

Determinants of M&A Performance in the Agri-Food Sector; Evidence from Case Studies

MSc-Thesis Research

Wageningen, 21-12-2017

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Acknowledgements

This MSc. thesis is written as part of the Master program Management, Economics and Consumer Studies at Wageningen University and Research. This study touches upon my interest and curiosity for the mechanisms behind mergers and acquisitions (M&As). The vast amount of existing literature on this topic, combined with plenty of examples of M&As in recent years made me wonder: 'What drives these M&As?', 'why are some so successful and why do others fail to even come close to success?'

This study is an attempt to find the factors that contribute to the success or failure of M&As. In this report, knowledge obtained from literature will be confirmed or rejected with evidence from case studies. This study also allowed me to combine my interest for M&As with my passion for the agri-food sector.

I would never have been able to realize this study without the help of two persons, to which I would like to express my gratitude in advance. First of all, I would like to thank my first supervisor Dr. E.F.M. Wubben for his guidance throughout the thesis trajectory and for all the comments and discussions, which have definitely improved the quality of this report. Next, I would like to thank my second supervisor, Dr. W.J.J. Bijman for his feedback and critical eye towards my report. His comments also definitely contributed to the current report.

I hope you enjoy reading this report.

Rick Oomen

Wageningen, December 2017

Abstract

Mergers and acquisitions (M&As) can result in knowledge gains, talent gains, core capability gains, capital gains and increased market share in a relatively short period of time. A substantial amount of empirical work tries to identify factors that can explain the success or failure of M&As. However, up to this point, the findings remain poorly understood and are fragmented across different fields of industries. For the agri-food sector in particular, M&A literature is scarce. This study touches upon this problem by means of a literature review and a series of M&A case studies in the agri-food sector.

The literature review on determinants of M&A performance yielded 32 determinants, divided in four categories. All of these determinants have received academic evidence for their effect on M&A performance. Next, three case studies of recent M&As in the agri-food sector have been conducted. The purpose of these case studies was to confirm or reject whether the determinants found in literature do play a role in agri-food M&As. Using coding software, the datasets for the cases, consisting of academic literature, news articles, annual reports and other sources, were analyzed.

This study has yielded evidence for nine of the 32 determinants: Primary stakeholders, dominance of downstream businesses, external influences, combined relational capabilities, part of a strategic plan, resource similarity and complementarity, price of the M&A, post M&A integration, and post M&A Human Resource Management. For the remaining 23 determinants can be said that based on this research, no evident support for those determinants has been found. However, that does not mean that the other determinants do not play a role in agri-food M&As.

Keywords: mergers & acquisitions, agri-food sector, M&A performance, determinants, success or failure

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Executive summary

There are two ways for a firm to achieve growth. Internal (organic) growth and external (M&A) growth. Internal growth implies that a firm uses its own strengths and resources to grow (Filho, 2014). In general, this strategy is characterised by a relatively slow and continuous firm growth. In contrast, external firm growth (M&As) can result in increasing market share, core capability gains, capital gains, knowledge gains and talent gains in a relatively short period of time (Kongpichayanond, 2009). This opportunity makes M&As a popular corporate strategy and the predictability of its performance a favourable topic for academic research. It has been proved that M&As in the agri-food sector are different from other M&As for several reasons. Therefore, this research has a specific focus on the agri-food sector.

The problem addressed in this research is that existing literature on determinants of M&A performance is focussed on various industries, various geographical areas and uses various data selection methods. As a result of this, the findings of existing literature are diverse and it is unclear whether or not all findings are applicable to the agri-food sector. Thus, the objective of this study is to contribute to the knowledge on M&As by finding determinants of M&A performance and examine their presence in the agri-food sector. The main research question corresponding with this is: *What are general determinants of M&A performance in the agri-food sector?*

The literature review is divided in three parts. The first part focusses on deal characteristics of M&As. The empirically supported findings from the articles are used to create an overview of M&A motives and stakeholders. Twelve motives have been found, divided in four categories. Subsequently, in the second part of the literature review, the findings of existing empirical work on factors that influence M&A performance are covered. Whereas the previous parts of the literature review focused on determinants that apply more to the event of an M&A itself and the industry environment, this part focusses more on factors that apply to the involved companies itself. Therefore, they are named 'internal factors of M&A performance'. This group of determinants is the group where this study has focussed on primarily, because it has the largest match with the available data. This literature review yielded 18 internal factors of M&A performance, divided over the pre-M&A (12) and post M&A (6) phase.

The third part of the literature defines the agri-food environment. This includes the external environment and the characteristics of the agri-food sector that differentiate it from other sectors. Seven relevant characteristics of the agri-food sector are found. They can be divided into three general characteristics, and four specific characteristics. The general characteristics can be found in many other industries as well, whereas the specific characteristics are absent in most other industries. Figure 1 shows a simplified version of

the theoretical framework used in this research. The four boxes show the four categories of determinants. The numbers between brackets are the number of determinants that followed from the literature review (see: Figure 1), summing up to 32 determinants.

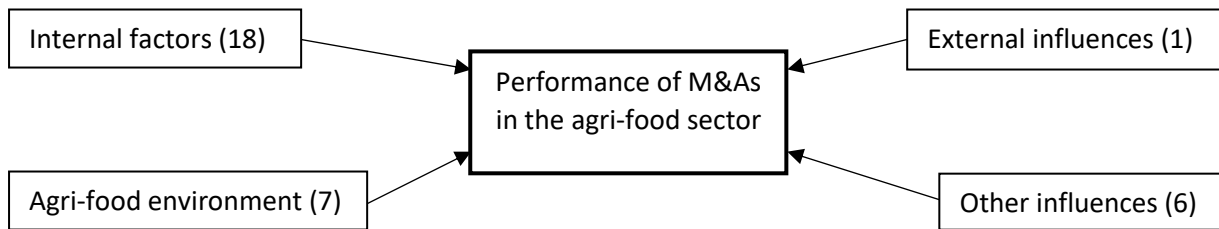


Figure 1: determinants affecting M&A performance.

Next, three cases have been examined in order to confirm or reject the determinants found in literature. A thorough case selection process has led to the following cases: VION-Grampian, Friesland Foods-Campina and Greenyard-Univeg. A first step in all case studies was to collect data, using different databases. The datasets contain academic articles, news articles, annual reports and other sources. Next, the key historical events of the involved firms are described. Subsequently, the data is coded, using coding software. The 32 determinants as found in literature are used as codes. Based on the coding and analysis, conclusions are drawn.

The evidence from the case studies has led to the answer of the main research question of this study. This research has resulted in support for the following nine general determinants of M&A performance in the agri-food sector: Primary stakeholders, dominance of downstream businesses, external influences, combined relational capabilities, part of a strategic plan, resource similarity and complementarity, price of the M&A, post M&A integration, and post M&A Human Resource Management. This research has also resulted in the rejection of 'courtship' as determinant of M&A performance in the agri-food sector. For all other determinants that cannot be confirmed or rejected can be said that based on this research, no evident support for those determinants has been found. However, that does not mean that the other determinants do not play a role in agri-food M&As.

One could say that the combined potential of the involved firms is of great importance (combined resources, capabilities and strategy). The other three determinants that have received support (price, integration and HRM) do not show a common pattern. However, they could each have their individual effect on M&A performance. Furthermore, the determinants primary stakeholders, downstream dominance and external environment might have a strong influence on the performance of an M&A as well, but that influence seems case dependent.

1. Research design

1.1. Introduction and background

There are two ways for a firm to achieve growth. Internal (organic) growth and external (M&A) growth. Internal growth implies that a firm uses its own strengths and resources to grow (Filho, 2014). In general, this strategy is characterised by a relatively slow and continuous firm growth. In contrast, external firm growth (M&As) can result in increasing market share, core capability gains, capital gains, knowledge gains and talent gains in a relatively short period of time (Kongpichayanond, 2009). This opportunity makes M&As a popular corporate strategy and the predictability of its performance a favourable topic for academic research. Search engine Web of Science yields over 500 academic articles within the category 'management' for search terms 'mergers and acquisitions' and 'performance' in the period between 1997 and 2017.

Part of this large number of academic articles explores factors that determine the performance of M&As. However, the findings remain poorly understood and are fragmented across different fields of industries (Stahl & Voigt, 2008). A meta-analysis among 93 studies by King et al. (2004) concluded that there is a systematic nature to be discovered behind M&As. This study attempts to find general determinants of M&A performance for the agri-food sector in particular, by means of combining literature and empirical findings.

Studying M&A determinants for the agri-food industry in particular is important for three reasons. A first reason is that agri-food M&As typically rank amongst the largest in size and make up a large proportion of the total M&A activity. Second, the agri-food industry has many characteristics that differentiate it from other industries and therefore determinants explaining the success and failure of M&As in other industries are not necessarily relatable to the agri-food industry. For example, in the agri-food industry there is a comparatively large number of small players. M&As amongst small players raise few antitrust issues, making them more likely to be completed (Muehlfeld et al., 2011). Another example is the relatively high presence of cooperative structures in the agri-food sector. The third and final reason is that M&As are subject to a wave-like pattern, indicating that in some periods there is increased M&A activity (Herger et al., 2007). This wave-like pattern is different in time and frequency for each industry (Adams et al., 1997). Therefore, specific attention for M&As in the agri-food sector may yield additional insights.

1.2. Problem statement and research objective

The problem that will be addressed in this research is that existing literature on determinants of M&A performance is focussed on various industries, various geographical areas and uses various data selection methods. As a result of this, the findings of existing literature are diverse and it is unclear whether or not all findings are applicable to the agri-food sector.

Thus, the objective of this study is to contribute to the knowledge on M&As by finding determinants of M&A performance and examine their presence in the agri-food sector. With presence in the agri-food sector is meant the extent to which the determinants occur within the specific characteristics of the agri-food sector.

1.3. Research questions

To be able to accomplish the objective of this research, the following main research question will be answered:

What are general determinants of M&A performance in the agri-food sector?

In order to find an answer to the main research questions, the following three sub research questions are established:

1. *Which determinants of M&A performance can be found in literature?*

To answer the first sub research question, M&A literature with diverse orientations regarding geography, industry and data selection will be addressed. Subsequently it will be examined whether those factors might have a relevance for the agri-food sector based on the case studies.

2. *What are the specific characteristics of the agri-food sector?*

This sub research question serves to find out what makes the agri-food sector different from other sectors. The findings of the sub research question are important to answer the other sub research questions.

3. *Which of the determinants of M&A performance that are found in literature, can be found in cases of M&As in the agri-food sector?*

This research question is used to confirm or reject the findings of sub research question 1. The findings of sub research question 2 are important for the selection of the cases, to assure that cases with enough relevance are selected.

1.4. Key concepts

Mergers and acquisitions

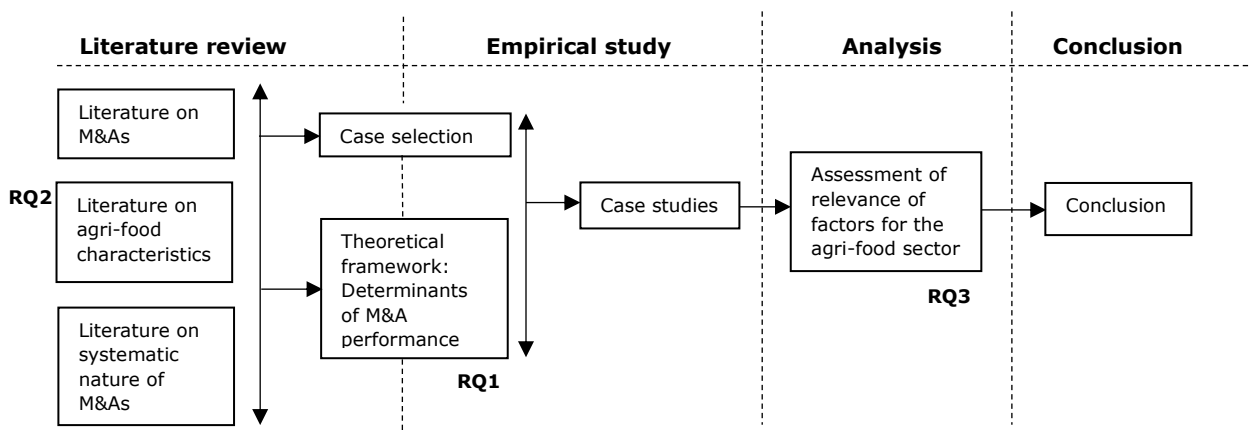
A merger is defined as the consolidation of two or more organizations into one new entity (Schraeder & Self, 2003). During a merger, companies join their available assets, liabilities and cultural values on a comparatively equal basis across different businesses and industries (Kongpichayanond, 2009). Acquisitions refer to when an organization buys or takes over the operations of another (Schraeder & Self, 2003). Acquisitions occur when an organization acquires enough shares to increase the level of control, gains ownership of another firm, and maintains its identity (Kongpichayanond, 2009).

Agri-food sector

To define the size of the agri-food sector that is relevant for this study, the standard industrial classification (SIC) codes are used. For this study, the agri-food sector is defined as companies under SIC-codes 2000 until 2099. This group includes all companies involved in the manufacturing or processing of foods and beverages for human consumption, and certain related products, such as manufactured ice cream, chewing gum, vegetable oils and animal fats. Companies involved in the production of animal feed are excluded, since their industry differs too much from the others.

1.5. Research framework

Table 1: Research Framework



In table 1, the research framework for this study is shown. At first, a literature review will be executed to find data on agri-food characteristics (RQ2) and on M&As. The findings of the literature review will shape the theoretical framework (RQ1) and will be used as input for the empirical study. In the empirical study, cases of agri-food M&As will be analysed to confirm or reject the determinants in the theoretical framework. Finally, the relevance of the findings for the agri-food sector will be analysed (RQ3) and conclusions will be drawn (main RQ).

2. Literature

2.1. Introduction

This literature review is divided in three parts. The first part focusses on deal characteristics of M&As. Empirical findings will be used to create an overview of M&A motives and stakeholders. Subsequently, in the second part the findings of existing empirical work on factors that influence M&A performance¹ will be covered. The third part aims at defining the agri-food environment. This includes the external environment and the characteristics of the agri-food sector that differentiate it from other sectors. To make sure that the aims of all three parts are reached, the objectives will be stated below.

The first part aims at providing a background on the general concept of M&As. This section will cover M&A motives and the involved stakeholders. It will focus on the characteristics of M&As. Together with the second part of this literature review, this part will contribute to the answer of the first SRQ of this research.

The second part of this literature review will go deeper into the systematic nature of M&As. It will elaborate on the findings of academic work on internal determinants that influence M&A performance. The aim of this, and the previous section is to answer the first SRQ of this research:

- Which determinants of M&A performance can be found in literature?

In the third and final part, there will be focus on the agri-food environment. There will be searched for characteristics of the sector. The second SRQ of this study will be a guideline in this:

- What are the specific characteristics of the agri-food sector?

Academic articles use different definitions and different names for the agri-food sector, even though they are sometimes talking about the same type of companies. To avoid complications in this study, the Standard Industrial Classification (SIC) codes are used. The agri-food sector is defined as all companies under SIC-codes 2000 till 2099 (See: section 1.4). This definition excludes primary producers of agricultural products (SIC-codes 0100 – 0700). In general, those firms are of a smaller scale and have less relevance for this study.

¹ The terms 'Determinants of M&A performance', 'systematic nature of M&As' and 'Factors of success and failure in M&As' are used interchangeably in academic literature and in this paper. However, they refer to the same concept.

An important concept that needs clarification before the start of the literature review is 'M&A performance'. It is not the aim of the current study to determine the performance of the M&As in the case studies. However, the performance of M&As in the case studies is important to understand the direction in which the determinants of M&A performance work. For example, did a certain determinant strengthen the positive M&A performance (success) or did it temper the negative M&A performance (failure).

For the current study, a subjective measure of M&A performance is preferred, because subjective measures of broadly defined concepts convey additional information which is complementary to the information obtained from facts. Next to that, it is proven that the use of objective measures may in some cases actually be preferable to the use of purely objective measures (Jahedi & Méndez, 2014).

In a study by Zollo & Meier (2008), the concept of M&A performance is examined. Their analysis of 88 academic articles found that the most commonly used subjective performance measure is 'overall acquisition performance' (=synergy realization or realization of strategic objectives). The researcher has chosen to apply this measure also to the case studies in the current report. The measure will be based on the available data for each case.

2.2. M&A characteristics

In this part of the literature review, the general concept of M&As will be covered. The objective of this section is to identify the characteristics of M&As. This knowledge is important for two reasons: First of all, the characteristics of an M&A deal can strongly influence the performance of the deal and are therefore important to consider. Alternatively, this knowledge serves as background knowledge for the case studies in chapters 5, 6 and 7. The deal characteristics that will be highlighted in this section are M&A motives and M&A stakeholders.

2.2.1. M&A motives

Empirical work has extensively searched for the motives behind M&As. M&As can be either value-increasing or non-value-increasing (Nguyen et al., 2012). With non-value-increasing is meant that creating value for the firm is not the motive behind the M&A. However, value can be created for other stakeholders. Using a sample of 167 empirical articles, Haleblan et al., (2009) found that motives for companies to get involved in M&As can be classified into four categories: Motives driven by value creation, motives driven by managerial self-interest (non-value-increasing), motives driven by environmental factors, and firm related motives. These four categories can be divided into several sub categories of M&A antecedents, these antecedents are specified groupwise in this section (see: table 2).

Table 2: Antecedents for Mergers and Acquisitions (Haleblian et al., 2009; Nguyen et al., 2012)

Value creation	Managerial self-interest	Environmental factors	Firm related
<ul style="list-style-type: none"> • Market power • Efficiency • Resource redeployment • Managerial discipline 	<ul style="list-style-type: none"> • Agency/compensation • Hubris • Market timing 	<ul style="list-style-type: none"> • Environmental uncertainty and regulation • Resource dependency • Network ties 	<ul style="list-style-type: none"> • Acquisition experience • Firm strategy and position

Value Creation

Four value creating antecedents can be distinguished (Haleblian et al., 2009). The first one is market power. M&As driven by motives to obtain market power are based on the idea that having fewer firms in an industry increases firm-level pricing power. Market power could be considered as an attempt to obtain more value from customers. A second value creating motive is efficiency. Acquisitions that are motivated by the desire to increase efficiency are aimed at creating value through lowering costs. A third motive is resource redeployment or synergistic M&As. This motive implies that M&As are a means of facilitating redistribution of assets and competencies, to generate economies of scope. Synergistic M&As are driven by the conviction that a firm can achieve efficiency gains by acquiring well-performing targets whose resources can be combined with those of the acquirer itself, to achieve an even higher combined performance (Nguyen & Ollinger, 2006). A final value creating motive is to achieve managerial discipline (or disciplinary M&As). This motive assumes that M&As can create value when they are used to discipline ineffective managers. In other words, acquiring firms take over poorly performing firms and then improve their acquisitions' performance by replacing existing managers with superior ones to protect shareholders from poor performing managers (Nguyen & Ollinger, 2006). On average, 70% of executives depart in the five years after M&A completion (Krug & Aguilera, 2005) Under all four motives, M&As should positively affect the target's performance (create value) after an M&A.

The literature on value creating motives is long and diverse. However, synergy, rather than market discipline, is a central motive for M&As. This means that acquiring firms prefer to purchase productive plants and improve their productivity after the merger. This was concluded by a literature review on M&A motives in the U.S. meat products industry from 1977 to 1992 (Nguyen & Ollinger, 2006), and matches with the findings of Haleblian et al. (2009). This finding is also consistent with empirical work in other industries, for example the food and beverages industry (McGuckin & Nguyen, 1995), and the U.S. manufacturing plants (Lichtenberg & Siegel, 1992).

Managerial self-interest (Non-value-increasing)

Three types of non-value-increasing M&As can be distinguished: Agency/compensation, hubris and market timing (Nguyen et al., 2012). Non-value increasing M&As do not create value for the firm. However, they can create value for the involved managers. M&As with an agency or compensation related motive occur when acquirers are more interested in maximizing firm size than firm value, or when acquiring managers are more interested in enhancing the dependence of the firm on the skills of the managers. This motive is most likely driven by the fact that the acquiring managers will benefit from the acquisition by means of financial or stock grants. Hubris is a second type of a non-value-increasing M&A antecedent. Hubristic managers are subject to exaggerated self-confidence and engage in acquisitions even when there is little or no synergy (Haleblian et al., 2009). Market timing is a final motive in which overvalued acquirers use stock to buy relatively undervalued targets based on the current market situation, even though both firms could be overvalued. Economic disturbances might cause the overvaluation of firms, which results in the fact that managers are rapidly engaging in M&As (Harford, 2005).

