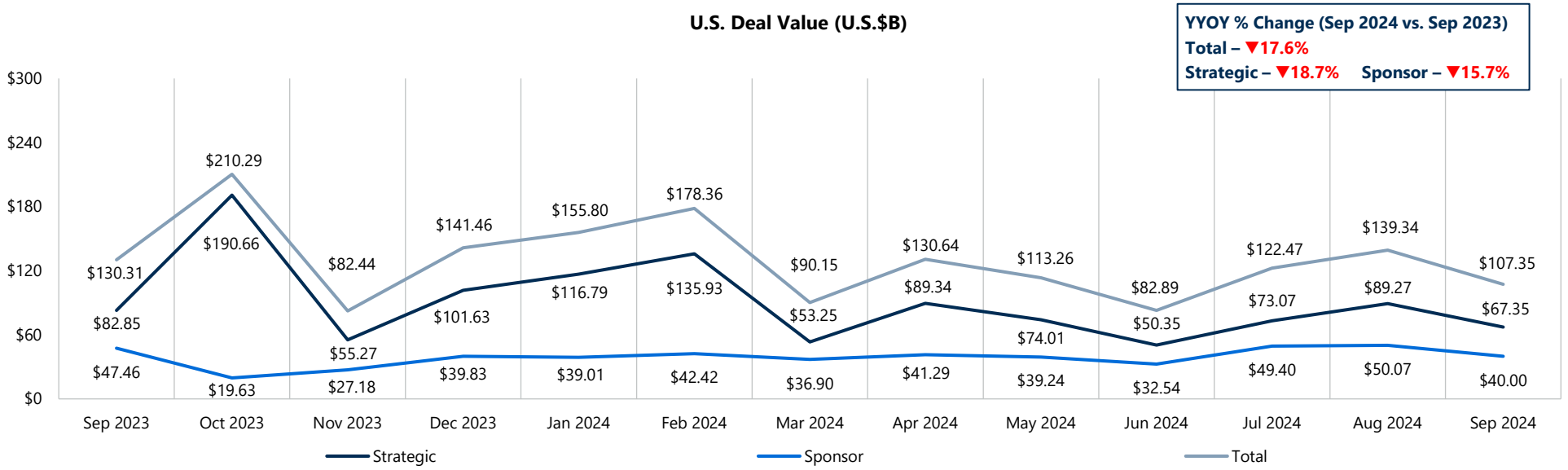
Outbound U.S. Crossborder Transactions for September 2024

