

**CASE STUDY**

# A Pharmaceutical Company Capitalizes on M&A Activity with Brokerage Research

**THE CLIENT:**

A global pharmaceutical company

**USERS:**

A centralized purchasing group supporting the M&A, business development, competitive intelligence and strategy teams

Most of the largest pharmaceutical and biotechnology companies in the world beat Wall Street's estimates for earnings in the fourth quarter of 2020,<sup>1</sup> and the size and volume of related M&A transactions began to rebound in the first quarter of 2021.<sup>2</sup> Industry M&A transactions through 2020 swung toward smaller to mid-size deals as companies sought to restore product pipelines rather than transform via the larger megadeals that characterized the prior year. But deal-making rose through the year into the first quarter of 2021 as the light at the end of the COVID-19 tunnel emerged. The aggregate transaction value for healthcare M&A was five times higher in the first quarter of 2021 compared with the year-ago period.

The M&A teams at this global pharmaceutical company were charged with identifying both joint venture and acquisition candidates for their respective product areas. They felt they needed broader access to brokerage reports to gain valuable insights into companies of interest.

<sup>1</sup> "Biopharma sector shows strength amid pandemic, even with some Q4'20 misses", S&P Global Market Intelligence, March 1, 2021, [www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/biopharma-sector-shows-strength-amid-pandemic-even-with-some-q4-20-misses-62871580](https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/biopharma-sector-shows-strength-amid-pandemic-even-with-some-q4-20-misses-62871580).

<sup>2</sup> "Healthcare M&A activity bounces back in Q1'21 from early-2020 doldrums", S&P Global Market Intelligence, May 5, 2021, <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/healthcare-m-a-activity-bounces-back-in-q1-21-from-early-2020-doldrums-64091417>.



## Pain Points

The M&A teams had been using a third-party provider of brokerage reports and had a proven need for additional investment research, but did not have the budget to meet this demand. Although they had strong ties with investment banks, they had not sought real-time research access and, therefore, required assistance with optimizing their entitlements. In particular, they were looking for a provider that could offer:

- **An optimal combination of real-time research and aftermarket research** from a wide range of high-quality, well-known brokerage firms via one central location.
- **Strong search capabilities** to quickly locate relevant reports, along with thumbnail views to assess the content before downloading.
- **Customized email alerts** to stay current with market developments.
- **Assistance with setting up entitlement requests with brokers** and managing which individuals can access investment research.

The centralized purchasing group reached out to S&P Global Market Intelligence (“Market Intelligence”) on behalf of the M&A teams to explore what additional value could be delivered to its users.

**Heightened M&A activity in the pharmaceutical industry was increasing the need to quickly identify and vet potential joint venture and acquisition targets, calling for access to more extensive company- and sector-level data.**



## The Solution

Market Intelligence described its Real-Time and Aftermarket Research offerings that feature contributions from top global and regional firms. The information is available via the powerful S&P Capital IQ Pro platform that brings together a broad collection of research, estimates, transcripts, analyst models and more in one easy-to-access platform. This would enable the M&A teams to:



### Keep up with evolving markets

**Real-Time Research** provides an extensive collection of broker and independent research reports from the world's largest investment banks, high-quality regional brokers, boutiques and independents – along with tools needed to efficiently monitor, search and audit reports. Coverage includes equity, fixed income, sector, economic and strategy reports that can be searched by analyst, broker or report type. Users can stay up-to-date with watch lists and customized alerts delivered directly to their inbox.



### Dig deep on companies

The **Aftermarket Research** collection features more than 32 million reports from 1,900+ global investment research providers, including small and mid-market brokers,<sup>3</sup> to help users gain essential perspectives on the companies, sectors and industries they track.



### Zero in on reports of interest

Users of **Real-Time and Aftermarket Research** can search on numerous fields, including:

- Ticker(s)/Company name
- Analyst

<sup>3</sup> Data as of November 2021

- Keywords
- Date range
- Contributors
- Categories
- Asset class
- Industries
- Geography
- Languages
- Page length

Searches can be saved for quick retrieval.



### Assess content before retrieving

Users can also learn about reports of interest before downloading, using precision search capabilities to evaluate:

- **Relevancy:** Locate relevant reports, ranked according to keyword search relevancy.
- **Table of Contents:** View a page-by-page summary of sections and tables in each report.
- **Document Thumbnails:** Preview the contents and layout of a report before downloading.
- **Keywords in Context:** Discover the context for a specific keyword or phrase of interest. Keyword searches also support synonyms and acronyms with keyword snippets and visualizations to quickly surface relevant research reports.
- **Multi-Preview Options:** Compare and contrast multiple reports using keyword mentions, table of contents, and report synopsis.

**Save time with efficiency tools**

In addition, users can:

- **Organize** downloads by using batch-preview print and download functions.
- **Monitor** the information of most interest by creating saved searches and email alerts.

**Use mobile apps** for smartphones and tablets to access the latest research and stay connected to markets and companies.

**Leverage the power of the S&P Capital IQ Pro platform**

**The S&P Capital IQ Pro platform** is a single source of industry intelligence, enabling users to: efficiently create and update financial models and pitchbooks with linking tools in Microsoft Excel, Word and PowerPoint; build and modify financial models with reliable financials, market and company data using their Excel Add-In; utilize more than 130 model templates for investment banking; update presentations and format models with presentation tools; utilize visualization tools; and more.



## Key Benefits

Analysts in the M&A teams were impressed with the coverage and analytical tools associated with the Real-Time and Aftermarket Research offerings and proceeded with a subscription. They saw benefits in being able to:

- **Deliver a cost-efficient solution** by leveraging existing client relationships with key research providers, while supplementing this with Aftermarket Research
- **Identify and vet joint venture and M&A candidates** with easy access to thousands of analyst reports from well-known brokerage firms and market research providers.
- **Save time by quickly locating relevant research** with advanced searching tools
- **Stay on top of breaking developments** with email alerts announcing newly available research on companies of interest.
- **Get support for entitlements** by sending Market Intelligence broker contact information to set up access on the M&A team's behalf.
- **Monitor data consumption** by downloading usage reports.
- **Rely on dedicated regional research support specialists** to help users maximize access to the research that matters most.
- **Simplify workflows** with access to research, estimates, call transcripts, analyst models, and more via the robust Capital IQ Pro platform.

***[Click here to learn more about the Aftermarket Research solution.](#)***

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