Environmental factors

There are three environmental antecedents that can trigger M&As: Environmental uncertainty and regulation, resource dependency and network ties (Haleblian et al., 2009). Environmental uncertainty and regulation affect the decisions of firms to engage in M&As or to opt for other cooperative means. Using a large sample of deals in 49 countries, between 1990 and 2002, Rossi & Volpin (2004) found that a safe environment for investors leads to more M&As, more attempted hostile takeovers, fewer cross-border deals, greater use of stock as method of payment and higher takeover premiums. 'Environment for investors' refers to the measures that an environment has to protect its shareholders and investors. The other way around, in a country with less investor protection, there is a trend of firms avoiding the domestic weak governance regime via cross-border deals. It can be concluded that in cross-border deals, acquirers on average have higher investor protection than targets (Rossi & Volpin, 2004). A second environmental factor is resource dependency. This dependency drives M&As when firms manage their resources by assuring needed resources through M&As. A final environmental motive is network ties. This motive drives M&As when the acquisition activities of firms are based on the acquisition activities of other firms that they are tied to. This can be by means of joint production or by interlocking directorships (Haleblian et al., 2009).

Firm related

Finally, there are two firm related motives for M&As. A first one is acquisition experience. Research on this motive has shown that recent experience with M&As is positively related to subsequent acquisition likelihood. A second firm related motive is firm strategy and position. This motive implies that strategic positions and intentions might have strong influences on M&A behaviour (Haleblian et al., 2009).

Conclusion

It is very likely that motives co-exist in some M&As. However, they will always co-exist in different degrees of importance. Firm related motives for example are very likely to go together with other motives. The findings of Nguyen et al. (2012) point out that 80% of the 3,520 sampled acquirers have multiple merger motives. An interesting paradox that can be discovered is that many M&As driven by managerial self-interest (non-value-increasing) might also lead to increased firm value (Nguyen et al., 2012). The findings of this section are an important framework for the case studies in this research. Understanding the motives behind M&As can help to provide a better understanding of the cases and might enhance the relationship between successful and unsuccessful M&As.

2.2.2. Stakeholders

This section will elaborate on the role of stakeholders and the types of stakeholders that can be distinguished. This information is relevant for this study, because the influence or power that some stakeholders have, might affect the performance of M&As. Therefore, the stakeholders involved in M&As will be an important part of the case studies in this research.

In general, stakeholders do not seem to play a role in M&A decision making (Waddock & Graves, 2006). However, by definition, M&As do make a difference in stakeholder related practices that might provide a strategic advantage in the post-M&A phase. Stakeholders are defined as "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman & Reed, 1983).

The stakeholders of a company can be divided into primary and secondary stakeholders. Without the participation of primary stakeholders, a firm cannot survive (Clarkson, 1995). They are considered to be shareholders, investors, customers, employees and suppliers of goods. Secondary or public stakeholders are more ancillary to direct firm involvements, they influence, or are influenced by company policies, however they are not engaged in transactions with the company and are not essential for its survival (Clarkson, 1995). Government and community (e.g. media) are classified as secondary stakeholders (Waddock & Graves, 1997).

M&As appear to provide at best a mixed performance to the broad range of stakeholders (Cartwright & Schoenberg, 2006). Most stakeholders take risks with respect to companies because they are affected by company practices. They usually have an influence on companies by means of various sources of power, urgency or legitimacy. Therefore, it is very important for a company to manage the negative effects of an M&A on the different stakeholders.

2.2.3. Conclusion

To summarize, section 2.2 covered the antecedents or motives that firms can have to get involved in M&As and the importance and classification of stakeholders in M&As. This information forms an important background for the final part of this literature review that focusses on determinants of M&A performance. The information from this section also serves as a framework for the case studies that will be executed in the empirical part of this study.

2.3. Internal factors of M&A performance

Whereas previous sections focused on M&A motives and stakeholders, the second part of this literature review serves to answer the question: Which determinants of M&A performance can be found in literature? This section will elaborate on the findings of academic work on internal factors of M&A performance. With internal is meant that these factors are closer related to the involved companies than the factors mentioned previously.

First, understanding the technical process of M&As is necessary, since different phases of the M&A process might be subject to different determinants of M&A performance. A distinction can be made between the pre- and post-M&A phase. The pre-M&A process consists of two periods. The first period, the private takeover process, starts when a selling firm hires an investment banker and considers the number of potential bidders to contact (Boone & Mulherin, 2007; Adelaja et al., 1999). In this period, the selling firm is orientating and examining acquiring firms. This can also occur the other way around, a firm that wants to acquire can assess potential targets and make a bid on the target. All negotiations in the private takeover process are subject to confidentiality and standstill agreements, since the aim of this phase is to orientate on possible bidders/targets.

After this period of pre-public negotiations, a public announcement of an M&A between two companies will follow, and the public takeover process starts. In this second period, the two companies will attempt to come to an agreement on the M&A, and negotiate about the method of payment (cash or stocks), deviation of ownership and changes in strategies. This period ends with the resolution; either the parties come to an agreement or they withdraw from the deal.

It is of great importance that an acquiring company withdraws from a potentially unsuccessful target as early as possible. Withdrawal of a company from an M&A after the initial announcement of an M&A can have several negative effects which increase with time. A first disadvantage of withdrawing too late is that it is often associated with mandatory filings with authorities, since the M&A was already announced. This can lead to unnecessary costs. Second, the initial announcement often comes with the signing of a preliminary agreement, requiring the breaking-up firm to pay heavy penalties. Finally, cancelling an announced deal can harm the trust of shareholders and investors and lead to damage of a firm's reputation and credibility (Muehlfeld et al., 2011). Therefore, it is essential for a firm to know and assess the determinants that can influence the likelihood of a successful M&A.

In case of completion of the M&A, the post-M&A phase will follow. In this phase, the agreed deal specifications have to be operationalised. The two companies have to be integrated in multiple facets. Existing leadership and policy structures are likely to be revised, communication and operations have to be integrated. The post-M&A process is an expensive process that can take many years. A profound execution of this process might lead to superior M&A performance (See: Figure 4) (Boone & Mulherin, 2007).

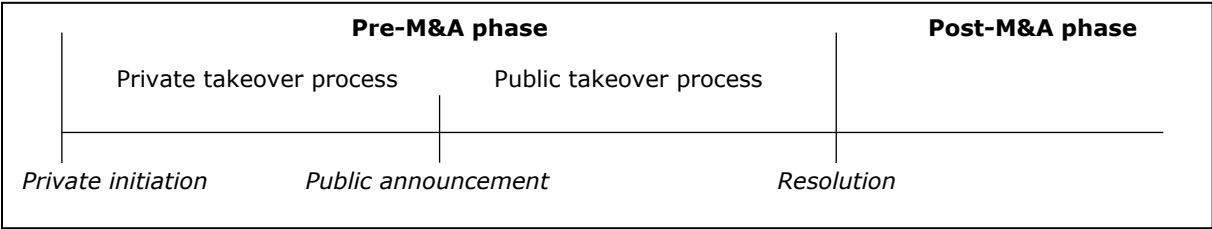


Figure 4: M&A Process (Boone & Mulherin, 2007)

The current section will first focus on the pre-M&A phase, and then continues with the post-M&A phase. An attempt to make an overview of the vast, multidisciplinary body of literature on M&As by Gomes et al. (2013) yielded several critical success factors in the pre- and post-M&A phase which will be used as a starting point for this section.

2.3.1. Determinants of M&A performance in the pre-M&A phase

The pre-M&A phase consists of the private takeover process and the public takeover process, with the initial announcement being the separation between those two phases. Seven critical success factors were distinguished by Gomes et al. (2013) in the pre-M&A phase. They will form the framework of this section. They are complemented by important findings from other studies. The relevance of these findings will be discussed and in the end of each of the ten paragraphs of this section, there will be concluded which factors receive enough academic support to be used in this study.

Strategic and organizational fit

M&As that have a great match strategically and organizationally are likely to be more successful than matches that have less similarity in these fields. When considering an acquisition, a first step that a firm should take is choosing a strategic partner. The choice should be based on a thorough due diligence process. Determinants of M&A performance in this stage are resource similarity and complementarity, combined relational capabilities, and partner-specific knowledge between firms (Wang & Zajac, 2007).

Financial assessment

Next to assessing non-financial characteristics like strategic and organizational fit, the due diligence process should also include a thorough financial analysis of a possible target. Not only is it useful for firms themselves, but it can also be of great use to lawyers, investmentbankers, and accountants involved in the M&A process (Adelaja et al., 1999). By using multiple financial characteristics of firms, predictive decision making models can be built. Adelaja et al. (1999) state that the existence of these predictive models is not new, but despite its importance, none of the existing models was specified for the agri-food industry. Their study was the first one to built such a model for the food processing industry. They built a predictive model for the likelihood of a firm being targeted and a predictive model for the likelihood of a targeted firm actually being taken over. Related to M&A theory, this means that the first model applies to the private takeover process and the second model applies to the public takeover process.

Nine factors have a significant influence on the likelihood of a firm being targeted for an M&A. The presence of these factors can either have a positive or negative effect on the probability of a firm being targeted. Regarding the public takeover process, a similar method was used which led to five financial variables that influence the likelihood of a targeted firm actually being taken over (Adelaja et al., 1999).

For this study it is relevant to use only the most significant factors of the study of Adelaja et al. (1999) as determinants of M&A performance, since assessing all of the factors would result a full financial analysis, which is not the scope of this study. A remarkable observation in the results of this study is that the most statistically significant variables in the private takeover process are equity related variables: common shares to total shares traded ratio, dividends to cash-flow ratio and return on equity. This might indicate that firms find it most important to assure that their shareholders are not harmed by a possible M&A before announcing the actual M&A. Therefore, the factor that will be included in this study is 'assessment of equity related variables'. In the public takeover process only attitude surrounding the M&A was found to be statistically significant. Therefore, only this factor will be included in the current study.

Pay the right price

One of the most common and important sources of value destruction in M&As is paying too much (Goold et al., 1994). This issue is especially important in cross-border M&As. Feito-Ruiz & Menéndez-Requejo (2011) explored the influence of the legal and institutional environment on European acquiring-firm returns around the announcement date of worldwide cross-border M&As. They found that shareholders of acquiring firms place greater value on cross-border M&A announcements than on domestic ones. However, when the legal and institutional environment of the target country is substantially worse than in the domestic country, then cross-border M&As destroy value for acquiring firms. This implies that the environment of the target country compared to the environment of the domestic country can influence the price that an acquiring company should pay. Inkpen et al. (2000) conclude that the failure rate of M&As amongst European acquirers was substantially higher than those involving US acquirers. The reason for this is that European companies tend to pay higher takeover premiums than US companies (43% vs. 14%). Therefore, M&A price is considered an important determinant of M&A performance, and even more important in cross-border M&As.

Method of payment

Next to the height of the price, also the method of payment has an influence on M&A performance. The influence of method of payment on M&A performance is strongly associated with the attitude surrounding the M&A. However, literature is inconsistent in the effects of payment method on M&A performance. Inkpen et al. (2000) suggest that in case of friendly deals, stock paid M&As perform better than cash deals. In case of hostile M&As, it is the other way around, cash deals outperform stock deals (Inkpen et al., 2000; Tuch & O'Sullivan, 2007). However in their analysis of major determinants of M&A completion in the food processing industry, Muehlfeld et al. (2011) found that a friendly attitude combined with cash payment, are the strongest and most universally valid facilitators of M&A success. Since literature does not reach a consensus regarding the effects of method of payment on M&A performance, this factor will not be considered as such in this study.

Mismatches and organization

Organizational size and relatedness impact pre-M&A activity. Research has shown that purchasing substantially smaller firms can result in suboptimal performance and that buying firms that are relatively large in relation to the acquirer's size also results in underperformance (Moeller et al., 2004). First of all, acquisitions that are substantially smaller tend to be ignored in post-M&A integration processes because they are easily seen as 'unimportant'. Second, small acquirers might face policy related difficulties during the integration process, as the small acquirer and the large target will both struggle for

dominance. To summarize, a balance in terms of both size and relatedness between the potential partners is favourable. Therefore, relative size similarity should be assessed in the pre-M&A phase in order to avoid complications during and after the M&A. Relative size similarity will be considered as determinant of pre-M&A performance.

Overall strategy and M&A experience

Research suggests that companies with prior M&A experience and a corporate M&A strategy achieve higher M&A success rates than companies without these features (Barkema & Schijven, 2008). By not having a corporate M&A strategy, companies miss out on the opportunity to learn from their experience. Firms that do have a corporate strategy regarding M&As follow a continuous learning approach and tend to gain specific execution capabilities that are useful in achieving M&A success (Vermeulen & Barkema, 2001). Alternatively, research also suggests that it might be possible to achieve M&A success through indirect learning. By studying M&A experiences from peer companies, 'unexperienced' companies may achieve superior performance (DeLong & DeYoung, 2007).

By using behavioural learning theory, Haleblan & Finkelstein (1999) examined the effects of acquisition experience on acquisition performance. When the acquisition of a firm is similar to its prior M&As, they confirmed the positive effects of M&A experience. However, regarding M&As that are dissimilar to prior M&As, they found a U-shape pattern. Dissimilar M&As include for example when firms step into a new market. The U-shaped pattern indicates that unexperienced and or very experienced acquirers were successful in dissimilar M&As. Slightly or moderately experienced acquirers showed a negative relationship between M&A experience and performance. The researchers suggest that this negative relationship might be caused by the fact that slightly or moderately experienced acquirers tend to make inappropriate generalization errors (Haleblan & Finkelstein, 1999). Therefore, corporate M&A strategy, and M&A experience in relation to the similarity of the M&A are included as determinants of performance.

Courtship

The presence of a courtship period substantially increases the chance of M&A success. A courtship period is defined as 'a time when companies can get to know each other before deciding to merge'. This time can be arranged in the form of collaboration in a joint venture or project, or in a trading or shareholder relationship. Courtship time allows companies to get better knowledge and understanding of each other. Subsequently, it helps to reduce information asymmetry and helps to build trust and confidence between parties. The creation of a positive chemistry between parties may help to have effective negotiations in the M&A process. Without this period, the evaluation of each other's resources,

competences, cultures, and intentions can result in problems and difficulties (Gomes et al., 2013). Therefore, a courtship period is considered as a determinant of M&A performance.

Communication

To avoid uncertainty amongst employees and investors, adequate communication is important. Uncertainty can result in fear, rumours and loss of confidence (Inkpen et al., 2000) It is suggested to set appropriate levels of expectations and to communicate fair, accurate and flexible. In the pre-M&A phase, communication with all employees can be a struggle because of due diligence and negotiations. However, even if not all information can be given, there can still be appropriate communication to stabilize employees. It is found that effective firms adopt the following three rules of communication during M&As: first, employees are told everything that can be told. Second, if something cannot be told, there will be explained why it can be told. Third, if firms are not sure about certain measures, they will try and find out (Schweiger et al., 1993).

The way in which the acquirer communicates its intentions for the M&A towards a target company is an important factor of success in M&As. Therefore, appropriate communication is considered as a determinant of M&A performance.

Cultural fit

Multiple studies highlight the role of culture in M&As (Armour, 2002; Schraeder & Self, 2003; Stahl & Voigt, 2008). A strategic option that is emphasized by most of these studies is the assessment of cultural compatibility. Stahl & Voigt (2008) found that cultural differences can affect sociocultural integration, synergy realization, and shareholder value in different, and sometimes opposing, ways. However the effects of these cultural differences on the M&A process can vary depending on how related companies are or how large the cultural differences are. These findings imply that assessing the cultural differences between the acquiring and acquired firm is of great importance in the pre-M&A phase. Therefore, cultural fit is included as determinant of M&A performance.

Future compensation policy

Developing a mutual compensation policy will foster individual attitudes and motivation levels, which may lead to the achievement of the organization's post-M&A goals (Inkpen et al., 2000). By putting the ownership stakes of the managers of the target firm up front, and motivating them with well-designed compensation regulations based on their financial performance, acquiring firms can achieve superior M&A integration (Anslinger & Copeland, 1996). Regarding these compensation regulations, Datta (1991) found that although two merging companies might have different reward and evaluation systems, the effects of differences in these systems can be characterized as moderate and may not have a major

long-term impact on post M&A performance. Since literature does not reach a consensus regarding future compensation policies, it is not considered as a factor that influences M&A performance.

Summary

To summarize, table 4 provides an overview of the internal factors of M&A performance in the pre-M&A phase that were found in the literature. This table partly answers the sub research question that belongs to this section: Which determinants of M&A performance can be found in literature? The table also provides the short name of the determinant that is related to these determinants and that will be used in the empirical part of this paper. In the next section, the determinants of M&A performance in the post-M&A phase will be discussed.

Table 4: Internal factors of M&A performance in the pre-M&A phase

Internal factors of M&A performance in the pre-M&A phase	Short name of determinant
Resource similarity and complementarity	Resources
Combined relational capabilities	Capabilities
Partner-specific knowledge between firms	Knowledge
Assessment of equity related variables	Equity
Attitude surrounding the M&A	Attitude
M&A price	Price
Relative size similarity	Size
Corporate M&A strategy,	Strategy
M&A experience in relation to similarity	Experience
Courtship period	Courtship
Appropriate communication	Communication
Cultural fit	Culture

2.3.2. Determinants of M&A performance in the post-M&A phase

The primary objective in the post-M&A phase is integration of operations in order to make more effective use of existing capabilities. However, the nature of this integration can vary, depending on the objectives of the M&A (Datta, 1991). In theory, no matter what its nature is, an integration effort should always result in benefits. However, in reality these benefits are not always achieved. Difficulties associated with the integration efforts can result in a situation where the acquiring firm is unable to manage the acquired firm effectively (Haspeslagh & Jemison, 1987). Six critical success factors in the post-M&A phase can be distinguished (Gomes et al., 2013), they will be covered in this section. The relevance of all factors will be discussed, and in the end of each of the six paragraphs of this section, there will be concluded which factors receive enough academic support to be used in this study.

Integration strategies

Appropriate integration strategies are essential in an M&A process, since a lack of integration strategies is a major reason for M&A failure, and an abundance of integration can lead to cultural issues (Weber & Schweiger, 1992). To guide these complex integration processes, many contingency frameworks have been built. All these frameworks show differences in the extent to which operations can be integrated (Howell, 1970), or in the amount of cultural alignment that can be achieved (Nahavandi & Malekzadeh, 1988). Later studies tried to combine these two approaches in order to create a typology that could indicate how companies achieve integration. Integration strategies have received wide attention in M&A literature, resulting in a variety of different strategies. The reason for this is that the extent of integration that is necessary in some companies, may be either too little for the acquired firm, or may lead to the destruction of the resources, culture and routine of the acquired firm. Therefore, there is not one simple way to achieve integration. One of the most widely known post-M&A integration frameworks was designed by Haspeslagh & Jemison (1991), who distinguished four styles of integration: Symbiotic, preservation, absorption and holding. Within each of the styles there are different levels of intended synergy both in terms of functional and cultural alignment. Another important framework regarding the realization of innovation synergies in the post M&A-phase suggests that a higher degree of technological relatedness allows companies to realize more types of innovation synergies, because they can achieve more substantial levels of integration. The three levels of integration that can be achieved are system standardization, structural linking and process re-design (Batterink et al., 2016). The extent to which an integration strategy was used in the integration process is considered as a determinant of M&A success for this study.

Post-M&A leadership

The integration strategy is inseparably linked to the role of management. A lack of decisive top management in guiding the necessary change during the integration process will inevitably result in failure (Gomes et al., 2013). Successful post-M&A integration is generally characterised by clarity in the relationship between the acquiring company and acquired company. This clarity can be established by an internally appointed top executive or by appointing an external leader. Literature shows different opinions on the effects of top executive turnover on company performance. However, studies agree on the fact that a change in top management is a major feature of the post-M&A phase. Pritchett et al. (1997) state that a large subset of post-M&A failure is not caused by a lack of integration strategy, but by faulty management during the implementation of this strategy. Successful implementation depends on a sound leadership style which assures operational and cultural alignment and guarantees that expectations between firms are managed (Angwin &

Meadows, 2009). Different integration strategies might require different leadership approaches in terms of background, social connections, style, personality characteristics and international context (Vasilaki, 2011; Angwin & Meadows, 2009). Therefore, sound leadership and the match between leadership style and integration strategy are considered as determinants of M&A success.

Speed of implementation

Literature does not reach a consensus on the effects of the speed of post-M&A integration. Some studies argue that it is necessary to foster the integration process rapidly and consistently, since slow moving processes may cause uncertainty, build rumors, harm the morale and distract the company's focus from the customer (Inkpen et al., 2000; Anslinger & Copeland, 1996). However, other studies suggest that slow integration can reduce conflicts between stakeholders and gives more time to provide trust amongst employees. A strong reasoning is given by Angwin (2004), who states that the speed of integration does make a difference, but offers both benefits and costs under certain conditions. Angwin (2004) supports this claim by highlighting the effect of high speed of action in the beginning of the post-M&A phase. Achieving so-called 'early victories' will foster confidence amongst employees, investors and other stakeholders that they should continue to support the M&A process. In this research, Angwin's view is supported. However, the fact there is no unambiguous view on the effect of integration speed, makes it difficult to use this factor as a determinant of M&A success. Therefore it will not be included in this study.