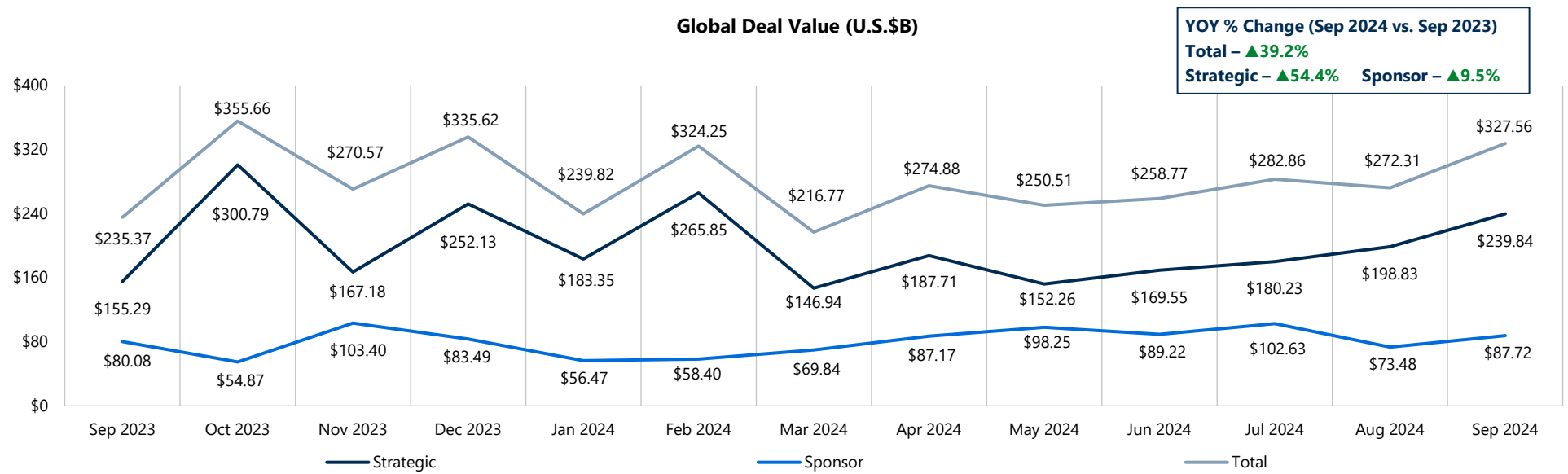


Outbound U.S. Crossborder Transactions for the Last 12 Months



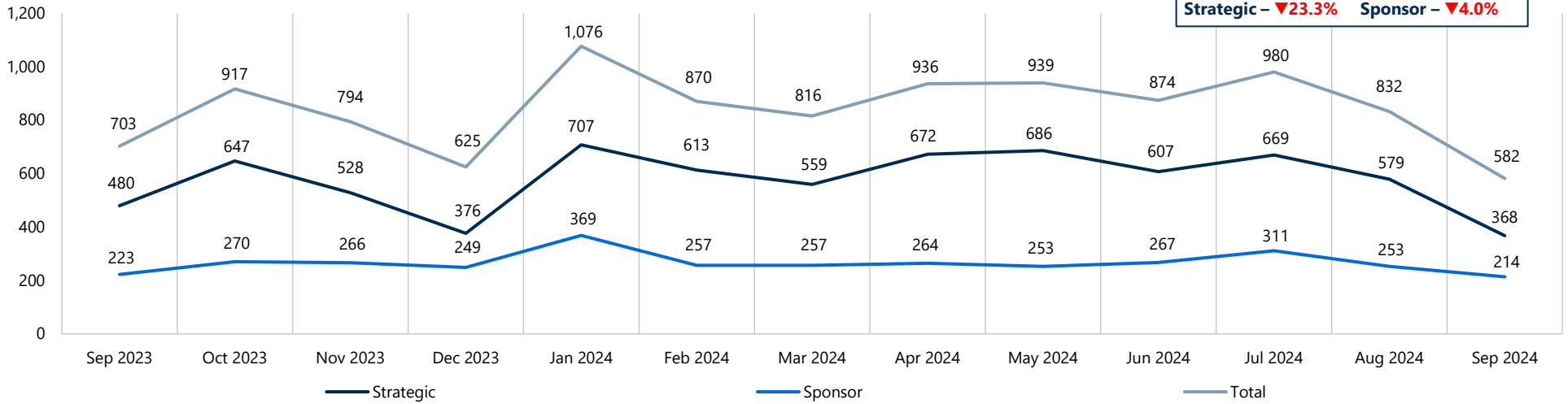
Appendix: M&A Activity – 12-Month Trends





