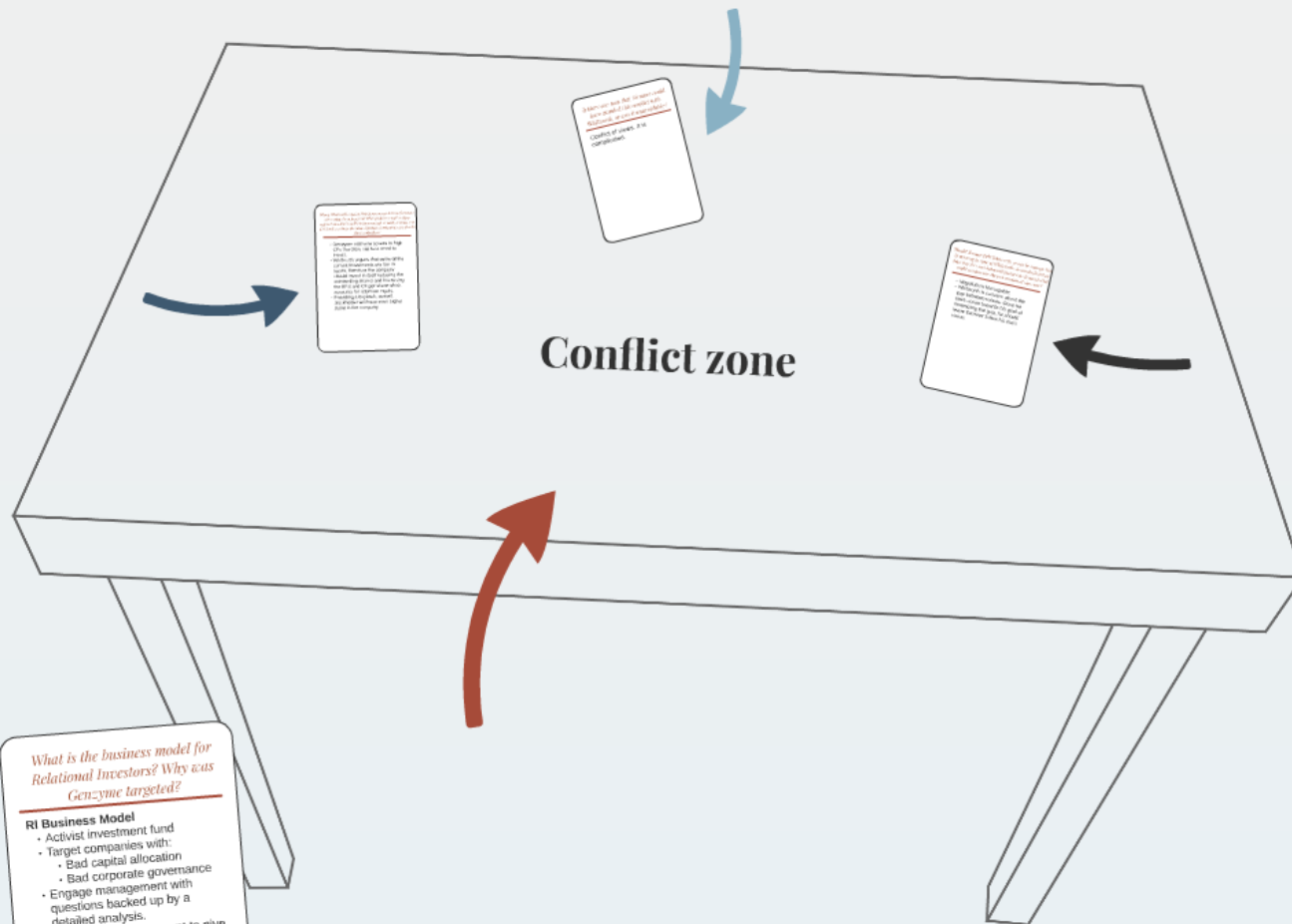


Sanofi-Aventis's Tender Offer For Genzyme Case

TheCasesolutions.com



What is the business model for Genzyme? What does Termeer want for his company going forward?

Genzyme Business Model

- Equity Financed
- Grow inorganically (M&A)
- Diversification towards genetic disorders
- Strong reinvestment policy

Termeer view

- Pursue a variety of technologies on an ongoing basis
- Combine diagnostics and therapeutics

What is the business model for Relational Investors? Why was Genzyme targeted?

RI Business Model

- Activist investment fund
- Target companies with:
 - Bad capital allocation
 - Bad corporate governance
- Engage management with questions backed up by a detailed analysis.
- Hand-twist management to give in on demands

Why Genzyme?

- Due to the gap between intrinsic value and market value. After many M&As, there was chance that something could be done

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