Communication

Communication was already mentioned as a determinant of pre-M&A performance. However, communication is just as important in the post-M&A phase. M&A literature agrees on the fact that communication is a critical instrument to achieve successful integration and that it serves to distribute the purpose of an M&A. Communication is vital to deal with the anxieties of stakeholders and to diminish uncertainty and insecurity amongst employees. In cross-border M&As, the cultural differences may even cause an extra degree of difficulty to the M&A process, and the role of communication may be even more important (Schweiger et al., 1993). Some studies highlight the dangers of over-communication (Weber et al., 2012). Managers should always keep some ambiguity and vagueness in their communication so that they have some flexibility and maneuverability in the expectations of stakeholders to deal with unexpected events. The appropriate level of communication is subject to debate and may also depend on culture (Weber & Tarba, 2010). Appropriate communication is important to stabilize employees during the M&A process and is therefore considered as a determinant of post-M&A success.

Cultural fit

Cultural differences seem to have an influence in both, pre- and post-M&A performance. However, the interrelations between the corporate culture, national culture and the achieved integration between firms and the success of M&As are not clear and can even be contradictory. Some studies show that cultural differences can provide competitive advantage, whilst other studies show that too large cultural differences may harm integration (Gomes et al., 2013). Just like in the pre-M&A phase, also in the post-M&A phase, presence of cultural fit will enhance the chance of M&A success. Therefore, cultural fit is considered as a determinant of M&A performance.

Human resource management (HRM)

HRM challenges in the post-M&A phase may harm the potential synergy that could be achieved by an M&A. Preventing these challenges may result in excellent knowledge and resource transfer. Some important HRM practices during an M&A include: the training of new employees to deal with conflict and new assignments during the post-M&A phase, the usage of communication to address HR stress and uncertainty, and the adjustment of recruiting, rewards and labor relations tot the new situations (Weber & Tarba, 2010). Therefore, a HRM strategy related to the M&A is considered a determinant of M&A performance.

Summary

To summarize, table 5 provides an overview of the internal factors of M&A performance in the post-M&A phase that were found in the literature. Just like the previous section, this table partly answers the sub research question that belongs to this section: Which determinants of M&A performance can be found in literature? The table also provides the short name of the determinant, that will be used in the empirical part of this paper.

Table 5: Internal factors of M&A performance in the post-M&A phase

Internal factors of M&A performance in the post-M&A phase	Short name of determinant
Use of integration strategy	Integration
Presence of a sound leadership	Leadership
Match between leadership style and integration strategy	Leadership & Integration
Appropriate communication	Communication
Cultural fit	Culture
Presence of HRM strategy	HRM

2.3.3. Conclusion

This section presents the internal factors that have received academic support as determinants of M&A performance. This implies that they might contribute to the success or failure of an M&A. It is important to take into consideration that the determinants impact M&A performance in different and sometimes opposing ways. Table 6 shows the determinants of M&A performance. These determinants can be present to a certain extent or totally absent. The operationalization (chapter 4) will elaborate on this in more detail and will cover how these determinants can be measured, and when these determinants contribute to the success or failure of M&As.

Table 6: Internal factors of M&A performance

Internal factors of M&A performance	
Pre-M&A	Post M&A
Resource similarity and complementarity	Use of integration strategy
Combined relational capabilities	Presence of a sound leadership
Partner-specific knowledge between firms	Match between leadership style and integration strategy
Assessment of equity related variables	Appropriate communication
Attitude surrounding the M&A	Cultural fit
M&A price	Presence of HRM strategy
Relative size similarity	
Corporate M&A strategy	
M&A experience in relation to similarity	
Courtship period	
Appropriate communication	
Cultural fit	

2.4. Agri-food environment

The environment in which an M&A takes place is an important concept in this study. Many environmental factors can influence the performance of an M&A. In order to find determinants of M&A performance, we should look further than only the involved companies itself. There are two components of the M&A environment that have relevance for this study. The external environment and the specific characteristics of the agri-food sector.

The external environment is a broad concept that can be defined as consisting of all factors external to the organization, a change in which may produce a change in the state of the organization (Ewusi-Mensah, 1981). The external environment might have a big influence on M&A performance in some cases. However, since there is plenty of accessible knowledge

available on the concept of external environment, the researcher has not chosen to further elaborate on it in this literature review. It will be taken into account in the theoretical framework and in the case studies.

2.4.1. Characteristics

Understanding the characteristics that emphasize the uniqueness of the agri-food sector is important, in order to successfully analyze M&As in this sector (SRQ 2). The uniqueness of the agri-food supply chain compared to other supply chains has powerful implications for managers in this sector and the strategies that they might employ (Sporleder & Boland, 2011). A substantial amount of relevant literature regarding this topic has been found. About 10 of those articles will be reviewed in this section. The majority of these articles highlight a single feature that is typical for the agri-food sector, for example the innovative character of the sector (e.g. Capitanio et al., 2009; Leis et al., 2011), or the importance of import and export for the sector (e.g. Wilkinson, 2004). Another subset of the literature identifies multiple characteristics of the sector (e.g. Connor & Schiek, 1997; Sporleder & Boland, 2011). This section will first cover the different characteristics, and after that, the extent to which they are unique or specific will be discussed.

Carrier of innovation

The agri-food sector is characterized by a large amount of small and medium sized enterprises (SMEs), and a low share of people with higher education. Therefore, the sector is generally known as not a frontrunner of innovation. However, the innovative capacity of the agri-food sector is investigated in multiple studies, and it has been concluded that innovation is a key condition for the agri-food industry to perform successfully (Christensen et al., 1996).

The fact that innovation is a key condition for sector performance does not directly mean that it is also a characteristic of the sector. However, the role that innovation plays within the sector can definitely be seen as a characteristic (Christensen et al., 1996; Capitanio et al., 2009). The agri-food industry uses and combines many innovations that are developed in technologically more advanced industries (e.g. electronics, biotechnology). Thus, the agri-food industry then serves as a 'carrier industry' that embodies technologies developed in more advanced industries. These findings also relate with the book from Grunert et al. (1997) who state that the agri-food industry is quite innovative in the sense that the industry puts out a large number of new products and shows substantial process development investments, however their level of R&D investments is notoriously low. This implies that they use technologies from other industries and serve as a carrier industry. Therefore, the role as carrier industry of innovation will be considered as a characteristic of the agri-food industry in this study.

Incremental innovation

Most innovations in the agri-food sector are incremental rather than radical. This is caused by the fact that several challenges restrain the industry from fully exploiting its innovative capacity. The major challenges of the industry range from a lack of financial and (higher educated) human resources, to fragmented consumer interests and concerns regarding the implementation of regulations related to health and environment (Leis et al., 2011). Also demand constraints and conservative consumer behaviour are challenges (Capitanio et al., 2009).

Due to these challenges, the agri-food industry appears to follow a different, more conservative, logic than other manufacturing industries. For example, in the automobiles industry, old models are easily recognised as outdated or out fashioned and lose their value. However, traditional and unchanged food and drinks recipes and tastes remain to be valued by many customers. Therefore, innovations in the agri-food sector are introduced as additions to the existing assortment instead of replacements of the existing products (Leis et al., 2011). The emphasis on incremental innovation will be considered as a characteristic of the agri-food industry in this study.

Demand driven

Next to the large number of findings on the innovative capabilities of the agri-food supply chain, there is also empirical work on other characteristics of this supply chain. For example, on the demand driven character of the industry (Christensen et al., 1996). Product innovation and process innovation in the agri-food industry are driven by market demand. The reason for this is that consumption patterns are deeply rooted in the historical and cultural development of nations. The food industry can give physical access to products all over the world, however mental barriers also exist and persist (Christensen et al., 1996). A certain sustainable production method can be desired in one country but irrelevant in another. This example emphasizes the demand-driven character of the sector. This character is also covered in a study from Capitanio et al. (2009) who concluded that food firms are driven to innovate and differentiate their products by the need to maintain their competitive advantage over large chains that they rely on. Innovation is driven backwards, if large retailers have stricter product quality requirements, than the need and effort to innovate of food processing companies will rise. Therefore, the demand driven character of the industry is considered a characteristic of the agri-food industry in this study.

Cooperatives are important

Another characteristic that is typical for the agri-food sector is the relatively high occurrence of the cooperative business form. The establishment of cooperatives by farmers is mostly driven by economic incentives such as economies of scale, transaction costs and

market access (Bijman et al., 2012). The high occurrence of cooperatives is relevant to this research since cooperatives tend to follow a different reasoning regarding M&As. This can be explained by two attributes, inherent to the cooperative business form. First of all, the democratic decision making based on members' current patronage results in cautious growth strategies amongst cooperatives. Second, limited access to equity capital in cooperatives results in cautiousness concerning strategic business decisions (Krogt et al., 2007).

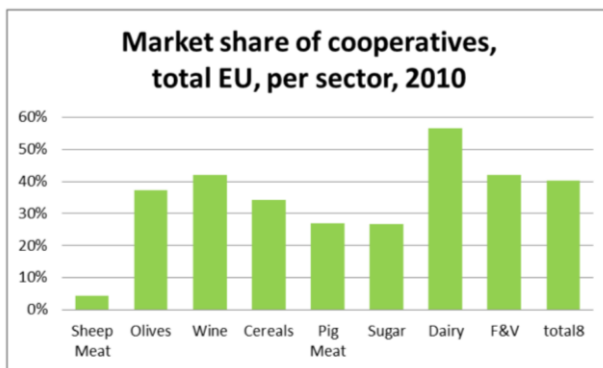


Figure 2: Market share of cooperatives, per sector and total EU (Bijman, et al., 2012)

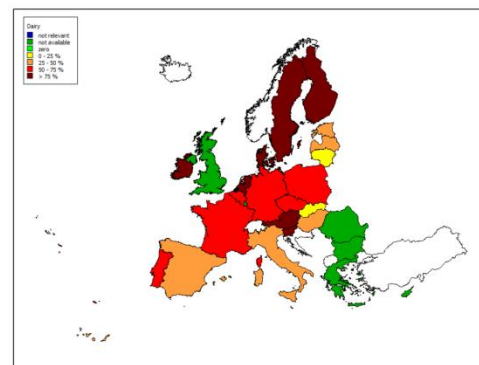


Figure 3: Market share of dairy cooperatives (Bijman, et al., 2012)

Although the high occurrence of the cooperative business form is unique for the agri-food sector, market shares of cooperatives show substantial differences across sectors and countries. In figure 2, the market share of cooperatives per sector for the EU is shown. This figure clearly shows the relative importance of cooperatives in the sector. Figure 3 is an example from the dairy industry. From this figure can be concluded that there are substantial differences in the role of cooperatives per country. Especially for north western Europe this importance is high in for example the dairy industry (Bijman et al., 2012). The importance of cooperatives is considered a characteristic of the agri-food industry in this study.

Perishability of agri-food products

Where production in other industries takes place in controlled environments, agri-food production is susceptible to high risk in terms of quantity and quality produced. This biological nature of agricultural production results in four types of risks: quantity risk, quality risk, price risk and adulteration risk (Sporleder & Boland, 2011). Most companies in the agri-food industry deal with perishable products and are susceptible to the risks that follow from these products. The perishability of agri-food products is considered a characteristic of the industry for this study.

Downstream businesses are dominant

In the agri-food supply chain, market power is enjoyed by buyers (processors or first-handlers) instead of sellers (farmers) (Capitanio et al., 2009). It is a long-term trend in

the agri-food supply chain that market power is shifting towards downstream businesses closer to the ultimate consumer. Their substantial market power enables possibilities for increased negotiating leverage with suppliers, increased access to consumer information and core competencies in logistics and inventory management. Although this characteristic can be identified in multiple industries, the length of the agri-food chain coupled with the many firms and organizations make this process much more complex. Evidence suggests that agri-food industry exhibits characteristics of an oligopsony (Sporleder & Boland, 2011). This market structure has resulted in many institutional and legislative measures that attempt to smoothen the imbalance of market power. An example of this is the high presence of cooperatives. Downstream businesses are dominant in the supply chain and therefore it is considered as a characteristic of the agri-food industry in this study.

Globalization

Import and export of processed foods is becoming a more important characteristic of the agri-food sector. Important drivers of this growing international trade are: the westernization of food patterns in developed Asian economies, the importance of regional trade blocs, and the competitiveness of high quality European products. These drivers, fostered by developed countries, serve a strategic role in the context of globalization. There is an increasing importance of processed food exports compared to primary commodity exports. This suggests that the agri-food sector is a key component of export growth strategies for developing countries, which show an increase in food processing activities (Wilkinson, 2004).

Through globalization, the amount of Foreign Direct Investments (FDI) has increased, resulting in better, faster and cheaper products for consumers. Commodity oriented businesses compete on the basis of production cost, handling and distribution. Therefore, exporting and FDI requires high management skills (Sporleder & Boland, 2011). Thus, globalisation is considered as a characteristic of the agri-food sector.

2.4.2. Conclusion

Many features have been covered that are found in literature as a characteristic of the agri-food sector. This study has a strong focus on the uniqueness of agri-food M&As. Therefore, in this section there will be discussed which of the determinants, found in the previous section, are very specific to the agri-food sector. With specific is meant that most other industry are not subject to those characteristics. This division is important to make a judgement about the uniqueness of agri-food M&As.

To summarize, table 3 gives an overview of the characteristics that are considered as general or specific. The explanation is given below the table.

Table 3: Summary of general and specific characteristics of the agri-food sector.

Characteristics of the agri-food sector	
General Characteristics	Specific Characteristics
Demand driven	Carrier of innovation
Downstream businesses are dominant	Incremental innovation
Globalization	Cooperatives are important
	Perishability of agri-food products

The large amount of literature on the innovativeness of the agri-food sector indicates that this is an important feature of the sector. Innovativeness in itself is not unique. Many other manufacturing industries can be characterised as innovative. However, the role of the agri-food industry as carrier of innovation is considered as a specific characteristic. Most other manufacturing industries show larger R&D budgets, which results in the development of more new products by those industries itself.

The focus on incremental innovation that is common in the agri-food sector is also considered as a specific characteristic in this study. As described in the previous section, new products are usually additions or extensions to the existing ones and are rarely replacements.

The prevalent market structure in the agri-food industry is oligopsony. This market structure has resulted in many institutional and legislative measures that attempt to smoothen the imbalance of market power (Sporleder & Boland, 2011). One example of this is the high number of cooperatives in the sector. This is caused by the relatively large number of small producers compared to the dominance of downstream businesses in the sector, which is in favour of the cooperative business form. The fact that cooperatives are important is considered as a specific characteristic of the agri-food industry.

The perishability of agri-food products is caused by the biological nature of the agri-food industry. This is also a specific characteristic since very few other industries are susceptible to such a large number of biological risks. Most industries make use of controlled environments, or work with unperishable goods.

Also the demand driven character of the industry, dominance of downstream businesses and globalization have been found as characteristics of the sector. Although they are not considered as specific characteristics, they are typical for the agri-food industry and they might also influence agri-food M&As. Therefore, they will also be used in this study.

The sub research question that serves as a guideline in this section is: What are the specific characteristics of the agri-food sector? The results from the literature review show that the role as carrier industry, the focus on incremental innovation, the importance of

cooperatives and the perishability of agri-food products are specific characteristics that distinguish the industry from many other industries.

In the remainder of this thesis, the findings from the literature will be structured in the theoretical framework (chapter 3). Next, the theoretical framework will be operationalized in the methodology (chapter 4). To find out which of the determinants from the literature are present in the agri-food sector, several case studies have been performed (chapter 5). The case studies assess to what extent M&A characteristics, the M&A environment in agri-food and the M&A determinants influence the performance of agri-food M&As. As a result, the determinants from table 6 can be confirmed or rejected. This will lead to a final set of determinants of success and failure in M&As in the agri-food sector.

3. Theoretical framework

In this chapter, the theoretical framework will be explained. The theoretical framework is based on the findings of the literature review and serves as a tool to analyse the cases in chapter 5 of this report. The theoretical framework is displayed in figure 5.

Four concepts can affect the performance of M&As in the agri-food sector. The first concept is a number of influences named as 'other influences'. The motives behind an M&A or the stakeholders involved in an M&A might explain certain decisions or events. Therefore, this concept is important to take into consideration in the case studies.

The second concept are the internal factors of M&A performance. The presence or absence of these determinants can have strong effects on M&A performance and should be analysed in order to explain the success or failure of an M&A. This group of determinants is the group where this study focusses on most. In the light of this study, the relationship between internal factors and M&A performance is more important than the other relationships, given the available data. Therefore, the arrow in figure 5 is thicker.

The third concept is the environment of the agri-food sector. This concept is crucial to reach the objective of this study: the establishment of general determinants of M&A performance in the agri-food sector. Since the determinants have to be present in the agri-food sector, the characteristics of the agri-food sector are important here. For example, the importance of cooperatives might have strong implications for the performance of an M&A.

Fourth, the external influences might affect the performance of an M&A. For example, an M&A can be unsuccessful because of unfavourable legislation or poor economic conditions. These influences are important to know, and will therefore be taken into consideration when analysing cases.

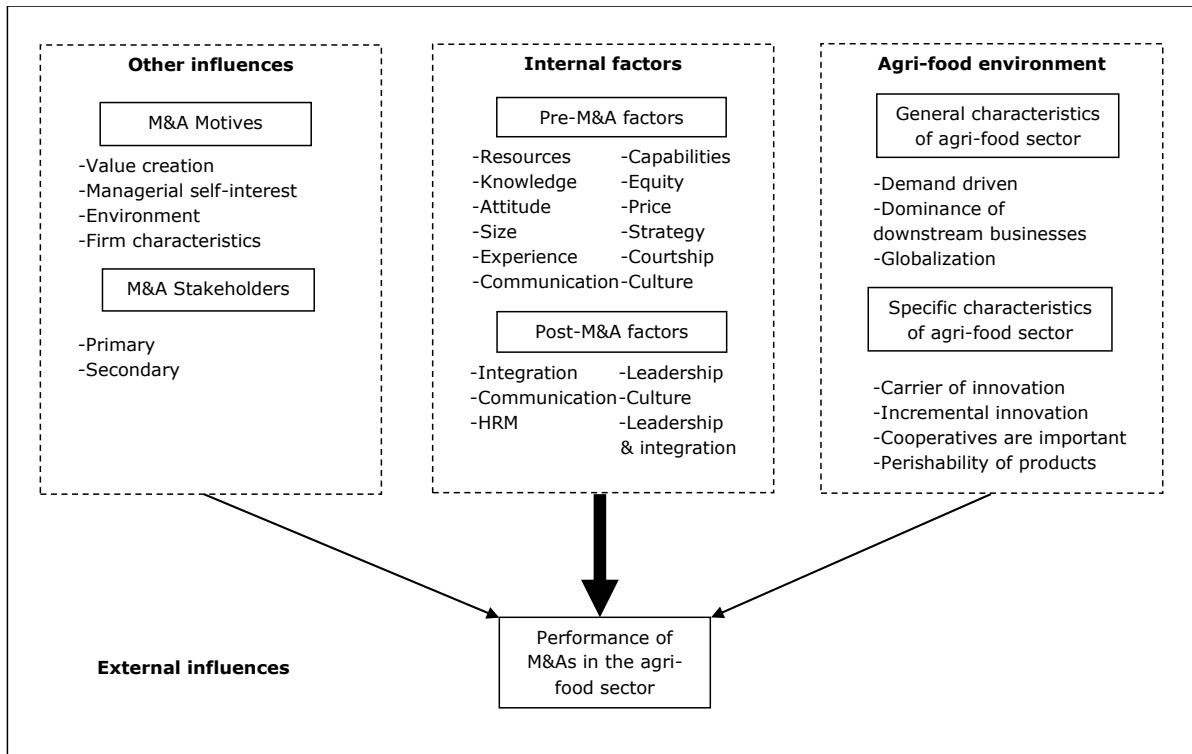


Figure 5: Theoretical Framework

4. Methodology

In this chapter, the methodology of the empirical research will be clarified. Several cases of M&As in the agri-food sector will be examined. The purpose of these case studies is to confirm or reject the determinants found in the literature review. This chapter consists of two sections. The first section will explain why and how the case studies will be performed, and will contain an operationalization of the literature. The second section will cover the criteria that are used for the case selection and the cases that are selected.

4.1. Research methodology

To find the determinants of M&A performance, a qualitative approach is chosen rather than a quantitative approach. The chosen qualitative method is case studies. A case study can be defined as an in-depth exploration from multiple perspectives of the complexity and uniqueness of a particular project, policy, institution, programme or system in a 'real life' context (Thomas, 2016). The primary purpose of case studies is to gain a profound insight into one or several objects or processes that are restricted in time and space in order to give a holistic and qualitative insight into the research objective.

