

# A “Compelling And Pre-Emptive” Offer For The Valspar Corporation

# Introduction

In this specific instance, the Valspar Corporation, a leading player in the global coatings industry, was at a crucial juncture when Sherwin-Williams made an offer that was 'compelling and pre-emptive'. In this case, we evaluate the strategic and financial implications of the deal, to assess whether the offer was in the best interest of Valspar's shareholders and whether it was consistent with Sherwin-Williams' long term growth objectives.

# Strategic Rationale

Valspar was building their brands, catering to the consumers, and Sherwin Williams wanted to expand its market presence and product portfolio. There are significant synergies from the deal; for example, improved distribution networks, greater global exposure and cost efficiency.

# Financial Implication

The price was for a premium to Valspar's current market value, reflecting expected cost synergies and growth potential. What is the justification of this premium given Valspar's earnings potential, the industry position and projected financial performance? It then looks at how Sherwin Williams was going to finance the acquisition and if the last deal will bring value to the shareholders of both companies.

# Conclusion

In light of the fact that this case introduces the strategy of Sherwin Williams to acquire Valspar through a pre-emptive and compelling offer, it is imperative to illustrate the corresponding strategic choice that has been made as well as its corresponding justification.

# Recommendation

Lorem ipsum dolor sit  
amet, consectetur  
adipiscing elit. Vivamus  
sed vestibulum nunc,  
eget aliquam felis. Sed  
nunc purus, accumsan sit  
amet dictum in, ornare  
in dui.

Lorem ipsum dolor sit  
amet, consectetur  
adipiscing elit. Vivamus  
sed vestibulum nunc,  
eget aliquam felis. Sed  
nunc purus, accumsan  
sit amet dictum in,  
ornare in dui.