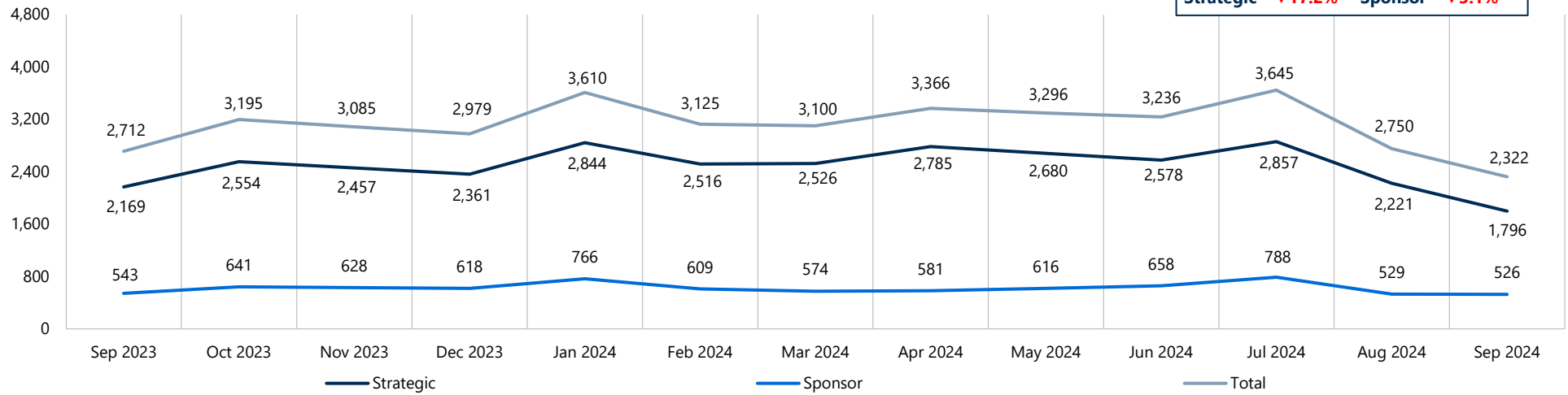
U.S. Number of Deals

YOY % Change (Sep 2024 vs. Sep 2023)
Total – ▼17.2%
Strategic – ▼23.3% Sponsor – ▼4.0%