A reason for using case studies as research method is that case studies are useful in environments where external influences are hard to control for. It is expected that external influences or environmental influences might have a substantial impact in each specific M&A case. If a more quantitative research method was chosen to confirm or reject the findings from literature, there would have been problems with the validity of the data since it is nearly impossible to control this data for the external or environmental influences (Nelson & Martin, 2013).

There is ample academic literature available on the concept of M&As. However, there is little academic literature on specific cases of successful or unsuccessful M&As in the agri-food sector. Therefore, next to databases for academic publications, also annual reports and a database like LexisNexis will be useful sources of additional information for this part of the research.

Conducting interviews with people related to the firms in the case studies would be a preferred method of collecting data. However, given the sensitivity of the topic, it is expected that there is not enough willingness to cooperate amongst the people. Therefore, interviews are not included in this study.

To reach the objective of this study, a small number of research units should be analysed in a labour-intensive way, with focus on depth rather than breadth, using qualitative data and research methods (Thomas, 2016). The qualitative approach of the cases studies favours a labour-intensive use of a small number of research units instead of larger

numbers and allows more depth in the analysis of the concepts found in the literature. This in-depth analysis is needed to reach the purpose of the case studies: to confirm or reject the findings of the literature study. The researcher will add new research units until the saturation point is reached.

The type of cases needed for this research are so-called key cases, because we need classic or exemplary cases that reveal something from in-depth study (Thomas, 2016). The case studies will have an instrumental and an explanatory purpose, the reason for having both purposes is that we are using the case studies as an instrument to confirm or reject the determinants from literature, by means of explaining agri-food M&As. The approach that will be used in the case studies is aimed at testing a theory. The reason for this is that we have made a number of assumptions based on literature (32 determinants of M&A performance), that we want to test in a number of different settings (agri-food M&As) (Thomas, 2016). The cases will be single case studies, since they involve one M&A. Given the fact that they happened in the past, it will be a retrospective study (Thomas, 2016). This selection of the case study design is illustrated in figure 6.

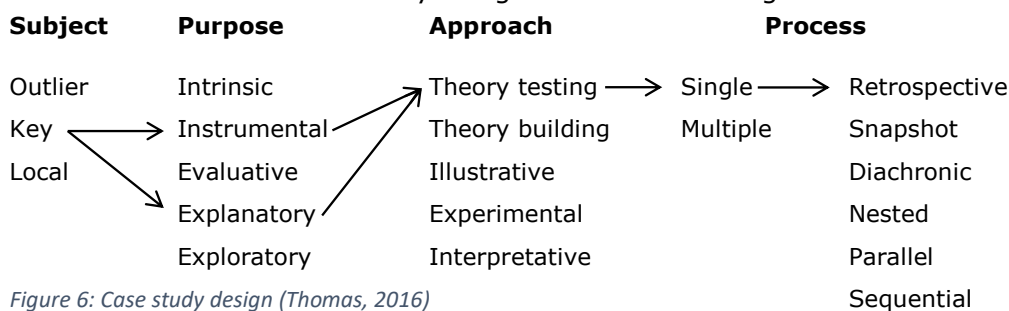


Figure 6: Case study design (Thomas, 2016)

The case studies are conducted in a systematic way. First of all, the data is collected. The data collection process is described in detail in every case study. Second, the data is coded, using coding software. The determinants of M&A performance as found in literature are used as the codes. Third, the key historical events of both firms are described, in order to get a better understanding of the case. The fourth step is the analysis of the case. In this part, all codes that are related to a certain determinant are analysed and based on that, conclusions are drawn.

The cases will be examined using the qualitative research method of pattern matching, as described by Robert Yin (1994). Pattern matching is comparing two patterns in order to determine whether they match or do not match. Pattern matching is the core procedure of theory-testing with cases, which is also what we want to achieve with the case studies in this paper. Testing consists of matching an “observed pattern” (a pattern of measured values or a pattern of observed characteristics) with an “expected pattern” (a pattern or hypothesis based on literature), and deciding whether these patterns match (resulting in a confirmation of the hypothesis) or do not match (resulting in a disconfirmation) (Hak & Dul, 2009).

Pattern matching is a useful method to test the literature that is found in this study. The concepts in the theoretical framework can serve as expected patterns, since literature expects them to influence M&A performance. By observing these same concepts in the case studies, we can prove whether they also occur in the agri-food sector or not. The patterns that will be searched for in the case studies are based on the concepts in the theoretical framework. The patterns, and their criteria, are defined in the operationalization in table 21 in appendix 1.

Since the literature indicated that the determinants (table 21, column 3) can have an influence on the performance of M&As, those determinants are the so-called expected patterns in this study. The questions formulated in column 4 of table 21, help to find out whether a certain pattern is present or not. In the end, the findings of all case studies will be compared with the findings from the literature review. In this comparison, part of determinants in the theoretical framework might be confirmed, and some might be rejected. An important note here is that this study does not focus on the effect of a certain determinant in a case, but only on the presence or absence of a determinant in a case. If the case studies did not provide enough insights to confirm or reject a certain determinant, then additional research will be advised.

The pattern matching procedure is executed by using the data coding software QDA Miner Lite. Tables 13, 16 and 18 provide an overview of the data analysis for each case. Since their set-up is similar, the structure of those tables will be explained here. Table 13 is used as an example, but its structure is equal to table 16 and 18. The determinants of M&A performance as found in literature are the expected patterns (table 13, column 2). Therefore, they have been used as the coding labels in the coding process. In column 3 of table 13, the amount of times that a code is observed is given. Column 4 provides an example or few examples of how the codes were embedded in the dataset. If possible, a conclusion is drawn about the relation between the expected pattern and the observed pattern in column 5 of table 13.

If a certain code was observed many times, only a subset of the observations will be presented in order to keep the overview compact. The researcher selected such a subset based on the relevance of each observation. For example, if a code is considered as a crucial factor in this case, then it will be presented. Subsequently, if a certain pattern is considered as 'less relevant', it will not be presented. Furthermore, the category 'external environment' is not the core subject of this research. However, external influences can have a substantial impact on M&A performance. Therefore the influences found in the external environment are all presented in the table – since their impact on M&A performance might be rather big – but have to be analysed in future research.

4.2. Sample selection

Given the importance of the cases for this research in determining the validity and generalisation of findings, the selection process plays a crucial role. The cases are selected based on certain requirements to make sure that there is enough relevance and similarity between them and to assure that the findings can be related to the outcomes of the literature review. The requirements are:

- The companies involved are active in the agri-food sector as defined in this study
- The M&A has occurred in the past 20 years
- Both companies are located in North-Western Europe

A study by Höfelt (2009) investigated the effects of M&As on innovation in the agri-food industry. For his case selection, Höfelt used a list of M&As in the Dutch agri-food sector since August 1999, that are approved by the European Commission. This list is also used as a sampling population for the case selection in this study (see: table 7).

Table 7: List of Dutch agri-food companies that conducted an M&A from August 1999 to August 2008 (Höfelt, 2009)

Case	Date of approval	Company A	Company B
M.1802	25-1-2000	Unilever	Amora-Maille
M.1990	16-8-2000	Unilever	Bestfoods
M.2084	28-8-2000	CSM	European Bakery Supplies Business (Unilever)
Zaak 2103	12-10-2000	CSM N.V.	Continental Sweets Netherlands
M.2302	25-1-2001	Heinz	CSM
M.2350	1-3-2001	Campbell	ECBB (Unilever)
M.2972	31-3-2003	DSM	Roche Vitamins
M.3188	27-6-2003	ADM (Archer Daniel Midlands)	VDBO (UK, division of Unilever)
M.3337	13-1-2004	Best Agrifund	Nordfleisch
M.3535	17-9-2004	Van Drie	Schils
M.3702	17-1-2005	CVC	CSM
M.3818	4-5-2005	Gilde Buy-Out	DSM Bakery Ingredients
M.3968	28-10-2005	Sovion	Südfleisch
Zaak 5460	7-2-2006	Slachthuis Groenlo	Dumeco
Zaak 5476	24-4-2006	PepsiCo	Duyvis
Zaak 5703	20-4-2007 25-9-2006	Cosun	CSM
M.4617	21-8-2007	Nutreco	BASF
Zaak 5901	21-8-2007	Bloemenveiling Aalsmeer	Floraholland
M.4842	12-9-2007	Danone	Numico
M.5046	17-12-2008	Friesland Foods	Campina
M.5204	25-6-2008	Vion	Grampian

From these 21 M&As, one is not suitable for this research. The M&A between Nutreco and BASF involves companies that are active in the production of animal feed. As defined in section 1.4, those companies are excluded from this research. In consultation with supervisors, three more recent cases have been added to this selection, since also more recent insights might be useful:

Table 8: Additional cases added to sample population

Case	Date of approval	Company A	Company B
n.d.	2-4-2011	Humana Milchindustrie GmbH	Nordmilch AG
M.6611	27-9-2012	Arla Foods	Milk Link
M.7615	22-5-2015	Deprez Holding (Univeg)	Greenyard Foods

All the 23 M&As in the sample population meet the requirements that are set before. From the sample population, several cases have been selected by the researcher, using a stratified random sampling method. This sampling method is chosen to assure that M&As from different industries within the agri-food industry are selected. Most M&As in the sample population belong to the industries meat, dairy, flowers or vegetables. Within each category, the companies are selected with a second sampling method: convenience sampling. This method is used to allow the researcher to select the cases that have a high data availability. The following three cases have been selected and are analysed in the three respective chapters:

- VION – Grampian
- Friesland Foods – Campina
- Greenyard Foods – Univeg

5. Case I: VION – Grampian

First of all, the case between VION and Grampian will be introduced briefly. Second, the data collection process and the dataset is clarified. Next, the key historical events from VION and Grampian will be analysed. These insights in the history of the two companies are a useful source of background information in this case study. After that, the M&A will be analysed, using coding software. Finally, conclusions on the success or failure of this M&A will be drawn.

5.1. Introduction

By 2017, VION is an international meat producer with 25 production locations in the Netherlands and Germany, and sales offices in 16 countries worldwide (VION Food, 2017). In the period between 2002 and 2009, VION rapidly increased its turnover from 760 million to 9 billion euro mainly through M&As (Rademakers, 2012; Thomson Gale, 2017). The largest acquisition was in 2008, when VION acquired the shares of the British meat processor Grampian Country Food Group for a price of more than 400 million euro. The total turnover of VION reached 8.60 billion in that year. However, Grampian was not profitable at the time of the takeover, and VION had to take a loan of 1 billion euro to acquire the shares and debt of Grampian (VION Food Group, 2012). In the years that followed, VION went through a series of major reorganizations. In 2016, VION realized an annual turnover of 4.75 billion euro.

Given the overall performance of VION in the years before and after the M&A, and the fact that VION sold all UK activities within 4 years after the acquisition, it can be concluded that this M&A has resulted in failure. Therefore, in the context of this study, the M&A between VION and Grampian will be classified as an unsuccessful M&A. Since all determinants will be related to this case study, it is important to make this classification in advance. This is relevant in order to know if for example a negatively present determinant tempered the performance of a positively performing M&A, or strengthened the failure of a negatively performing M&A.

5.2. Key historical events

The story of VION started in the 1930s with the establishment of the Noord-Brabantse Christelijke Boerenbond (NCB), now known as Zuidelijke Land- en Tuinbouw Organisatie (ZLTO). The NCB was established to look after the interests of the Dutch farmers. For this purpose, some other companies were created under the umbrella of the NCB. One of those companies was Destructor NCB (established in 1934), which was responsible for the processing of the animal carcasses of the farmers. (Veghelinbeeld, 2006).

In 2002, Sobel NV (the successor of Destructor NCB) decided to expand its markets and to move into the food industry (Graaf, 2008). As a result of this decision, many M&As followed. The main motive for all the acquisitions was the philosophy of former CEO Daan van Doorn, which implied that consolidation was the key to market power (Het Financieele Dagblad, 2006). An overview of the acquisitions between 1992 and 2007 is given in table 9.

In 2006, all acquired companies decided to act under the new name VION Food Group. At that time, VION was a major player in the European food market with an annual turnover of 7.4 billion euro (see: table 10). To get a better view on the impact of these M&As on the company, table 10 gives an overview of the net turnover and net profits of VION from 2003 until 2015. Also the amount of employees is given from 2009 onwards.

Table 9: Overview of VIONs M&As between 1992 and 2007.
Based on: LexisNexis Academic

Year	Acquisition
1992	Pharmacaps
1992	Banner Gelatine Products
1997	Sidmak
2002	SKW Gelatine and Specialties France
2002	Moksel
2003	Dumeco
2003	Norddeutsche Fleisch Zentrale (NFZ)
2004	Hendrix Meat Group
2004	Nordfleisch
2005	Südfleisch
2007	Gebr. Smilde
2007	Oerlemans Food
2007	J&J Tranfield (UK)
2007	Rebiere

Table 10: Turnover, profits and number of employees of VION Food Group (Rademakers, 2012), (VION Food Group, 2010), (VION Food Group, 2012), (VION Food Group, 2015).

¹ Average number of employees including hired labour

Year	Net turnover (mln €)	Net result after tax (mln €)	Amount of employees ¹ (n)
2003	2.864	46	-
2004	5.930	63	-
2005	6.285	70	-
2006	7.413	81	-
2007	7.140	126	-
2008	8.644	54	-
2009	9.040	62	32.734
2010	8.870	80	27.005
2011	9.500	14	26.663
2012	9.620	-817	24.950
2013	7.033	516	18.099
2014	4.992	-21	12.897
2015	4.571	22	11.021

The largest acquisition was in 2008, when VION acquired the British meat processor Grampian Country Food Group for a price of more than 400 million euro. Table 10 shows that VIONs turnover rose by 1.5 billion as a result of this acquisition. The total turnover of VION reached 8.6 billion in that year (VION Food Group, 2012).

The Grampian Country Food Group was established in 1980 as a small Scottish poultry processor. The company was owned by entrepreneur Fred Duncan. Under supervision of Duncan, Grampian grew and eventually became the largest meat processing company in the United Kingdom. However, since the late 1990s Grampian was facing difficult market conditions because of high energy prices, a price war between British supermarkets, relatively cheap import of meat, the inability of Grampian to meet the increasing demand

for poultry meat, and the high debts, built up by all the acquisitions of Grampian (Graaf, 2008; Verbeek, 2008). This resulted in a negative financial performance. As a result of this, Employees were fired, and factories were closed. Eventually Fred Duncan was basically forced by the Bank of Scotland to sell Grampian (Verbeek, 2008).

At the time of the M&A between VION and Grampian, Grampian had 30 meat processing factories and an annual turnover of 2,7 billion euro. It had 17.500 employees, of which 4.500 in a poultry processing plant in Thailand. Grampian was supplier of meat for large British supermarkets like Tesco, Asda and J. Sainsbury, but also for the American fast food company KFC (Graaf, 2008).

On June 14th, 2008 VION signed a share purchase agreement, which implied that VION would acquire all shares in the operative subsidiaries of Grampian Country Food Group. With operative subsidiaries is meant that VION does not acquire all companies of Grampian, however, the companies which will remain with Grampian only hold certain properties which no longer have operating facilities. Therefore, it can be concluded that those companies remaining with Grampian are of a very small scale and not of relevance for this research. As a consequence, VION would acquire sole control over Grampian within the meaning of the merger regulation of the European Commission. The M&A between VION and Grampian was approved by the European commission on July 31st, 2008 (European Commission, 2008).

Concerning the financial specifications of this M&A, VION has no publicly available annual reports from the years before the M&A. Also Grampian did not publish its annual reports. However, some sales data is retrieved from other academic work (Bowman et al., 2013). Figure 7 below shows VION UKs annual return on sales in the years before and after the M&A. As figure 7 shows, the firm never reached any point of stability. This is caused by the fact that supplier contracts were switched as a form of discipline (Bowman et al., 2013). With this is meant that retailers have the power to control their suppliers by 'threatening' to end contracts with them if they cannot fulfil the demand of the retailer.

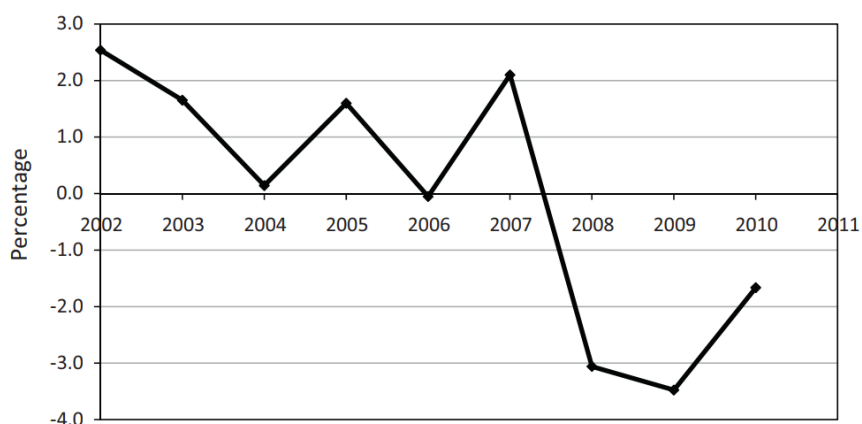


Figure 7: VION UKs pre-tax return on sales (Bowman et al., 2013)

A good example of the power of retailers is the case of the Cambuslang processing plant of VION UK. This former production facility of Grampian, was considered old and poorly laid out. However, instead of modernizing it, the uncertainty about supply agreement duration, volumes and prices created an environment in which VION UK had little incentive to invest and modernize the plant. On top of that, in March 2012, Sainsbury suddenly ended the contract with the Cambuslang plant, which resulted in even less willingness to invest from VION UK. One year later, in 2013, the Cambuslang plant was sold to Boparan Holdings Ltd, the holding company for the 2 Sisters Food Group (Bowman et al., 2013).

Although the acquisition of Grampian may have increased the sales of VION, figure 7 shows that it did not bring profits. VION had to take a substantial loan to finance the M&A. The huge debt, in combination with the acquisition of unprofitable companies and the conditions in the European pig market at that time, had a big influence on VIONs financial performance, resulting in a net loss after tax of 817 million euros over 2012 (See: table 10) (VION Food Group, 2012). Eventually, under pressure of financial suppliers, VION decided to sell the remaining parts of its UK division in 2012 (Moesker, 2014). In 2014 VION decided to sell its well performing ingredients division, which was a major step towards paying of its debts (De Stentor / Veluws Dagblad, 2013).

By 2017, VION has production locations in the Netherlands and Germany and sales offices in sixteen countries worldwide. VIONs current product portfolio includes fresh pork and fresh beef, and derived products for retail, foodservice and the processed meat industries. It no longer focusses on other food products, only on fresh meat products and related business like quality brands or meat alternatives (VION Food, 2017). The most recent published turnover is 4.5 billion euro in 2016 (see: table 10). The current CEO is Francis Kint (VION Food, 2017).

5.3. Data collection

The dataset for this case study consists of academic articles, annual reports and news articles. First of all, the systematic collection of the academic articles will be discussed. An overview of the search terms and results is provided in table 11. The stated search terms are used to search data in the following three different databases: Web of Science (WoS), Scholar and Scopus. To structure the data, each academic article in the dataset is coded. For example, the article with code 1.3 refers to case study one, article three. The codes and the articles are provided in table 12. Some additional search specifications were used in all databases. First of all, only articles that are published between 2000 and 2017 are included. Second, if a certain search attempt yielded more than 50 search results, only the 50 most cited articles are analysed. Next, all articles that provided information on the M&A between VION and Grampian are added to the dataset.

Table 11: Data collecting procedure for academic articles, case I

Data collecting procedure, academic articles only						
Search terms*,**	Number of results WoS	Useful sources (code)	Number of results Scholar	Useful sources (code)	Number of results Scopus	Useful sources (code)
VION	28	1.1	14400	-	51	1.1, 1.2
Grampian	449	-	14800	-	496	-
VION Food	3	1.1	2650	1.1, 1,3	5	1.1, 1,2
Grampian Country Food Group	1	-	2190	1.1, 1.2, 1.3, 1.4	1	-
VION UK	0	-	3510	1.1, 1.2, 1.3, 1.4, 1.5	1	1.2
VION Grampian	0	-	40	1.1, 1.2, 1.3, 1,4	0	-
VION-Grampian	0	-	2	1.1	0	-
VION Grampian M&A	0	-	8	-	0	-
Grampian Acquisition	1	-	3870	1.1, 1.2	3	-
VION Acquisition	0	-	4880	1.1, 1.2, 1.4	0	-
Grampian takeover	0	-	169	1.2	0	-
VION takeover	1	1.1	97	1.1, 1.2	2	1,1

Table 12: Academic articles, case I

Code	Article	Keywords	Author	Year	Journal
1.1	VION Food Group: New Challenges	teaching case; strategy; industry development; European meat industry	Rademakers	2012	International Food and Agribusiness Management Review

1.2	Opportunist dealing in the UK pig meat supply chain: Trader mentalities and alternatives	Business models; Meat supply chains; Pig meat supply; Supermarket power; Vertical integration	Bowman et al.	2013	Accounting Forum
1.3	Risk and resilience in agri-food supply chains: the case of the ASDA PorkLink supply chain in Scotland	Pig producers, Animal welfare, Supply chain vulnerability, Risk, Supply resilience, Scottish agriculture, UK agriculture, Meat, Food industry	Leat & Revoredo-Giha	2013	Supply Chain Management: an International Journal
1.4	Support for Farmers Cooperatives	coöperaties - coöperatieve activiteiten - landen van de europese unie - belgië - nederland - cooperatives - cooperative activities - european union countries - belgium - netherlands	de Bont & Poppe	2012	-
1.5	Bad attitude? Migrant workers, meat processing work and the local unemployed in a peripheral region of the UK	Labour immigration, local workers, meat processing, migrant workers, regional development, south Wales valleys, unemployment	Tannock	2015	European Urban and Regional Studies

Next to these academic articles, the dataset also contains news articles and annual reports.

