

## Mergers and acquisition advisory firm, Taylor Advisory, enters Africa

Global mergers and acquisition (M&A) advisory firm, Taylor Advisory, is entering African territory through South Africa, with the appointment of Francois Baird as its Africa co-chairman and Riaan Rademan as South African co-chairman.



Francois Baird

Taylor Advisory, headquartered in Washington DC is privately held and provides mergers and acquisition (M&A) consulting services and leads sales and divestitures, as well as acquisitions.

The company's announcement comes on the back of news that South Africa's economy contracted sharply in the first quarter of 2018, with the biggest such decline in nine years. Gross domestic product shrank an annualised 2.2% in the first quarter compared with the prior three months, according to a recent Statistics South Africa report.

"However, we are encouraged that the economy still expanded by 0.8% when measured against the first quarter of 2017. The time to enter a market is at the bottom, not at the top," says company founder Ralph Taylor III.

"We believe that the appointment of Francois Baird, with his long history of success in African markets and an enviable African network, working in tandem with Riaan Rademan, a proven executive in the mining, oil and gas markets and recently retired from South African oil and gas giant Sasol, will provide us with entry to companies interested in making the most of our proven global track record in mergers, acquisitions, and divestitures over the last forty years," he says.

Says Baird, “Instead of simply throwing out bait in the hope of generating a transaction, Taylor would first examine the feasibility of all M&A strategic options, find the right parties for the deal and then manage the integration of these entities to maximise the synergy. This ability to deliver the best results from a deal instead of simply brokering a deal is needed in Africa.”



Raan Rademan

Says Rademan: “Taylor’s highly trained internal business intelligence team works with a multi-sector network of over 600 industry experts in 250 different industrial sectors, which enables them to identify actual companies that fit the profile for success. It is exciting to be able to offer South African corporations the insights of a team with such extensive experience.”

## Opportunities for growth

The company believes that there are opportunities for growth in African corporate action despite a decline in M&A deals in 2017 to its lowest level since 2012, as reported by *Thomson Reuters*.

The highest number of deals in the final quarter of 2017 were in the financial sector, but the highest value in M&A transactions was in energy and power, where a total of 59 deals were concluded. The value of M&A transactions announced in 2017 came in at \$32.4bn, compared to \$42.5bn in 2016 and \$64.9bn in 2015.

“So we know the potential, and understand the value of building relationships, in Africa,” explains Trey Taylor. “The level of activity will improve again and when it does, we want to have strategic relationships in place already.”

The company is of the opinion that there are opportunities in specific industries like finance, oil and gas, and mining, and, apart from South Africa, also in countries like Mozambique, Zimbabwe and Burkina Faso.

These territories may not currently be on the business world’s radar, but the company is confident that determined political leadership will improve the business climate, making Africa an attractive investment destination again.

Says Trey Taylor, “Even more importantly, we are confident that such leadership will encourage African companies to become active in M&A transactions beyond national or continental borders.”