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Thomson Reuters Strategic Research Reports provide timely and unique insight to increase the efficiency and effectiveness of corporate officers.

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# STRATEGIC RESEARCH

## CORPORATE COMMUNICATION STRATEGIES DURING MERGERS & ACQUISITIONS

### EXECUTIVE SUMMARY

A merger and acquisition transaction is a non-routine situation that calls for careful planning and coordination when delivering the appropriate message to the media, stakeholders, and employees. This report highlights the best practices for effectively managing internal and external communications before, during, and after a merger transaction.

- **Effective communication is necessary in an M&A deal, but is often overlooked and frequently blamed for deal failure**
- **A communications task force can identify potential pitfalls**
- **Coordination with Legal, Public Relations, and Investor Relations leads to manageable flow of content**
- **Dedicated internal and external Web sites are an effective way for message dissemination and feedback from employees and customers and are becoming the norm for a single source of communication**
- **Employee surveys can isolate internal rumors which can then be resolved**

Successful companies have an established M&A strategy in place as part of their long-term growth plan. Having an effective corporate communications strategy during a deal can help prevent an exodus of employees and customers. Proper communication is necessary for a successful integration, yet it is frequently overlooked, under-resourced, and then finally blamed if the merger fails. Senior management may be so engrossed with the financial aspects of the deal that the demands of communications become less of a priority. Conversely, an over-abundance of communication cannot save a failing or doomed merger: it cannot make-up for poor integration planning, slothful due diligence, or a failure to understand where the merging partners can provide added value to their customers.

Above all, announcement of a merger will result in an avalanche of questions coming from all directions. Regulators, employees, investors, customers, suppliers, and the media will be clamoring for information and it is imperative that Corporate Communications be prepared with the appropriate message, medium, and coordination to meet the demands from all parties.

Thomson Reuters has developed best practices to build an effective corporate communications strategy during a merger. The specific topics are what to do before, during, and after a merger; trends that are being followed by companies; and how to identify the balance of the communication medium and appropriate content.

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