- News articles (LexisNexis Academic)
Dutch and UK version of LexisNexis has been used. 10 Dutch and 10 UK articles have been selected based on relevance, they have been added to the dataset. The twenty articles have been selected using a convenience sampling method. Articles were added to the dataset based on the amount of new, relevant information that could be retrieved from them. LexisNexis yields a substantial amount of different news articles on the same topic (e.g. a certain event). In such a case, only one article concerning the event was selected.
- Case M.5204, European commission on VION – Grampian
This is an investigation by the Commission of the European Communities regarding this M&A. The Commission made sure whether the concentration was compatible with the common market and the agreement on the European Economic Area (EEA).
- Annual reports VION (2010, 2012, 2013, 2015)

5.4. Analysis

The available dataset for this case study has been analysed with the data coding software QDA Miner Lite. Table 13 provides an overview of the data analysis. The structure of table 13 is explained in section 4.1. The full dataset of the coding analysis of this case can be found in appendix 2.

Table 13: Analysis case 1, M&A VION - Grampian

Category	Expected pattern (coding labels)	# Observations (n)	(examples of) observed patterns	Conclusion
Determinants of M&A performance in pre-M&A	Resources	3	<p>"The proposed transaction concerns mainly the sale of fresh and processed pork, in particular bacon and raw sausages. This is where both VION and Grampian are primarily active" (European Commission, 2008)</p> <p>"Vion is op twee terreinen op zoek naar versterking: in het segment vers vlees en in gemakvoeding. Volgend jaar gaan we er serieus mee aan de slag." (Het Financieele Dagblad, 2006)</p>	Similar and complementary resources
	Capabilities	5	<p>Daan van Doorn, CEO of VION, commented on the Grampian acquisition that: "The combined (VION/Grampian) group will become a major player in the European food industry. (.....)." (Rademakers, 2012)</p> <p>"Het bedrijf maakt ook diepvries- en stoomgroenten, van worteltjes en peultjes tot bloemkool en courgette. Of pizza's en soepen. En vleesvervangers. (.....)</p> <p>Want Vion noemt zich nadrukkelijk een voedingsmiddelenconcern en is druk bezig te diversifiëren." (Graaf, 2008)</p> <p>But the Dutch group made clear the acquisition was aimed at growing its share of the UK meat market. Chairman Daan van Doorn added: "At the heart of Vion's business is a passion for better food and Grampian is key to developing this strategy. The combined group will become a major player in the UK food industry." (Findlay, 2008)</p>	The M&A leads to stronger combined capabilities
	Knowledge	1	<p>"Together with Grampian's management we want to further intensify the cooperation with our retail clients by investing in Grampian, sharing knowledge (.....)" (Bain, 2008)</p>	Not clear from available information
	Equity	0	<p>The financial specifications of Grampian are not public.</p>	Not clear from available information
	Attitude	3	<p>"to the process which has been ongoing for some months and brings an end to speculation surrounding the Grampian business. Vion has ambitious plans for investment, development and growth in the UK from which the Grampian business and its farmer suppliers will benefit." (Findlay, 2008)</p>	Friendly

Price	6	<p>"Vion zou een bedrag van ruim 400 miljoen euro voor Grampian hebben betaald. Dat meldt het Britse blad The Herald. Andere Britse media reppen zelfs over bedragen van 440 tot 500 miljoen euro (350 tot 400 miljoen pond sterling)." (Moesker, 2008)</p> <p>"De ogenschijnlijk lage verkoopprijs aan VION houdt verband met de financiële situatie van Grampian, die niet bijzonder rooskleurig is." (Graaf, 2008)</p>	The deal was underprized
Size	10	<p>"The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 billion 3 (VION: EUR 6,996 million; Grampian: EUR 2,504 million). Each of them have a Community-wide turnover in excess of EUR 250 million (VION: 6,379 million; Grampian: EUR 2,459 million)" (European Commission, 2008)</p> <p>"Het kwakkelende Britse voedingsmiddelenbedrijf heeft een omzet van 2,5 miljard euro. Daarmee groeit Vions omzet met een derde. Maar in werkgelegenheid vindt zelfs ruim een verdubbeling plaats. Grampian telt 17.500 werknemers, waarvan 4.500 in Thailand. Vion telde vorig jaar 16.200werknemers" (Graaf, 2008)</p> <p>"Grampian Country Food Group was founded in Scotland in 1980 and has become one of the UK's leading food companies, supplying the major multiples with chicken, pork, beef and lamb. The company currently employs 17,500 staff, of which 4,500 are in Thailand, and has an annual turnover of £1.7billion, with production sites in the UK and Thailand. Its head office is at Livingston." (Telfer, 2008)</p>	Equal amount of employees, but VION is 3 times bigger in turnover
Strategy	12	<p>"Vion liet zich bij de overname adviseren door Steven Spiekhout en Arthur van der Goes van Rabo Securities. Karin Schadee van De Brauw Blackstone Westbroek trad op als lead counsel voor de financiering. Linklaters onderhoudt de contacten met mededingingsautoriteiten bij de Europese Commissie in Brussel en BDO adviseerde over de fiscale aspecten van de transactie." (Kerkhof, 2008)</p> <p>"Het is duidelijk dat we heel goed naar onze organisatie gaan kijken om te stroomlijnen daar waar mogelijk. Verkopen van onderdelen die niet passen bij onze kernactiviteiten is een serieuze mogelijkheid." (Bron, 2008)</p> <p>"The ultimate intended impact of the company's strategic actions, is to secure long-term market demand for goods produced by farmers in the Dutch agricultural complex." (Rademakers, 2012)</p>	Indications that the M&A was part of a strategy
Experience	4	<p>"kocht zich in die periode met een reeks van overnames naar een jaaromzet van ruim 7 miljard euro" (Kerkhof, 2008)</p> <p>"Fred Duncan, die de onderneming in 1980 oprichtte en door een reeks overnames uitbouwde tot het grootste Britse vleesbedrijf" (Verbeek, 2008)</p>	Both firms have experience with M&As
Courtship	0	-	No courtship period
Communication	0	-	Not clear from available information

	Culture	5	<p>"Duncan's adagium: 'Als je een pond winst maakt, kun je er weer vier extra lenen'" (Graaf, 2008)</p> <p>De Nederlandse onderneming, die in drie jaar de omzet door overnames zag vertienvoudigen tot euro 7 mrd, heeft behoefte aan meer schaalgrootte. (Het Financieele Dagblad, 2006)</p>	The leaders of both firms believe in a strategy of consolidation. However there is not enough data available to make a statement.
Determinants of M&A performance in post-M&A	Integration	5	<p>"In the week after the M&A, CEO Daan van Doorn said "it is clear that we have to look at our organization now, and make it more efficient where possible. Selling some divisions of Grampian is a serious option to do so." (Bron, 2008)</p> <p>"Integrating the Grampian Country Food Group into could take at least 12 months, its chairman said yesterday" (Watson, 2008)</p> <p>"given the failure of the previous acquisition and growth strategy in Food, to deliver the expected operational synergies and financial performance" (Bowman et al., 2013)</p>	There are indications that an integration strategy was present at the time of the M&A
	Leadership	2	"Vion UK will be led by a new chief executive, Ton Christiaanse, who heads up the group's convenience business. Vion has also strengthened its boardroom team and UK management by appointing Meat and Livestock Commission chairman Peter Barr as non-executive chairman." (Findlay, 2008)	A top executive was appointed to lead the M&A process
	Leadership & integration	7	<p>"He also contrasts Vion's management with the leadership style of Fred Duncan, founder of the Grampian business. "Fred was a bit like Ranjit. He obsessed over every detail, and knew everyone." A leading pork industry source believes Vion simply underestimated the power of the UK retailers. "I think they came in a little bit naive, thinking it was easier to deal with the UK supermarkets than it really was" (Ford, 2012)</p> <p>"Although Grampian had its problems and for a period lost its way, Vion bought a profitable business." The fact this acquisition coincided with the start of the recession, on the other hand, was always going to be a challenge to a business whose focus at the time was on internal restructuring" (Ford, 2012)</p>	The opposing management styles and external influences that required the attention of managers led to a lack of integration
	Communication	0	-	Not clear from available information
	Culture	0	-	Not clear from available information

	HRM	6	<p>"Employment relations are also complicated by the fact that Tesco closely monitors the production process as part of its contract with St Merryn; workers tell stories of how production lines are slowed down and work is done to regulation on days when Tesco inspectors visit the factory." (Tannock, 2015)</p> <p>"Part of the problem, finally, in organising to improve working conditions in places like St Merryn is the complex structure of employment relations and pressures of the meat industry supply chain." (Tannock, 2015)</p> <p>"Though Unite has deployed a range of strategic campaigning tactics, (...) progress in actually improving these conditions across the sector has been difficult and slow." (Tannock, 2015)</p> <p>"The union representatives interviewed for this project described a 'never ending race to the bottom' in terms of pay and conditions, which failed to deliver any form of stability for individual plants or the industry as a whole." (Bowman et al., 2013)</p>	Indications that no HRM strategy was present in this M&A
Motives	Value creation -Market power -Efficiency -Resource redeployment Managerial discipline	1	"the philosophy of former CEO Daan van Doorn, who believed that consolidation is the key to market power" (Rademakers, 2012)	Market power was a motive for this M&A
	Managerial self-interest -Agency/compensation -Hubris -Market timing	1	"Sobel-directeur Daan van Doorn gaat op overnamepad, met geld van zijn vermogende aandeelhouder ZLTO. Hij is tot de conclusie gekomen dat de vleesmarkt veel te versnipperd is. De macht van de supermarktconcerns is veel sneller gegroeid dan die van de vleesconcerns. In rap tempo worden de vleesbedrijven Dumeco en Hendrix ingelijfd. In Duitsland worden Moksel, Nordfleisch en Südfleisch overgenomen." (Graaf, 2008)	A motive related to market timing played a role in this M&A
	Environment -Environmental uncertainty and regulation -Resource dependency -Network ties	1	"de vleesbedrijven zijn destijds vooral aangekocht om te voorzien in de grondstoffen voor de ingrediëntenbedrijven. Vlees werd in de toenmalige situatie eigenlijk gezien als bijproduct." (Moesker, 2014)	Resource dependency was a motive in this case

	Firm related -Acquisition experience -Firm strategy and position	0	-	No firm related motives
Stakeholders	Primary	6	<p>"alle grote Britse supermarkten, maar ook aan de Amerikaanse fastfoodketen KFC" (Graaf, 2008)</p> <p>"that HBOS, its banker, had pushed Grampian into a sale." (Findlay, 2008)</p> <p>"Grampian has run into trouble with unions over pay, pensions and the use of agency staff." (Findlay, 2008)</p> <p>to UK supermarkets including Tesco, Sainsbury's, Asda, Morrisons the Co-op, Somerfield and Marks & Spencer" (Findlay, 2008)</p>	Bank of Scotland Retailers Employees
	Secondary	3	<p>"Vion is als Europa's grootste vleesbedrijf regelmatig mikpunt van dierenactivisten." (Graaf, 2008)</p> <p>"the Scottish Society for the Protection of Animals (Scottish SPCA) inspects supplying farms, haulage and Vion-Halls' premises to verify high animal welfare standards throughout the supply chain" (Leat & Revoredo-Giha, 2013)</p>	Animal rights associations
General characteristics of M&As in agri-food	Demand driven	2	"De consument koopt steeds meer samengestelde producten en kant-en-klare maaltijden: vlees en groenten samen, in diepvriesverpakking of anderszins voorberekt. 'Over tien jaar weet bijna niemand meer hoe je moet koken', is een gevleugelde uitspraak van topman Van Doorn. Als klanten naast vlees ook vleesvervangers willen, dan voorzien we daarin" (Graaf, 2008).	Demand is main driver of decision making
	Downstream dominance	7	<p>"de supermarkten aanhoudend druk uitoefenen. Bovendien willen supermarkten vaak het hele gamma afnemen bij één leverancier." (Graaf, 2008)</p> <p>"because it is at the wrong end of a power relationship with a dominant actor that is determined to realize value. In both cases, the dominant downstream actor controls the brand, pleases consumers and delivers for its own shareholders by creating and capturing profits in a way that make its supply chain financially unsustainable. Second, supermarkets and food service clients demand just-in-time delivery" (Bowman et al., 2013)</p> <p>"Food retail is leading and consolidating, food suppliers need to follow" (Rademakers, 2012)</p>	Strong downstream dominance

	Globalization	4	<p>"The competitive battling continued and seems to be accelerating in 2008. In search of growth markets, large global firms, including Smithfield Foods based in the USA or Brazil's JBS Swift and Perdigão, are penetrating and expanding into European territory." (Rademakers, 2012)</p> <p>"globalizing food industry with ever fewer and larger international players on the processing and retail side who are driving cross-border competition." (Rademakers, 2012)</p>	Highly globalizing market
Specific characteristics of M&As in agri-food	Carrier of innovation	1	"Also, the company only applied for two patents since 1998 – not very significant." (Höfelt, 2009)	Indications that VION was a carrier of innovation
	Incremental innovation	0	-	Not clear from the available information
	Cooperatives	3	<p>"ZLTO has three main objectives and activities: (1) the representation of the economic interests of the farmers/ members in the society, (2) the provision of services to its members and (3) investing in companies in and around the farms to strengthen the position of farmers and growers" (Bont & Poppe, 2012)</p> <p>"ZLTO is a farmers union (aimed to further interests of farmers), and NOT a cooperative." (Rademakers, 2012)</p>	Firms in this case are not a cooperative
	Perishability	1	"It should be stressed here that these rules of the game are true for fresh meat only." (Rademakers, 2012)	Firms are dealing with perishable products

<p>External environment</p>	<p>Possible external influences that have impact on M&A performance</p>	<p>7</p>	<p>De snelle expansie van de afgelopen jaren eist zijn tol. Omdat de prijzen voor veevoer sterk zijn gestegen "en de supermarkten aanhoudend druk uitoefenen op de leveranciers" (Verbeek, 2008) "Ook de schuldenlast die door de vele aankopen is opgebouwd" (Verbeek, 2008) "kwam Grampian in het nauw omdat het niet voldoende scharrelvlees kon leveren, terwijl consumenten daar steeds meer om vroegen." (Graaf, 2008) "Grampian-medewerkers in Wales te gaan staken. Ze vinden hun loon te mager." (Graaf, 2008) "British food companies have come under increasing pressure as the price of commodities - such as wheat for animal feed - have rocketed and retailers slash prices to boost sales." (Kennedy & Hawkes, 2008) "They have also been hit by the rise of television chefs such as Jamie Oliver, who have attacked mass-processing methods and championed more expensive organic produce over battery-farmed poultry" (Kennedy & Hawkes, 2008) "The fact this acquisition coincided with the start of the recession" (Ford, 2012)</p>	<p>Many external influences</p> <ul style="list-style-type: none"> -Rapid firm growth -Pressure from retailers -Debts because of acquisitions -Supply constraints -Striking employees -High commodity prices -Boycott of mass-processing -Start of recession
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Based on the dataset, it can be concluded that four determinants might have affected the performance of the M&A negatively. First, there are seven indications in the dataset that point at the *strong dominance of downstream firms*. In this case, these downstream firms are UK retailers. Grampian is highly dependent on these retailers for its sales. As Rademakers (2012) said: "Food retail is leading and consolidating, food suppliers need to follow". Although downstream dominance is an external influence, it has also strong impacts on the internal processes in the businesses itself. It is likely that the downstream dominance has obstructed the integration of VION and Grampian.

Second, *no courtship period* has preceded the M&A between VION and Grampian. A courtship period substantially increases the chance of M&A success, and allows companies to get better knowledge and understanding of each other. Subsequently, it helps to reduce information asymmetry and helps to build trust and confidence between parties. It is likely that the absence of a courtship period might have had a negative influence on the performance of the M&A between VION and Grampian.

Third, the *opposing management styles* and external influences that required the attention of managers led to a lack of integration. There are seven observations in the dataset that indicate a poor integration in the post-M&A phase. Given the fact that some sources contrast the management styles of both firms, the integration process should be handled with extra care. However, because of the large amount of external influences, it is very likely that the management was distracted from the integration process.

Fourth, there are indications for the *absence of an HRM strategy* concerning the M&A. Having an HRM strategy has a positive influence on the performance of an M&A. However six observations in the dataset indicate that there was no proper HRM strategy. The progress in improving working conditions was difficult and slow. Apparently, this led to protests from employee unions.

Next to these four determinants of M&A performance that were absent or negatively present, there is also strong evidence for the positive presence of two other determinants. Ample evidence has been found on the *strategy related to this M&A* and the *combined relational capabilities* of both firms. First, twelve observations indicate that VION bought Grampian with a clear goal and as part of their strategy. Second, five observations indicate that the combined relational capabilities of VION and Grampian enable them to achieve more than what they could have achieved alone. Especially in terms of new markets, this M&A brought both firms new opportunities in the UK market.

Finally, some extra attention will be devoted to the external influences that are present in the case of VION and Grampian. Whether the failure of the M&A is caused by these external influences or by the absence of internal M&A determinants is hard to distinguish and is also

beyond the scope and timeframe of this study. Therefore, these influences will be mentioned below, but will not be subject to further elaboration. The following external influences have been retrieved from the dataset (see, table 13):

- Rapid firm growth
- Pressure from retailers
- Debts because of acquisitions
- Supply constraints
- Striking employees
- High commodity prices
- Boycott of mass-processing
- Start of recession

5.5. Conclusion

The literature review in chapter 2 has indicated that the (positive) presence of the determinants in the theoretical framework, is in favor of the performance of M&As. From the analysis in section 5.4 can be concluded that there are indications for the absence or negative presence of four of the determinants of M&A performance as found in literature, alternatively, there is also evidence for the positive presence of two determinants of M&A performance. Next to the determinants of M&A performance, there were also many external influences in this case that might have affected the performance of VION after the M&A with Grampian.

To conclude, this case study has resulted in evidence for the fact that four internal determinants of M&A performance might indeed contribute to a negative M&A performance. The findings of this case study have been summarized in figure 8. Behind every determinant of M&A performance, the amount of observations (n) is given. If there was a substantial number of observations ($n > 5$) the code is written in bold.

Despite the fact that some determinants have been observed multiple times, it was not always possible to draw a hard conclusion (see: table 13). The determinants that did have enough evidence to draw a conclusion are given a color in figure 8. This color is green if the effect of this determinant on this case was positive, and red if the effect was negative. The figure serves as overview of the findings of this case study. However, the influence of each single determinant on itself is still unclear and should be subject to further research.

