



# Global confectionary manufacturer

Supporting with formulation of a joint venture strategy



## Client challenge

Our client, a global confectionary manufacturer, had been considering a joint venture (JV) with an Indian counterparty. Progress had stalled due to internal misalignment on approach and the overall suitability of the opportunity.

It asked KPMG to support in assessing (1) the opportunity, (2) their respective competitive and negotiation positions (including 'red line' identification) and (3) formulating a board and approach paper in preparation for negotiations with the counterparty.

The client also required a model to analyse different operating model scenarios.

## Our approach

We conducted multiple stakeholder interviews with the client's management team to assess internal alignment and understand the strategic rationale for the JV.

Through rigorous desktop research and interviews, we assessed the counterparty's negotiation position and strategic rationale to prepare our client for the initial approach.

We also arranged a client management workshop to address misalignments on negotiation strategy, deal approach and opportunity value.

Following the workshop, we created a high-level JV blueprint for use in detailed negotiations. Our experts also developed a flexible model that enabled to client to assess different operational scenarios.

## Benefits for the client

The client's management team was able to reach alignment on the opportunity assessment, deal approach and operating model preferences through our support and JV blueprint.

We helped the client's negotiation team formulate its approach strategy and key red lines. By using our model, they were able to understand the financial effects from different operating model changes. This enabled them to make significant progress in the JV negotiations, which had been stalled for some time before our involvement.

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