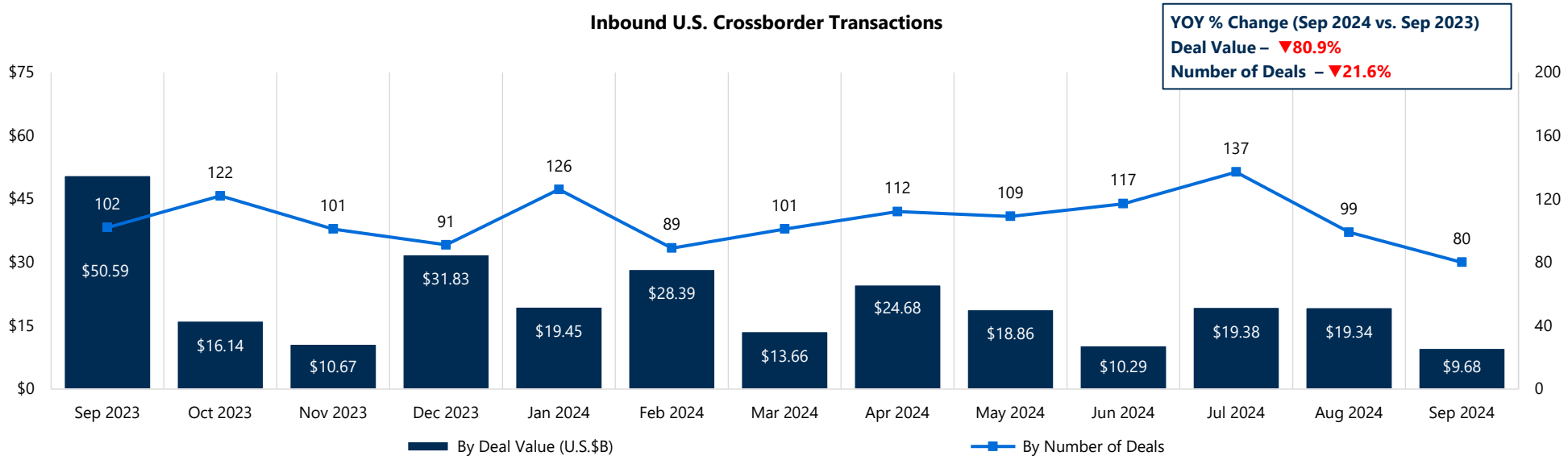


Global Number of Deals

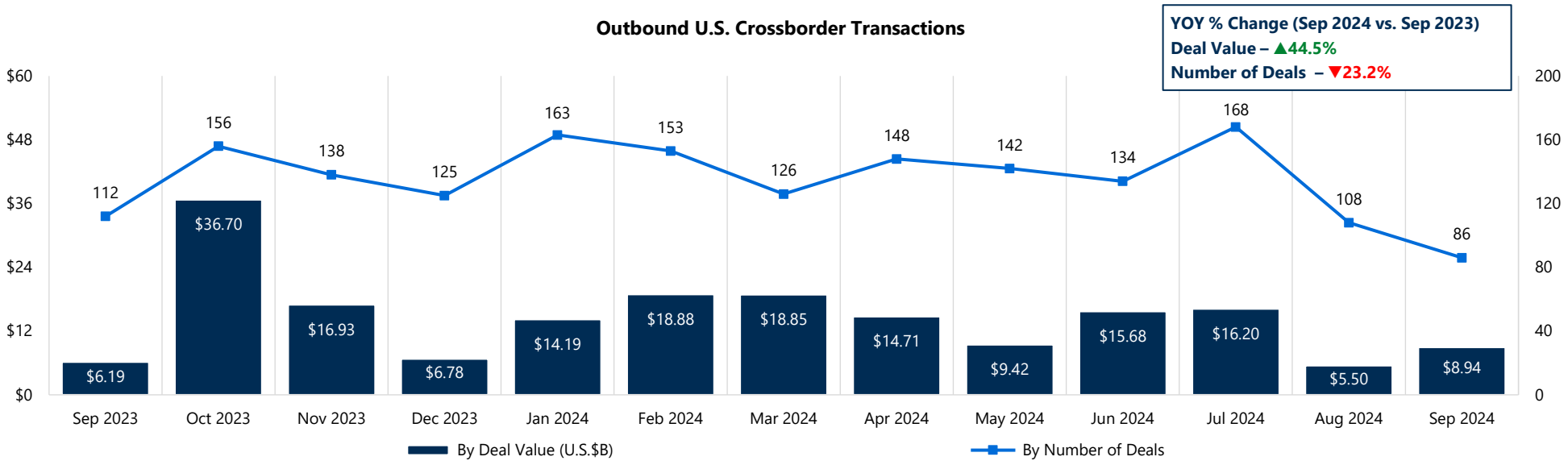
YOY % Change (Sep 2024 vs. Sep 2023)
Total – ▼14.4%
Strategic – ▼17.2% Sponsor – ▼3.1%