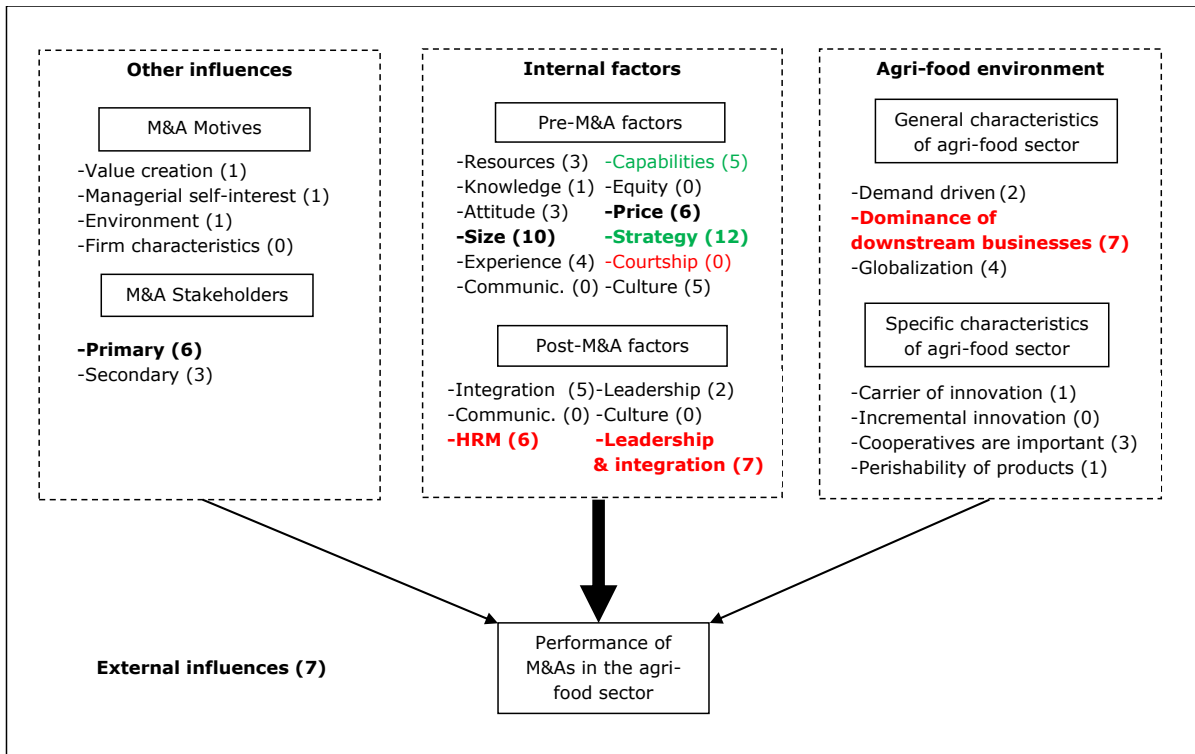


Figure 8: Summary of case I

6. Case II: Friesland Foods – Campina

The set-up of this case is similar to the set-up of the previous case. First of all, we present a synopsis of the M&A between Friesland Foods and Campina. Second, the data collection process and the dataset are described. Next, the key historical events from Friesland Foods and Campina will be analysed. These insights in the history of the two companies are a useful source of background information in this case study. After that, the M&A will be analysed, using coding software. Finally conclusions on the success or failure of this M&A will be drawn.

6.1. Introduction

Early 2008, dairy cooperatives Royal Friesland Foods N.V. (Friesland Foods) and Campina decided to combine forces and merge into Royal FrieslandCampina. The decision to merge was motivated by the desire to compete head on with global multinationals like Danone and Nestlé (NRC, 2008). Next to competing on a global scale, the merger would also allow for better responses to market developments. Subsequently, as a bigger and stronger operation, FrieslandCampina would have increased abilities to support their member farmers' milk price (Farmers Guardian, 2007). After a period of sharing information, the members of both cooperatives approved the M&A in May 2008. Due to potential market dominance, the merger also needed the approval of the Commission of the European Communities. On 17 December 2008, the proposed M&A was conditionally cleared by the Commission of the European Communities, implicating that both firms had to divest parts of their business to avoid market dominance risks (European Commission, 2008). After the merger, FrieslandCampina had around 17,000 dairy farmer members in the Netherlands, Germany and Belgium. They delivered around 8.7 billion kg of milk and the combined operations had 22,000 employees (Farmers Guardian, 2007). Currently, FrieslandCampina has offices in 33 countries, employs just under 22,000 people, and has a turnover of 11 billion euro (2016). FrieslandCampina's core business consists of the production and sales of consumer products such as dairy-based beverages, infant nutrition, cheese and desserts in many European countries. In Asia and in Africa FrieslandCampina is present via its own subsidiaries. (FrieslandCampina, 2017).

Given the positive overall performance of FrieslandCampina after the merger (FrieslandCampina, 2008), and the fact that there was little resistance from its stakeholders during the M&A process, it can be concluded that this M&A was a success. Therefore, in the context of this study, the M&A between Friesland Foods and Campina will be classified as a successful M&A. Similar to the previous case, it is important to make this classification in advance.

6.2. Key historical events

Until the 1870s, the Dutch dairy industry was marked by local, small scale production. Dairy products were produced by the farmers themselves, using milk of their own livestock (Reference for Business, 2006). However, the industrial development, growing population and development of urban markets at that time, led to the start of a cooperative movement. Particularly in the Dutch dairy industry, cooperatives gradually became a dominant force.

The amount of cooperatives in the Dutch dairy sector grew steadily in the period from 1870 till 1950, however the size of each individual cooperative remained small and the cooperatives had a regional or local focus. By the time of world war I, there were over 1,200 small-scale dairy factories in the Netherlands. Until 1950, small-scale cooperative factories remained dominant in the Dutch dairy industry.

In the years after world war II, the 'baby-boom' led to an increased demand for dairy products. This increased demand, combined with new technological developments, formed the start of a wave of consolidation in the Dutch dairy industry (Reference for Business, 2006). As a result of this wave of consolidation, the current landscape of the Dutch dairy industry is dominated by FrieslandCampina.

In line with the history of the Dutch dairy industry, the history of dairy cooperatives Campina and Friesland Foods dates back to the first half of the twentieth century, when the first farmers joined forces in local dairy factories. Reasons for doing so was the lack of refrigeration facilities and the opportunity to gain market power. Next, we will highlight some important developments in the history of Campina (FrieslandCampina, 2017; Reference for Business, 2006).

Founded by six farmers in 1926, dairy cooperative 'De Meijerij' grew to become the most important dairy cooperative in the southeast of the Netherlands. In 1969, its name was changed into 'De Melkindustrie Veghel, or DMV'. A similar history can be found in another major dairy cooperative in the southeast of the Netherlands; The consolidation of twelve dairy factories in 1947 resulted in the establishment of the 'De Kempen Cooperatives Dairy Association'. That cooperative began to market its dairy products under the Campina brand name.

In 1979, DMV and Campina merged and became DMV Campina. Next to DMV Campina, there was one other important player in the southeast of the Netherlands: Melkunie Holland. Melkunie Holland's history is very similar to the history of DMV Campina. It's big success was the establishment of its highly popular Mona dessert brand, launched in 1970. In 1989, DMV Campina and Melkunie Holland merged into Campina Melkunie.

After the establishment of Campina Melkunie, the consolidation in the southern part of the Netherlands was largely completed. Therefore, Campina Melkunie started an international expansion effort. In line with this, the period between 1990 and 2005 was marked with multiple M&As in the Netherlands, Germany, Belgium and Poland. It also carried out M&As in Asia and North-America. In 2001, after a period of restructuring, Campina Melkunie changed its name to Campina. By that time it was the ninth-largest dairy cooperative in the world and the second-largest in the Netherlands, after Friesland Foods.

Whereas the core market of Campina was in the southern part of the Netherlands, Friesland Foods and its predecessors were more focused on the northern part of the Netherlands (Everwand et al., 2007). The earliest predecessor of Friesland Foods was founded in 1913: the 'Coöperatieve Condensfabriek Friesland' (ccFriesland). In the end of the twentieth century, ccFriesland was involved in a series of M&As between Dutch cooperatives that led to the establishment of Friesland Foods. These M&As are shown graphically in figure 9. The largest M&A in the history of Friesland Foods was in 1997, when 4 cooperatives (Friesland Dairy Foods, Coberco, Twee Provinciën and De Zuid-Oost-Hoek) merged into Friesland Coberco Dairy Foods Holding N.V. (Everwand et al., 2007).

1980s	1990	1991	1997	2001	2004
Noord-Nederland (itself formed from eight cooperatives)	Friesland Frico Domo Cooperative	Friesland Dairy Foods	Friesland Coberco Dairy Foods Holding N.V. (FCDF)	Friesland Coberco Dairy Foods Holding N.V. (FCDF)	Royal Friesland Foods N.V.
ccFriesland		Coberco			
Ormet					
Hovo					
Heino					
De Eendracht	Twee Provinciën				
De Zuid-Oost-Hoek					
Nutricia Dairy&Drinks					

Figure 9: M&As of Friesland Foods and its predecessors in the Netherlands (Everwand et al., 2007)

While Campina, in its early existence, only grew in its domestic market, Friesland Foods and its predecessors have always had a more international orientation. At first, ccFriesland experienced most of its growth in Southeast Asia. After the 1970s, it also grew in other continents. Some of Friesland Foods major competitors, Nestlé, Unilever and Danone, aimed to be present in many global markets. Friesland Foods aimed to strengthen its positions in markets where it already had a strong presence. The company focused on branded products that delivered added value to the consumer and earned price premiums for Friesland Foods. According to its former CEO, Mr. Olijslager: 'Friesland sees growth in its markets as very important, but it has to be growth in terms of value adding or increasing returns in order to stay competitive in the future.' (Everwand et al., 2007).

Friesland Foods grew mainly through acquisitions abroad and mergers in the Netherlands. Its international strategy, mainly focused on differentiation, is in strong contrast with its

domestic strategy. In the Netherlands, Friesland Foods followed a cost driven strategy. Its main products in the Dutch supermarkets were commodities like milk and cheese. Its cost cutting strategy is also reflected by the amount of factories it closed. For example, in 1997 Friesland Foods had 22 cheese production plants. In 2007 there were only eight left, however they were producing more cheese than ever before, proving an increase in efficiency (Everwand et al., 2007).

Friesland Foods and Campina publicly announced their M&A on December 19th, 2007 (Höfelt, 2009). At that time (2007), Friesland Foods had a turnover of € 5.08 billion, with 14,582 employees and 14,305 cooperative members. Campina published a turnover of € 4.03 billion, with 6,814 employees and 7,000 cooperative members. Friesland Foods and Campina were ranked as the second and third largest dairy cooperatives in the European Union (after Arla).

After a period of so-called merger talks and large regional meet-ups amongst members, the members of both cooperatives approved the merger in May 2008 (Höfelt, 2009). A last obstacle was the merger investigation of the European Commission, who would check whether this merger could lead to any issues regarding market dominance. The Commission had serious doubts on whether the M&A would lead to such issues. They concluded that the combination of both firms could give them a too dominant position in the markets for fresh dairy and cheese in the European Union (Het Parool, 2008). Next, the Commission concluded that the firms had a relatively strong position in the Dutch market for procurement of raw milk. As a result of these conclusions the European Commission decided that an extensive set of conditions was necessary for the effective divestments of several parts of the businesses (Kamphorst & Pruzhansky, 2012). The European Commission conditionally approved the merger on December 17, 2008 (European Commission, 2008).

These conditions implied that Friesland Foods had to divest a dairy factory in the Netherlands and that Campina had to divest a Cheese factory in the Netherlands. Also, two brands (Yogho Yogho and Choco Choco) had to be divested. Finally, Friesland Foods had to give a long-term license to the buyer of its divested dairy factory for the usage of the Friesche Vlag brand. After the fulfillment of these conditions, the M&A was carried out at December 31st, 2008 (FrieslandCampina, 2008).

After completion of the M&A between Friesland Foods and Campina on December 31st, 2008, the cooperative had 17,000 member farmers that delivered a total of 8.3 billion kilos of milk. FrieslandCampina had 22,000 employees divided over 100 locations in 24 different countries. Its activities were organized under four business groups: Consumer Products Western Europe, Consumer Products International, Cheese & Butter and Ingredients.

6.3. Data collection

The dataset for this case study consists of academic articles, annual reports and news articles. First of all, the systematic collection of the academic articles will be discussed. An overview of the search terms and results is provided in table 14. The stated search terms are used to search data in the following three different databases: Web of Science (WoS), Scholar and Scopus. To structure the data, each academic article in the dataset is coded. For example, the article with code 2.3 refers to case study two, article three. The codes and the articles are provided in table 15.

Some additional search specifications were used in all databases. First of all, only articles that are published between 2000 and 2017 are included. Second, if a certain search attempt yielded more than 50 search results, only the 50 most cited articles are analysed. Next, all articles that provided information on the M&A between Friesland Foods and Campina are added to the dataset.

Table 14: Data collecting procedure for academic articles, case II

Data collecting procedure, academic articles only						
Search terms	Number of results WoS	Useful sources (code)	Number of results Scholar	Useful sources (code)	Number of results Scopus	Useful sources (code)
Friesland Foods	10	2,1	7.301	2.2, 2.3	47	2.4
Campina	316	-	52.400	-	4.702	-
Friesland Foods Campina	2	2.1	1.490	2.1, 2.2, 2.3, 2.5	43	2.1
FrieslandCampina	7	-	1.710	-	407	-
Friesland Foods takeover	0	-	660	2.6	8	-
Friesland Foods M&A	0	-	87	2.6	0	-
Campina takeover	0	-	164	-	9	-
Campina M&A	6	-	77	-	4	-
Friesland Foods Campina takeover	0	-	419	2.1, 2.5, 2.6, 2.7	1	2.1
Friesland Foods Campina M&A	0	-	27	2.6	1	2.1
Friesland Foods Campina merger	1	2.1	303	2.1, 2.3, 2.5, 2.6, 2.7, 2.8, 2.9	21	2.1, 2.9
Friesland Foods Campina fusie	0	-	77	2.8	17	2.1
FrieslandCampina M&A	0	-	21	2.6, 2.8	0	-

Table 15: Academic articles, case II

Code	Article	Keywords	Author	Year	Journal
2.1	Vertical theory of harm in a horizontal merger: The Friesland Foods/Campina case	-	Kamphorst & Pruzhansky	2012	Journal of Competition Law & Economics
2.2	Corporate social responsibility and policy making: what role does communication play?	stakeholder management; corporate social responsibility; communication; network analysis; Dutch dairy industry	Mathis	2007	Business Strategy and the Environment
2.3	Economics at DG Competition, 2008–2009	Antitrust · Merger control · State aid · Exclusionary conduct · Unilateral effects · Coordinated effects	Neven & de la Mano	2009	-
2.4	From commodity to customer value; The transition from a production-oriented to a market oriented European dairy industry	-	Everwand et al	2007	-
2.5	Support for Farmers' Cooperatives; Country Report - The Netherlands	coöperaties - coöperatieve activiteiten - nederland - cooperatives - cooperative activities - netherlands	Bijman et al.	2012	-
2.6	Measuring and analysing the effect of M&A's on innovation in the agri-food industry	-	Höfelt	2008	-
2.7	Supply Chain Structure Incentives for Corporate Social Responsibility: An Incomplete Contracting Analysis.	Corporate Social Responsibility, supply chain structure, incomplete contracting, property rights, Shapley value	Letizia & Hendrikse	2016	Production and Operations Management
2.8	Mergers & Acquisitions: Towards a new Acculturative Model	-	Oosterhold	2012	-
2.9	Strategies and Structures in the European Dairy Co-operative Industry	-	Nilsson & Ollila	2009	Journal of cooperative studies

Next to these academic articles, the dataset also contains news articles and annual reports.

- News articles (LexisNexis Academic)

Dutch and UK version of LexisNexis has been used. A total of 18 articles have been added to the dataset for this case study. These articles have been selected using a convenience sampling method. Articles were added to the dataset based on the amount of new, relevant information that could be retrieved from them. LexisNexis yields a substantial amount of different news articles on the same topic (e.g. a certain event). In such a case, only one article concerning the event was selected.

- Case M.5046, European Commission on Friesland Foods – Campina
This is an investigation by the Commission of the European Communities regarding this M&A. The Commission made sure whether the concentration was compatible with the common market and the agreement on the European Economic Area (EEA).
- Annual reports Friesland Foods and Campina (2007)
- Annual report FrieslandCampina (2008)

6.4. Analysis

The available dataset for this case study has been analysed with the data coding software QDA Miner Lite. Table 16 provides an overview of the data analysis. The structure of table 16 is explained in section 4.1. The full dataset of the coding analysis of this case can be found in appendix 3.

Table 16: Analysis case II, M&A Friesland Foods - Campina

Category	Expected pattern (coding labels)	# Observations (n)	(examples of) observed patterns	Conclusion
Determinants of M&A performance in pre-M&A	Resources	3	<p>"Their activities overlapped in several markets along the dairy food product chain, from the procurement and processing of fresh milk to the production of a variety of dairy and non-dairy products." (Neven & Mano, 2009)</p> <p>"Campina has 8,000 members in the three countries but operates in dairy consumer products in Europe and Asia and in dairy ingredients for industrial use worldwide. It has a wide range of products through milk, milk-based drinks, yoghurts, desserts, cheese and butter that are sold under several brand names." (Farmers Guardian, 2007)</p> <p>"Friesland Foods has 9,700 dairy farmer members. The last official turnover (2006) was E4.7 bn. It produces and markets dairy products, fruit-based drinks and ingredients for consumers in over 100 countries." (Farmers Guardian, 2007)</p>	Very similar and complementary resources In some cases overlapping
	Capabilities	15	<p>"De combinatie verwacht op termijn jaarlijks circa 175 miljoen euro aan synergievoordelen te kunnen behalen." (ANP, 2008)</p> <p>"De nieuwe onderneming kan naar eigen zeggen beter inspelen op de ontwikkelingen in de zuivelmarkt en zo groei realiseren." (ANP, 2008)</p> <p>"Is large enough to compete on the global stage" (Netherlands Food & Drink Report, 2009)</p> <p>"As one new co-operative they are looking to better anticipate increasingly rapid changes like deregulation (EU/WTO) and the fluctuating global dairy market. They are also looking towards a worldwide increase in dairy consumption and as a bigger, stronger operation, says the aim is to support their member farmers' milk price." (Farmers Guardian, 2007)</p> <p>"Met deze schaal moeten we wereldwijd de strijd met Danone en Nestlé aan kunnen gaan" (NRC, 2008)</p> <p>"De twee vullen elkaar perfect aan, was de mededeling. Friesland Foods is sterk in Azië, terwijl Campina een vooraanstaande positie inneemt in onder meer Duitsland en België" (Schutijser, 2007)</p>	There are ample combined relational capabilities to be expected for FrieslandCampina
	Knowledge	2	<p>"Our pooled innovative power and our staff's milk expertise should enable us to properly meet customers' and consumers' requirements, both in the area of consumer products and that of dairy ingredients." (PR Newswire, 2009)</p>	Indications that the specific knowledge of both firms can complement each other

Equity	2	Return on equity of Campina is 7% and Friesland Foods is 26% (Campina B.V., 2007) (Royal Friesland Foods N.V., 2007)	Positive ROE
Attitude	6	"er weinig tot geen weerstand is." (Horst M. t., Boerderij, 2008) "We vullen elkaar perfect aan." (Horst M. t., Boerderij, 2008) "De fusie is een goede zaak. Het gaat maar om één ding en dat is een goede melkprijs." (Horst & Veldman, 2008)	Strong evidence for a positive and friendly attitude
Price	7	"Er bekwam de leden het gevoel dat de grote reus de 'kleine' dwerg moet redden van een ondergang. Deze fusie is een noodsprong van Campina." (Horst, 2008) "De afkopsom heeft veel invloed op het fusievoorstel. Het bedrag is bijna even groot als het gezamenlijke leenvermogen van bijna euro 400 mln van de beide coöperaties, geld dat nodig is voor investeringen en acquisities." (FD, 2008) "Buitenlandse activiteiten van Friesland Foods zouden €500 miljoen tot €900 miljoen ondergewaardeerd zijn." (Horst, 2010) "Schenk: Als je eenmaal hebt vastgesteld dat een fusie tussen coöperaties gewenst is, moet je dat voornemen niet meer laten verstoren door het verrekenen van waardeverschillen. Dat geeft alleen maar onrust." (Horst, 2010)	No issues regarding valuation of shares. Only one private investigation doubts the valuation, however the validity of this investigation can be doubted.
Size	5	"Uit de waardebepaling blijkt dat Friesland Foods een groter eigen vermogen heeft dan Campina. Om dit gelijk te trekken is in de fusieovereenkomst onder andere bepaald dat de Friesland-boeren (EUR) Euro 6 per 105 kilogram melk op naam krijgen. (.....) In totaal gaat het om bijna (EUR) Euro 300 miljoen" (Horst, 2008) "Campina has 8,000 members in the three countries but operates in dairy consumer products in Europe and Asia and in dairy ingredients for industrial use worldwide. It has a wide range of products through milk, milk-based drinks, yoghurts, desserts, cheese and butter that are sold under several brand names. (.....) The last official turnover (2006) of Campina was E3.6 billion. Friesland Foods has 9,700 dairy farmer members. The last official turnover (2006) was E4.7 bn. It produces and markets dairy products, fruit-based drinks and ingredients for consumers in over 100 countries." (Farmers Guardian, 2007)	Friesland Foods is larger in turnover, employees and cooperative members. However, no evidence is found that this differences had any influence
Strategy	6	"Whereas Nestlé, Unilever and Danone aim to be present in almost every dairy market in the world, Friesland decided to deliver only some core regions where the company already had a strong position in branded products. Thus, the major strategy in all their international activities is differentiation." (Everwand et al., 2007) "As one new co-operative they are looking to better anticipate increasingly rapid changes like deregulation (EU/WTO) and the fluctuating global dairy market. They are also looking towards a worldwide increase in dairy consumption and as a bigger,	Strong evidence that there was a clear strategy behind this M&A

			stronger operation, says the aim is to support their member farmers' milk price." (Farmers Guardian, 2007)	
	Experience	4	"Royal Friesland Foods is an example of a company that grew through mergers in the home market (the Netherlands) and acquisitions or direct investments in foreign markets." (Everwand et al., 2007) "Campina (.....) always had a strong position in the consumer market for dairy desserts in the Netherlands, but it has further developed along this path by acquiring dairy companies in Germany and Belgium." (Bijman et al., 2012)	Both firms have previous M&A experience
	Courtship	3	"Eind december maakten Campina en Friesland Foods al bekend dat er verkennende gesprekken gaande waren over de op handen zijnde fusie." (Karman, 2008) "The preparations for the merger have taken more than a year. During that period we have become even more convinced that the merger is coming at the right time." (PR Newswire, 2008) "The past period has demonstrated this. Teams have worked very hard and very well together to prepare the merger." (PR Newswire, 2008)	No courtship period preceded this merger
	Communication	3	"De coöperatieleden waren al goed op de hoogte via brochures, ledenbladen, internet ende andere media. Veel nieuws was niet meer te vertellen." (Horst, 2008) "Voorafgaand aan de algemene ledenvergadering zal er een honderdtal regionale bijeenkomsten gehouden worden." (NRC, 2008)	Evidence that communication in the pre-M&A phase was good
	Culture	4	"de 'lichte cultuurverschillen' tussen Friesland Foods en Campina." (Kalshoven & Vilsteren, 2008) "Die gelijkwaardige benadering is ook zichtbaar in de wijze waarop topmanagementposities worden verdeeld. (.....) Men staat ruimhartig de stoel af. Soms ook onder de noemer 'verschil van inzicht'. Alles voor het nieuwe bedrijf, waarin we vooral zoeken naar de factoren die ons binden." (Kalshoven & Vilsteren, 2008) "En bij de cultuur is het vertrekpunt, verrassend genoeg, opeens het 'oude' in plaats van het 'nieuwe'. Behouden waar we in uitblinken, is het adagium. En daar gaat het mis. Want behoud van wat ooit tot succes heeft geleid, is geen garantie voor de toekomst. Zeker niet bij een fusie." (Kalshoven & Vilsteren, 2008)	No strong evidence for any cultural issues in the pre-M&A phase
Determinants of M&A performance in post-M&A	Integration	6	"The merging parties offered to divest the entire fresh dairy business of Friesland Foods situated in Nijkerk (the Netherlands), covering largely fresh basic dairy products. Furthermore, among other brands they granted an exclusive, renewable 5-year licence to use the Friesche Vlag brand name in the Netherlands for the current	Clear integration efforts in the post M&A phase. (partly forced by the European Commission)

