



MG Technologies, a German manufacturer, decided to divest its chemical business, but was concerned that the complexity of the sale would slow due diligence to a crawl. Intralinks® helped the company shop the chemical assets to the maximum number of bidders in the minimum amount of time, and earn top value for its shareholders.



The Situation

In October, 2003, MG Technologies declared it would sell its chemical business, which included six assets. More than 170 investors across Europe and North America were identified as possible buyers of either the whole chemical business or parts of it. The company hoped to raise more than €2 billion and complete the sale in the shortest time possible — the company’s CEO declaring the need for swift implementation of the new business strategy.

The Problem

With a physical data room, due diligence for such an asset sale typically takes six months or more to complete. MG Technologies had thousands of documents that were spread across six assets up for sale, in several countries and regions.

The Implications

Sellers needed to distribute information to potential buyers, including every detail of assets for sale. To shorten the overall deal time and increase the likelihood of obtaining maximum bids, MG Technologies’ bankers and strategic advisors recommended that the company use a virtual data room to facilitate the due diligence process.

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« The asset sale brought in nearly €2.7 billion – at the upper range of what financial experts predicted – and the deal closed months sooner than expected. »

Company Spokesperson,
MG Technologies

The Solution

Intralinks emerged as the clear choice. With its extensive experience in virtual data rooms for mergers and acquisitions, and its high level of security, Intralinks Exchanges™ minimized the administrative burden on MG Technologies' staff improved access to information for buyers, and removed geographic and time zone constraints.

The Result

MG Technologies announced the completion of the sale of its chemical businesses to multiple buyers in May 2004. At €2.68 billion, the sale marked a tremendous success. Using an Intralinks' virtual data room, MG Technologies was able to reach the optimal number of buyers to gain top value for its shareholders in just four months. By the deal's end, more than 1,000 lawyers, advisors and experts conducted their due diligence online.

The Benefit

Intralinks' advanced reporting capabilities enabled the team to monitor buyer group activity within the data room in real time. Knowing who viewed each document helped MG Technologies better understand which elements of the assets interested individual buyers, which turned out to be very valuable information during negotiations.

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