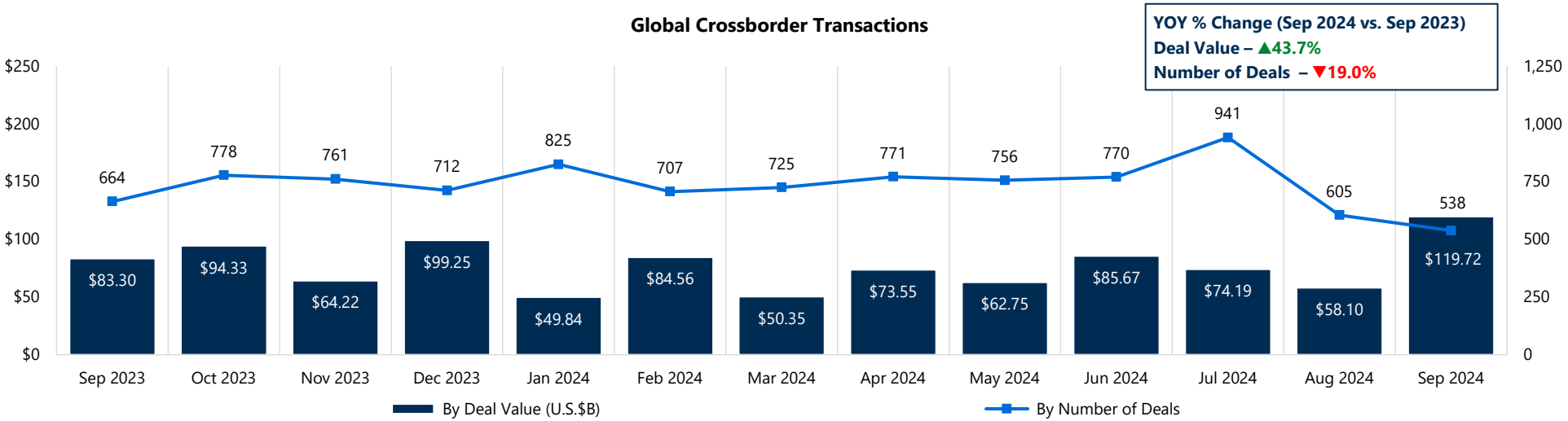


Inbound U.S. Crossborder Transactions



Outbound U.S. Crossborder Transactions





Endnotes

1. Industries categories are determined and named by Dealogic.
2. Based on the highest target break fees and reverse break fees payable in a particular deal.
3. There were six transactions in September 2024.
4. Financial and strategic categories are determined by Deal Point Data.
5. Two transactions in September 2024 had a reverse break fee.
6. One transaction in September 2024 involving a financial buyer had a reverse break fee.
7. One transaction in September 2024 involving a strategic buyer had a reverse break fee.
8. One transaction in September 2024 involved a financial buyer.
9. Five transactions in September 2024 involved a strategic buyer.
10. One transaction in September 2024 had a go-shop provision.
11. One transaction in September 2024 involving a financial buyer had a go-shop provision.
12. No transactions in September 2024 involving a strategic buyer had a go-shop provision.
13. Due to rounding, percentages may not add up to 100%.
14. This data includes both announced transactions for which a definitive merger agreement was reached and filed and those for which a definitive merger agreement was never reached and filed (including withdrawn transactions).
15. Unaffected Premium % indicates the difference between the current price per share offered as consideration in the transaction and the "unaffected price", reflected as a percentage. The "unaffected price" is the target's closing stock price on the date that is one calendar day prior to the first public disclosure regarding a potential deal involving the target and on which the target's stock price was unaffected by the news of the deal.
16. Each of Germany and India was the country of origin for four transactions in September 2024.

The charts on pp. 1–2 and 5–9 were compiled using Dealogic, and are for the broader M&A market, including public and private transactions of any value. Deal volume by dollar value and average value of deals are calculated from the subset of deals that include a disclosed deal value. The charts on pp. 3–4 were compiled using Deal Point Data, and include acquisitions seeking majority or higher control of U.S. targets valued at $100 million or higher announced during the period indicated and for which a definitive merger agreement was reached and filed (except with respect to data regarding premiums and hostile/unsolicited offers, which is for all announced deals). "Last 12 Months" data is for the period from October 2023 to September 2024, inclusive, and "year over year" data compares September 2023 and September 2024. Data obtained from Dealogic and Deal Point Data has not been reviewed for accuracy by Paul, Weiss.

Strategic M&A Firm Highlights

	$60.0B	**Chevron Corporation**	Acquisition of Hess Corporation
	$4.5B	**Envestnet**	Take-private sale to Bain Capital
	$26.0B	**Endeavor Energy Resources**	Merger with Diamondback Energy
	€12.0B	**Carrier Global Corporation**	Acquisition of Viessmann Climate Solutions
	$20.0B	**WestRock**	Combination with Smurfit Kappa, creating Smurfit WestRock
	$10.8B	**Merck & Co.**	Acquisition of Prometheus Biosciences
	$21.4B	**World Wrestling Entertainment**	Agreement with Endeavor to merge WWE with UFC to form a new publicly listed company
	$20.0B	**The Strategic Review Committee of the Board of Directors of Frontier Communications**	Sale to Verizon Communications
	$3.9B	**Amazon**	Acquisition of One Medical
	$6.4B	**IBM**	Acquisition of HashiCorp

Private Equity M&A Firm Highlights

	$13.4B	**Madison Dearborn Partners and HPS Investment Partners**	Sale of their portfolio company NFP to Aon
	$1.5B	**Brookfield Asset Management**	Strategic partnership with Castlelake
	$11.0B	**Funds managed by affiliates of Apollo Global Management, Inc.**	Investment to acquire from Intel Corporation a 49% equity interest in a joint venture entity
	$10.6B	**General Atlantic**	Sale of its stake in its portfolio company Oak Street Health to CVS Health
	€3.6B	**KPS Capital Partners**	Sale of Eviosys to Sonoco Products Company
	–	**TDR Capital**	Acquisition of Acqua & Sapone
	–	**Roark Capital Group**	Acquisition of Subway
	–	**Clearlake Capital Group**	Consortium deal to acquire Chelsea Football Club
	$8.0B	**Apollo Global Management, Inc.**	Acquisition of Credit Suisse's assets from UBS
	$2.1B	**Blackstone Infrastructure Partners**	Acquisition of a minority interest in NIPSCO

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