			<p>Friesland Foods Fresh product portfolio, followed by a black-out period. Finally the divested Campina's Dutch-type cheese production facility at Bleskensgraaf (the Netherlands) and offered to carve out a sales team and other employees for R&D, planning and logistics and general support from the sales organisation of the merged entity." (Neven & Mano, 2009)</p> <p>"To guarantee the availability of Dutch raw milk for third parties, FrieslandCampina is required to make available annually a maximum of 1.2 billion kilos of Dutch raw milk for sale to new or existing producers of fresh dairy products or naturally matured cheese in the Netherlands, provided they are interested in buying this milk." (PR Newswire, 2008)</p> <p>"Accordingly, cost savings, capital expenditure restrictions and production efficiency should be key this year." (PR Newswire, 2009)</p>	
	Leadership	3	<p>"Cees 't Hart, afkomstig van Unilever, is de beoogd directievoorzitter van de nieuwe onderneming." (ANP, 2008)</p> <p>"Topman Tiny Sanders van Campina stapt op. Het meegaan van Sanders naar de nieuwe combinatie wordt niet verstandig geacht, zo meldde Campina in een apart persbericht. Zijn vertrek is met de raad van commissarissen afgesproken "om de fusie een zo groot mogelijke kans op succes te geven." (NRC Next, 2007)</p>	Sound leadership selection after the M&A
	Leadership & integration	2	<p>"Men staat ruimhartig de stoel af. Soms ook onder de noemer 'verschil van inzicht'. Alles voor het nieuwe bedrijf, waarin we vooral zoeken naar de factoren die ons binden. De fusie moet tenslotte tot een succes leiden." (Kalshoven & Vilsteren, 2008)</p> <p>"Om bloedgroepengedoe te voorkomen, wordt een nieuwe topman gezocht buiten Friesland Foods en Campina" (Schutijser, 2007)</p>	The new leaders were selected to stimulate the integration process
	Communication	0	-	Not clear from available information
	Culture	0	-	Not clear from available information
	HRM	6	<p>"minstens 500 van de 22 duizend banen bij de toekomstige zuivelgigant verdwijnen." (ANP, 2008)</p> <p>"De sanering treft vooral werknemers op de hoofdkantoren. Met de vakbonden worden afspraken gemaakt over een sociaal plan." (ANP, 2008)</p> <p>"Management and employees who currently work at Friesland Foods in Nijkerk and Campina in Bleskensgraaf will transfer with the activities to a new owner." (PR Newswire, 2008)</p>	Indications that there was an HRM strategy

Motives	Value creation -Market power -Efficiency -Resource redeployment -Managerial discipline	4	"commodity products like milk and standard types of cheese. Thus Friesland's major reason for the mergers in the Netherlands was to strengthen this commodity segment." (Everwand et al., 2007) "to effectively operate in these new markets, size is very important, prompting this wave of consolidation." (Netherlands Food & Drink Report, 2009)	A market power related motive played a role in this M&A
	Managerial self-interest -Agency/compensation -Hubris -Market timing	0	-	Not clear from available information
	Environment -Environmental uncertainty and regulation -Resource dependency -Network ties	1	"de zuivelmarkt veranderd is door een tekort op de wereldmarkt en concurrenten in het buitenland snel groeien, was Campina bereid om de boekhouding op tafel te gooien." (Horst M. t., Boerderij, 2008)	Not sufficient evidence that environmental motives played a role in this M&A
	Firm related -Acquisition experience -Firm strategy and position	1	"The merger is part of a general trend towards consolidation throughout Europe which has left just a handful of major European dairy firms remaining." (Netherlands Food & Drink Report, 2009)	Indications that a motive related to strategic positioning is involved in this M&A
Stakeholders	Primary	11	"Bij de coöperaties zijn ongeveer 17.000 melkveebedrijven in Nederland, Duitsland en België aangesloten die jaarlijks ongeveer 8,3 miljard kilo leveren." (ANP, 2008) "the 'iron pentagon' consisting of LNV, VROM, NZO, LTO and Campina (.....) is of great importance in the sector." (Mathis, 2007) "De Europese Commissie geeft dit najaar haar oordeel over de fusie." (ANP, 2008)	Many stakeholders, most important are the members/farmers and the European Commission who had to approve the M&A

	Secondary	7	<p>"De waardering van de B-certificaten van Friesland Foods is onder andere gedaan door ABN Amro." (Horst M. t., Boerderij, 2008)</p> <p>"De Nederlandse Melkveehouders Vakbond." (Limburgs Dagblad, 2007)</p> <p>"Vakbond FNV Bondgenoten." (NRC Next, 2007)</p> <p>"Landbouworganisatie LTO, belangenorganisatie voor de melkveehouders." (NRC Next, 2007)</p>	Most important secondary stakeholders in this M&A are interest groups
General characteristics of M&As in agri-food	Demand driven	1	"Friesland (.....) follow mass market strategies and do not look only at differentiation, because for many product categories, marketing and placing new branded products at the retailers would be too expensive for the company." (Everwand et al., 2007).	Demand is not the main driver of company decisions. Only mass demand is followed
	Downstream dominance	3	<p>"De melkprijs wordt bepaald op de wereldmarkt, niet door de Nederlandse supermarkten." (Karman, 2008)</p> <p>"Supermarkten waren bang." (Het Parool, 2008)</p>	No downstream dominance
	Globalization	1	"The merger is part of a general trend towards consolidation throughout Europe which has left just a handful of major European dairy firms remaining." (Netherlands Food & Drink Report, 2009)	Evidence for a globalization trend
Specific characteristics of M&As in agri-food	Carrier of innovation	0	-	Not clear from available information
	Incremental innovation	5	<p>"dairy firms are now having to invest significantly to develop innovative dairy products." (Netherlands Food & Drink Report, 2009)</p> <p>"meer rendement maken voor de boeren door nieuwe producten te ontwikkelen." (Karman, 2008)</p> <p>"We expect to be able to grow more strongly in brands and new concepts." (PR Newswire, 2008)</p>	More indications for radical innovation than for incremental innovation
	Cooperatives	3	<p>"De leden van de zuivelcoöperaties Campina en Friesland Foods stemmen woensdag over de voorgenomen fusie." (ANP, 2008)</p> <p>"In Denemarken is de melkprijs van Arla van betekenis voor de vaststelling van de garantieprijs. In Nederland wordt gekeken naar drie andere coöperaties." (Horst M. t., Boerderij, 2008)</p>	Both firms are cooperatives itself, and also depend on other cooperatives
	Perishability	0	-	Not clear from available information

<p>External environment</p>	<p>Possible external influences that have impact on M&A performance</p>	<p>13</p>	<p>"Susceptible to fluctuations in the price of raw milk." (Netherlands Food & Drink Report, 2009) "Could lose market share as European dairy market is gradually opened up to foreign competitors." (Netherlands Food & Drink Report, 2009) "The growing strength of the private-label dairy industry." (Netherlands Food & Drink Report, 2009) "EU dairy quotas are scrapped in 2015." (Netherlands Food & Drink Report, 2009) "demand for milk in many EU markets is stagnant or declining." (Netherlands Food & Drink Report, 2009) "Nu de zuivelmarkt veranderd is door een tekort op de wereldmarkt." (Horst M. t., Boerderij, 2008) "en concurrenten in het buitenland snel groeien." (Horst M. t., Boerderij, 2008) "deregulation (EU/WTO)." (Farmers Guardian, 2007) "a worldwide increase in dairy consumption." (Farmers Guardian, 2007) "The dairy market is complex because on the production side, various dairy groups are interlinked (such as cheese, whey and butter/cream), but in the market, the positions can vary hugely." (PR Newswire, 2008) "The global economic recession is bound to affect price developments in the market, our results and, hence, the milk price for member dairy farmers in 2009." (PR Newswire, 2009) "The weak US dollar also made competition." (PR Newswire, 2009)</p>	<p>The following external influences might have affected this M&A:</p> <ul style="list-style-type: none"> -Price fluctuations -Foreign competition -Private-label competition -Abandonment of dairy quotas -Stagnant milk demand -Deregulation -Recession
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Based on the dataset, it can be concluded that six determinants might have affected the performance of the M&A positively. First, there is ample evidence for the *combined relational capabilities* of this M&A. Fifteen observations indicate that Friesland Foods and Campina are a 'perfect fit' and that the combined firm would have the capability to become a global player in the dairy sector. According to the literature, a positive assessment of combined capabilities in the pre-M&A phase has a positive effect on M&A performance.

Second, the *attitude towards the M&A* was very positive. Six observations in the dataset indicate that the involved parties were in favor of this M&A. The attitude can be categorized as friendly. The only obstruction that is found regarding this topic is some resistance from the members of Campina. Because Friesland Foods was valued with a larger equity capital, the farmers of Friesland Foods received a one-off payment to compensate the decrease in Friesland Foods' equity that would result from the merger (Horst, 2008). The members of Campina did not receive any compensation. However, this resistance did not significantly influence the attitude towards the M&A.

Third, both firms were of a *comparable size*. Literature has highlighted the effects of purchasing substantially smaller or larger firms (Moeller et al., 2004). Friesland Foods was larger in turnover, amount of employees and amount of cooperative members. However, the difference was not very large (see: table 16). Therefore, it is not likely that the size differences might have impacted the performance of the M&A. The fact that Friesland Foods and Campina have a relative similar size, might have contributed to the successful performance of this M&A

Fourth, the dataset revealed that this M&A was guided by *a clear M&A strategy*. Firms that do have a corporate strategy regarding M&As follow a continuous learning approach and tend to gain specific execution capabilities that are useful in achieving M&A success (Vermeulen & Barkema, 2001). As the analysis revealed, both companies have ample experience with M&As, and this M&A was also guided by a clear mission; becoming a global dairy processor.

Fifth, there are six observations that indicate that there was a clear *integration strategy* in the post-M&A phase. As literature indicated, appropriate integration strategies are essential in an M&A process, since a lack of integration strategies is a major reason for M&A failure, and an abundance of integration can lead to cultural issues (Weber & Schweiger, 1992). To avoid market dominance issues, the European Commission forced Friesland Foods and Campina to divest parts of its businesses. In the year after the M&A, FrieslandCampina indicated that cost savings, capital expenditure restrictions and production efficiency should be key.

Sixth and final, there are six observations that indicate that a proper *HRM strategy* was used in the post M&A phase. As a result of the M&A, 500 out of 22.000 jobs were cut. However, FrieslandCampina was very open towards labor parties, to talk about a social plan regarding the job cuts. Also, the employees who work at the companies that had to be divested by order of the European Commission, were transferred with the activities to a new owner. As literature indicated, HRM challenges in the post-M&A phase may harm the potential synergy that could be achieved by an M&A. Therefore, the HRM strategies as applied by FrieslandCampina might have contributed to the successful performance of this M&A.

Next to these six determinants of M&A performance that are likely to have a positive influence on M&A performance, there is also strong evidence for the absence of one determinant. The M&A between Friesland Foods and Campina was not preceded by a courtship period. Although the analysis revealed a period of 'merger talks', there is no indication for the occurrence of a courtship period. The absence of a courtship period might have tempered the performance of this M&A.

Subsequently, it is worth notifying that in the dataset of this M&A, not all typical characteristics of agri-food M&As have been found. Two remarkable findings are the absence of downstream dominance and the fact that radical, rather than incremental was the main type of innovation. Literature on this topic indicated that in general, firms in the agri-food sector are subject to the dominance of downstream actors, such as retailers. However, three observations indicate that both Friesland Foods and Campina were not influenced by the power of the Dutch retailers. They were both more focused on the global market to set the price. This might be caused by the fact that margins are not obtained on raw milk price, but on the price of dairy products. However, no observations in this study can prove this statement. Next, five observations in the dataset indicate that the innovative capacity of Friesland Foods and Campina can be categorized as radical rather than incremental. The focus was on new product lines and brand building, not so much on for example small product improvements.

finally, some extra attention will be devoted to the external influences that were found in the case of Friesland Foods and Campina. Whether these external influences might have affected the performance of the M&A in a positive or negative way, is hard to distinguish and is also beyond the scope and timeframe of this study. Therefore, these influences will be mentioned below, but will not be subject to further elaboration. The following external influences have been retrieved from the dataset (see, table 16):

- Price fluctuations of commodities (raw milk)
- Foreign competition

- Private-label competition
- Stagnant milk demand in EU markets
- Economic recession
- Abandonment of dairy quotas
- Deregulation

6.5. Conclusion

The literature review in chapter 2 has indicated that the (positive) presence of the determinants in the theoretical framework, favor the performance of M&As. From the analysis in section 6.4 can be concluded that there are indications for the positive presence of multiple determinants of M&A performance. These determinants might have had a positive effect on the performance of this M&A. The determinants that have received strong support in the analysis will be highlighted in this section.

To conclude, this case study has resulted in evidence for the fact that six determinants of M&A performance might indeed contribute to a positive M&A performance. The findings of this case study have been summarized in figure 10. Behind every determinant of M&A performance, the amount of observations (n) is given. If there was a substantial number of observations (n>5) the code is written in bold.

Despite the fact that some determinants have been observed multiple times, it was not always possible to draw a hard conclusion (see: table 16). The determinants that did have enough evidence to draw a conclusion are given a color in figure 10. This color is green if the effect of this determinant on this case was positive, and red if the effect was negative. The figure serves as overview of the findings of this case study. However, the influence of each single determinant on itself is still unclear and should be subject to further research.

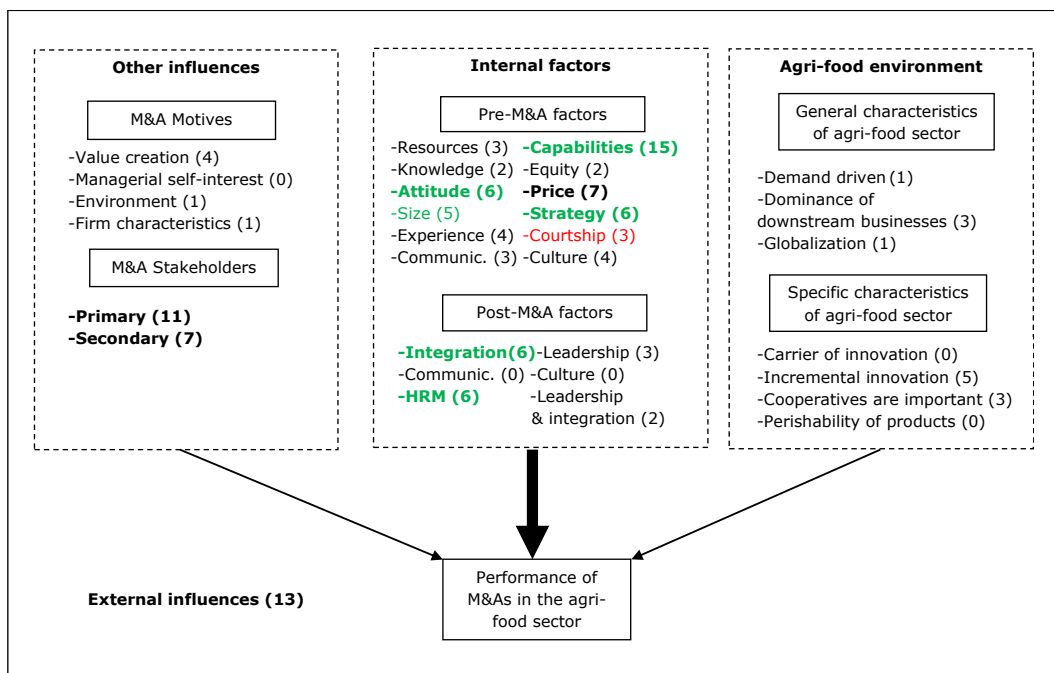


Figure 10: Summary of case II

7. Case III: Greenyard Foods – Univeg

The third and last case in this research is the M&A between fruit and vegetable processors and traders Greenyard Foods (Greenyard) and Univeg. An important thing to notice before reading this case study is that this case is still very recent. The M&A was officially completed in June 2015. This may have caused the substantial smaller dataset compared to the previous cases. However, in the light of this study, the case might provide new useful insights to academic literature, which contains no examination of this case yet. Moreover, it expands the scope of this study beyond the comfort zone of the researcher, since the case does not concern 'well-studied' Dutch agri-food firms, allowing for a somewhat broader analysis. Therefore, the researcher has chosen to add this case to the research.

The set-up of this case is similar to the previous cases. First of all, we present a synopsis of the M&A between Greenyard and Univeg. Second, the data collection process and the dataset is described. Next, the key historical events from Greenyard and Univeg will be analysed. These insights in the history of the two companies are a useful source of background information in this case study. After that, the M&A will be analysed, using coding software. Finally conclusions on the success or failure of this M&A will be drawn.

7.1. Introduction

By the end of 2014, Greenyard, Univeg and Peltracom (at that time known as Peatinvest) signed a letter of intent for a potential merger (LZ.net, 2015). Greenyard is the holding on top of two divisions: Noliko and Pinguin. Noliko is strong in convenience foods. It is a processor of fruit and vegetables and delivers ready-to-eat products such as soups, sauces, dips and pasta dishes. Pinguin is strong in frozen foods, it processes fruit and vegetables into fresh frozen products (Greenyard Foods, 2017). At the time of the M&A, Greenyard employed 2,200 people and had 13 production locations in Belgium, France, the UK, Poland and Hungary, as well as sales offices across five continents (SeeNews Belgium, 2015). Greenyard was listed on the Belgium stock exchange and its major shareholder was Mr. Hein Deprez.

Mr. Deprez was also majority shareholder of the other two firms involved in this case. Univeg is a world leader in the supply of fruit and vegetables from growers to retailers (Fieldlink NV, 2015). It is also strong in logistic services. At the time of the M&A, Univeg employed 4,000 staff and had facilities across 27 countries on five continents (SeeNews Belgium, 2015). Peltracom is a European player that offers a wide range of growing media for growing plants, fruit and vegetables (Greenyard Foods, 2017).

Based on news articles published in the post-M&A phase and the overall performance of Greenyard after the M&A, we classify the M&A between Greenyard and Univeg as a successful M&A.

7.2. Key historical events

In this section, the key events in the history of Greenyard and Univeg will be illustrated. The third company involved in this case, Peltracom, played a minor role and will therefore not be covered. Only 7,9% of relative weight in share capital concerned Peltracom.

In 2013, the Belgium companies Noliko and Pinguin merged. The new firm was named Greenyard Foods. Both firms continued to act independently as separate divisions under Greenyard. Therefore, to obtain an insight in the history of Greenyard, the history of both firms should be shortly addressed.

In 1964, Farmers in the Belgium province of North-Limburg decided to collectively process their products in one location. This processing factory was named the Noord-Oost Limburgse Konserven (Noliko). In 1980, Noliko merged with the Swiss Scana into Scana-Noliko. Scana had a large production facility for preserved foods and ready-to-eat meals in Belgium. In the decades that followed, Scana-Noliko gradually expanded its business and assortment. Also its production facilities were expanded (Noliko, 2017).

The story of Pinguin started around the same period in time. In 1965, three Belgium brothers decided to build a factory to produce frozen vegetables. In 1968 their factory was named 'Pinguin'. The first international joint venture was realized in 1995. In 1999 Pinguin became listed at the Belgium stock exchange. The period between 2002 and 2007 was marked with multiple takeovers, mostly in the United Kingdom. An important acquisition in the history of Pinguin occurred in 2007, when Pinguin acquired the Belgium potato processing company Lutosa. Its name was then changed to PinguinLutosa Food Group. At that time the company had eight production sites across Europe and sales offices worldwide (Pinguin, 2017). The ownership of Pinguin had long remained with the three Belgium brothers that started it. However, in 2006, Deprez Holding obtained a majority stake in it (Riepl, 2015).

In 2011, Scana-Noliko merged with the PinguinLutosa Food Group. As said in the first paragraph of this section, their name was changed into Greenyard Foods in 2013. Furthermore, the potato division Lutosa was sold to McCain. At that time, Greenyard was a firm with a wide variety of products. Pinguin was the so-called 'frozen' division and was the second largest producer of frozen vegetables. Noliko was the so-called 'prepared' division, and was the number five processor of harvest-fresh fruit and vegetables in Europe and delivered ready-to-eat food products, such as soups, sauces, dips and pastas (Riepl, 2014). In 2014, the 'prepared' division of Greenyard consisted of two factories in Belgium, whereas the 'frozen' division consisted of thirteen factories in multiple countries. Both divisions operated separately, however their combination yielded several synergetic advantages, such as a joint customer base and a joint purchasing management

The story of Univeg dates back to 1983, when Hein Deprez started to grow mushrooms in the Belgium town of Belsele. Through multiple takeovers and strategic alliances, he expanded his business to washing, cutting and packing of vegetables. The company internationalized in the period 1990-2005. In line with this, the company was then renamed Univeg. In the beginning, the internationalization effort was characterized with small takeovers. After 2005, large multinationals got incorporated and the growth of Univeg became exponential. Deprez was not able to manage such a large expansion with his own capital, therefore also investment funds were brought onboard to finance further takeovers. For example, in 2005, Deprez managed to acquire Bakker Barendrecht, a large Dutch trading and logistic service provider in fruit and vegetables. One year later, the Italian company Bocchi was acquired. In 2007, Univeg strengthened its position in the fruit market, by acquiring the French fruit specialist Katopé and Atlanta, the German division of Banana multinational Chiquita. As a result of all these M&As, Univeg realized a turnover of 3.2 billion euro in 2009. By then it had 9,500 employees in 25 countries (Trends, 2010; De krant van West-Vlaanderen, 2011).

On April 23th, 2015 the European Commission was notified on the proposed merger between Univeg (Deprez Holding) and Greenyard Foods (European Commission, 2015). The stated primary reason for the M&A was that the firms wanted to put the consumer at the centre. By reinforcing their position as a reliable and sustainable partner for retail, foodservice and growers, the M&A would allow Greenyard to answer the question: how can we increase the fruit & vegetable consumption of our customers? Multiple news articles indicate that the above mentioned reasoning was the vision of Mr. Deprez. However, although this vision is also mentioned in relation to the M&A (De Krant van West-Vlaanderen, 2015), it can be doubted whether it really played a role, since other sources mention competition related motives for this merger (FD, 2015), which makes much more sense given the fact that the food market is highly competitive.

A remarkable fact about this case is that it concerns a so-called reverse takeover. A reverse takeover is a non-traditional method of going public. It implies that a private company becomes publicly listed by means of merging with a listed company (Sjostrom, Jr., 2008). The private company, or in this case companies (Univeg and Peltracom), bring in their private shares into the publicly listed company (Greenyard). In return, the private company acquires a majority stake in the publicly listed company. As a result, the business of the private company is still controlled by the same group of shareholders and managed by the same executives, but it is now contained within a publicly listed company, without having used an Initial Public Offering (IPO) (Sjostrom, Jr., 2008). Since Deprez was shareholder of both firms, the media speculates about this M&A as 'a cheap way to get Univeg listed' (De krant van West-Vlaanderen, 2011).

7.3. Data collection

The dataset for this case study consists of annual reports and news articles. No academic articles regarding this M&A are found. This is most likely caused by the recentness of the case. Table 17 provides an overview of the search terms that are used to find academic literature. Since no articles were found, only the search terms are listed. The stated search terms are used to search data in the following three different databases: Web of Science (WoS), Scholar and Scopus. Some additional search specifications were used in all databases. First of all, only articles that are published between 2000 and 2017 are included. Second, if a certain search attempt yielded more than 50 search results, only the 50 most cited articles are analysed.

Table 17: Data collecting procedure for academic articles, case III

Data collecting procedure, academic articles only	
Greenyard	Greenyard Univeg merger
Univeg	Greenyard Univeg M&A
Fieldlink nv	Greenyard merger
Greenyard Foods	Greenyard acquisition
Greenyard Fresh	Univeg merger
Greenyard-Univeg	Univeg acquisition
Univeg-Greenyard	Fieldlink merger
Fieldlink Greenyard	Bakker Barendrecht

Although no academic literature regarding this case was found, the dataset contains news articles and some annual reports.

- News articles (LexisNexis Academic)
Dutch, German and UK version of LexisNexis has been used. A total of 14 articles have been added to the dataset for this case study. These articles have been selected using a convenience sampling method. Articles were added to the dataset based on the amount of new, relevant information that could be retrieved from them. LexisNexis yields a substantial amount of different news articles on the same topic (e.g. a certain event). In such a case, only one article concerning the event was selected.
- Case M.7615, European Commission on Deprez Holding – Greenyard
This is an investigation by the Commission of the European Communities regarding this M&A. The Commission made sure whether the concentration was compatible with the common market and the agreement on the European Economic Area (EEA).
- Annual report Fieldlink NV (2014)
- Annual reports Greenyard (2014-2015 & 2015-2016)

7.4. Analysis

The available dataset for this case study has been analysed with the data coding software QDA Miner Lite. Table 18 provides an overview of the data analysis. The structure of table 18 is explained in section 4.1. The full dataset of the coding analysis of this case can be found in appendix 4.

Table 18: Analysis case III, M&A Greenyard - Univeg

Category	Expected pattern (coding labels)	# Observations (n)	(examples of) observed patterns	Conclusion
Determinants of M&A performance in pre-M&A	Resources	5	<p>"het creëren van een gecombineerde groep met verse, diepvries- en groenten en fruit in conserven gunstig zal zijn voor telers, retailers, consumenten en aandeelhouders. 'Wij zijn ervan overtuigd dat maatschappelijke trends vragen om een meer holistische kijk op de groente- en fruitconsumptie.'" (FD, 2015)</p> <p>"met enerzijds verse groenten en fruit en anderzijds verwerkte groenten en fruit in diepvries, blik en conserven." (De Krant van West-Vlaanderen, 2015)</p> <p>"the overlaps between the activities of Greenyard and Deprez Holdings are very limited." (RTT News, 2015)</p>	Similar resources, but very different activities (Fresh produce vs. frozen and canned produce)
	Capabilities	8	<p>"de strijd aanbinden met andere giganten in de sector zoals Dole, Chiquita en Fresh del Monte" (FD, 2015)</p> <p>"The Univeg Group believes that the ability to combine its strong global sourcing presence with strategically complementary services offering through the large network of service and distribution centres in Europe is what differentiates the Univeg Group from its main global competitors." (Greenyard Foods, 2015)</p> <p>"Grow market share" (Greenyard Foods, 2015)</p> <p>"Create cross-fertilization and synergies" (Greenyard Foods, 2015)</p>	Ample combined relational potential
	Knowledge	1	<p>"Product komt van producenten en wij werken ook veel rechtstreeks met hen. Voor ons dus heel belangrijk om hen ook innovatie, kennis en know-how te verschaffen." (Snoei, 2015)</p>	Indications that complementary knowledge is shared
	Equity	0	-	Not clear from available information
	Attitude	1	<p>"De drie bedrijven gaan een gezamenlijke 'strategische roadmap' ontwikkelen." (FD, 2015)</p>	No evidence for a hostile attitude
	Price	0	-	No evidence on whether the deal was over- or underpriced
	Size	4	<p>"Greenyard Foods is een beursgenoteerd bedrijf en actief in de markt van diepvriesgroenten en conserven. De omzet bedraagt meer dan EUR 600 mln. Het concern heeft een kleine 2300 medewerkers en heeft circa vijftien</p>	Large differences in size, also in financial structure of the firms

		productievestigingen in zes landen. Univeg is qua omzet (ruim EUR 3 mrd) bijna vijf keer zo groot en is Europa's grootste handelaar in groente en fruit." (FD, 2015) "Greenyard Foods is een rendabeler bedrijf en heeft een fors hogere solvabiliteit dan Univeg." (Riepl, 2015)		
Strategy	7	"kan het nieuwe concern de strijd aanbinden met andere giganten in de sector zoals Dole, Chiquita en Fresh del Monte." (FD, 2015) "zegt dat het creëren van een gecombineerde groep met verse, diepvries- en groenten en fruit in conserven gunstig zal zijn voor telers, retailers, consumenten en aandeelhouders. 'Wij zijn ervan overtuigd dat maatschappelijke trends vragen om een meer holistische kijk op de groente- en fruitconsumptie.'" (FD, 2015) "de koppen samenbrengen om vooral het bewustzijn en de perceptie van de bevolking over groenten en fruit te wijzigen (.....) Dat is de voornaamste reden voor deze fusie, want op het vlak van productie verandert er niets." (De Krant van West-Vlaanderen, 2015)	Strong evidence that the M&A was part of a clear strategy	
Experience	1	"started in southern France (Ychoux), in a joint venture with the British company Fisher Frozen Foods and the French company Agralco. In 2003, the southern France agricultural cooperative Luc Berri began to invest and Greenyard Foods took over Fisher's interest which gave Greenyard Foods a controlling interest of 52%." (Greenyard Foods, 2015)	Evidence for experience in M&As	
Courtship	1	April 13 (SeeNews) - Belgian Greenyard Foods (EBR:GRYFO), Univeg and Peatinvest have signed a letter of intent (LoI) to merge their operations in a bid form a global leader in vegetables and fruit with annual sales of EUR 3.7 billion (USD 3.9bn), Greenyard Foods said Monday. In early March the companies already announced talks on a possible business combination. (SeeNews Belgium, 2015)	Letter of intent signed after 1,5 month. So most likely no courtship period	
Communication	0	-	Not clear from available information	
Culture	0	-	Not clear from available information	
Determinants of M&A performance in post-M&A	Integration	2	"Twee van de drie synergiebeloftes zijn al waargemaakt: minder intresten op leningen en minder belastingen. "Binnen vijf jaar na de fusie willen we ook een organische groei van de omzet met 200 miljoen euro, en een grotere winstmarge", zegt Marleen Vaesen" (Riepl, 2017)	Indications that there was a strategy regarding the integration phase
	Leadership	2	"Upon completion, 42.5% of the merged entity will be in hands of existing Greenyard Foods shareholders, 49.6% of current Univeg shareholders and 7.9% of Peatinvest owners. The total number of outstanding shares will be 44.4	Not enough evidence to make a statement about the quality of leadership

			million. Deprez Holding, controlled by Hein and Veerle Deprez, will remain the strategic long-term reference shareholder.” (SeeNews Belgium, 2015)	
	Leadership & integration	1	“Er zal ongetwijfeld synergie tussen de drie fusiepartijen zijn. Voor Hein Deprez is die stap logisch, gezien hij de controle in de drie bedrijven heeft: 52,1 procent in Univeg, 46,5 procent in Greenyard Foods en 95 procent van Peatinvest. Er is uiteraard ook synergie in de bundeling van het aanbod voor de klanten van de groep. Bovendien zou de aankoopkracht moeten stijgen. Maar het blijft voor een groot stuk een operatie waarbij een vrij solide onderneming, Greenyard Foods, samensmelt met een zwakke reus. Hein Deprez ziet daarbij de waardering van Univeg fors klimmen.” (Riepl, 2015)	Not enough evidence to make a statement about the type of leadership in relation to the integration process
	Communication	0	-	Not clear from available information
	Culture	0	-	Not clear from available information
	HRM	1	Het aantal werknemers steeg van 2350 naar meer dan 8000 (Riepl, 2016)	Not enough information to make a statement about a possible HRM strategy
Motives	Value creation -Market power -Efficiency -Resource redeployment -Managerial discipline	2	“Greenyard Foods, Univeg en Peatinvest hebben een intentieverklaring ondertekend tot bedrijfscombinatie met als doel een wereldleider in fruit en groenten te vormen.” (De Krant van West-Vlaanderen, 2015)	Evidence that a motive related to market power was involved in this M&A
	Managerial self-interest -Agency/ compensation -Hubris -Market timing	0	-	Not clear from available information
	Environment -Environmental uncertainty and	0	-	Not clear from available information

	regulation -Resource dependency -Network ties			
	Firm related -Acquisition experience -Firm strategy and position	2	<p>"Durch die Ausgabe von Greenyard-Aktien will sich Univeg offenbar Kapital für den Unternehmensumbau besorgen." (LZ.net, 2015)</p> <p>"Wie berichtet hat Univeg derzeit mit rückläufigen Umsätzen im deutschen und britischen Einzelhandel zu kämpfen. Hinzu kommen Schließungskosten für Niederlassungen in Deutschland." (LZ.net, 2015)</p>	Evidence for motives related to firm strategy and position
Stakeholders	Primary	4	<p>"Ondernemer Hein Deprez, voorzitter van Univeg en belangrijk aandeelhouder van alle drie bedrijven." (FD, 2015)</p> <p>"De operatie is wel nog afhankelijk van onder meer de goedkeuringen van de raden van bestuur en de Europese mededingingsautoriteit." (De Krant van West-Vlaanderen, 2015)</p> <p>"and Greenyard Foods shareholders meeting." (Progressive Media, 2015)</p>	<p>Some important stakeholders are:</p> <ul style="list-style-type: none"> -Majority stakeholder Deprez -Other stakeholders -EU commission
	Secondary	0	-	Not enough information to make a statement about secondary stakeholders
General characteristics of M&As in agri-food	Demand driven	0	-	Not clear from available information
	Downstream dominance	3	<p>"Univeg heeft dan wel een grote omzet, maar de winstmarges zijn klein. Bovendien is de onderneming sterk afhankelijk van een zeer beperkt aantal klanten: in 2013 waren drie retailers goed voor 55 procent van de omzet." (Riepl, 2015b)</p> <p>"Die winkelketens hebben natuurlijk een sterke onderhandelingsmacht. Maar die druk is even groot voor merkproducten. De winkelketens staan enorm onder druk. Ze schuiven die zo veel mogelijk door naar de producenten en de leveranciers. Maar dat hoort erbij, het is gezond. Het maakt deel uit van zakendoen." (Riepl, 2017)</p>	Firms are subject to downstream dominance
	Globalization	2	"Over the years, the Greenyard Foods Group has developed a diversified client base, both in terms of customer type and geographical scope" (Greenyard Foods, 2015)	Indications for a trend of globalization
Specific characteristics	Carrier of innovation	0	-	Not clear from available information

of M&As in agri-food	Incremental innovation	0	-	Not clear from available information
	Cooperatives	0	-	Not clear from available information
	Perishability	1	"The top priority of the Greenyard Foods Group is continuous and rigorous quality control. Customers appreciate the continued focus on high-quality raw materials and finished products. Moreover, the preparation of vegetables at high quality standards also guarantees a stable quality over all product lines." (Greenyard Foods, 2015)	Evidence for perishable resources which leads to high-standard quality management
External environment	Possible external influences that have impact on M&A performance	6	"Health concerns" (Greenyard Foods, 2015) "Environmental issues and sustainability" (Greenyard Foods, 2015) "Increasing sourcing and supply chain complexity" (Greenyard Foods, 2015) "Customers require ever higher standards of products" (Greenyard Foods, 2015) "Marketing and sales process more demanding" (Greenyard Foods, 2015) "Convenience" (Greenyard Foods, 2015)	Important environmental trends: -Health concerns -Environmental concerns -Complexity of supply chain -Higher standards in marketing, sales and quality -Demand for convenience

Based on the dataset, it can be concluded that two determinants have received ample support that they were positively present, and might have improved the performance of this M&A. First, there are eight observations regarding the *combined relational capabilities* of this M&A. Different sources mention that the combined firm would have the potential to compete with multinationals like Chiquita and Del Monte. The M&A also brings the complementary businesses of both firms together, allowing for a broader product portfolio and therefore opportunities to address a broader customer base. As said in section 7.2, Mr. Deprez also mentioned other motives for this M&A, however, the extent to which those other motives were present should be strongly considered. It is likely that the combined relational capabilities of this M&A have contributed to its performance.

Second, seven observations indicate that this M&A was clearly *part of a strategy*. According to the literature review, M&As guided by a strategy perform better. The strategic vision of Hein Deprez is that the trends in society demand for a more holistic view on fruit and vegetable consumption. With this is meant that the role of Greenyard should not only be to deliver the products of growers to the retailers, but also to stimulate consumers to eat more fruit and vegetables and different related products with fruit and vegetables. In line with this, the M&A creates a firm that is large enough to influence the perception and awareness of fruit and vegetable consumption. Firm strategy and position was also found as a motive for this M&A (see: table 18). The presence of a clear strategy might have influenced the performance of this M&A positively.

Next to these two determinants of M&A performance that might have had a positive effect, there is also evidence that two determinants might have tempered the performance of this M&A. First of all, the dataset revealed that both companies have *large differences in size and financial structure*. Greenyard is listed at the Belgium stock exchange and realized a turnover of 600 million euro at the time of the M&A. At that time, Univeg realized a turnover of 3 billion euro. Therefore, Univeg was almost five times bigger than Greenyard. Apart from differences in size and financial structure, the analysis also reveals that Greenyard was more profitable at the time of the M&A. The substantial differences in size and financial performance might have influenced the performance of this M&A negatively.

Second, just like the previous cases, also this case was *not preceded by a courtship period*. A courtship period substantially increases the chance of M&A success, and allows companies to get better knowledge and understanding of each other. Literature also indicates that it helps to reduce information asymmetry and helps to build trust and confidence between parties. It is likely that the absence of a courtship period might have tempered the performance of the M&A between Greenyard and Univeg.

Furthermore, next to the above mentioned determinants of M&A performance, some extra attention will be devoted to the external influences that are present in the case of Greenyard Foods and Univeg. Whether the performance of the M&A might have been tempered by these external influences is hard to distinguish and is also beyond the scope and timeframe of this study. Therefore, these influences will be mentioned below, but will not be subject to further elaboration. The following external influences have been retrieved from the dataset (see, table 18):

- Growing consumer awareness for health
- Environmental concerns
- Complexity of the agri-food supply chain
- Higher standards in marketing, sales and quality
- Demand for convenience foods

7.5. Conclusion

The literature review in chapter 2 has indicated that the (positive) presence of the determinants in the theoretical framework, is in favor of the performance of M&As. From the analysis in section 7.4 can be concluded that there are indeed indications for the positive presence of two determinants. However, also two determinants that might have tempered the performance of the M&A are found.

To conclude, this case study has resulted in evidence for the fact that two determinants of M&A performance, namely strategy and capabilities, might indeed contribute to a positive M&A performance. Alternatively also two determinants that might influence the performance negatively, namely size and absence of courtship, have received support. The findings of this case study have been summarized in figure 11 on the next page. Behind every determinant of M&A performance, the amount of observations (n) is given. If there was a substantial number of observations ($n > 5$) the code is written in bold.

Despite the fact that some determinants have been observed multiple times, it was not always possible to draw a conclusion (see: table 18). The determinants that did have enough evidence to draw a conclusion are given a color in figure 11. This color is green if the effect of this determinant on this case was positive, and red if the effect was negative. The figure serves as overview of the findings of this case study. However, the influence of each single determinant on itself is still unclear and should be subject to further research.

As said in section 7.1, this case is more recent than the other cases and has not been examined before. Therefore, the analysis might receive a little less support from academic research. However this case study can be considered as a first contribution towards the understanding of this M&A.

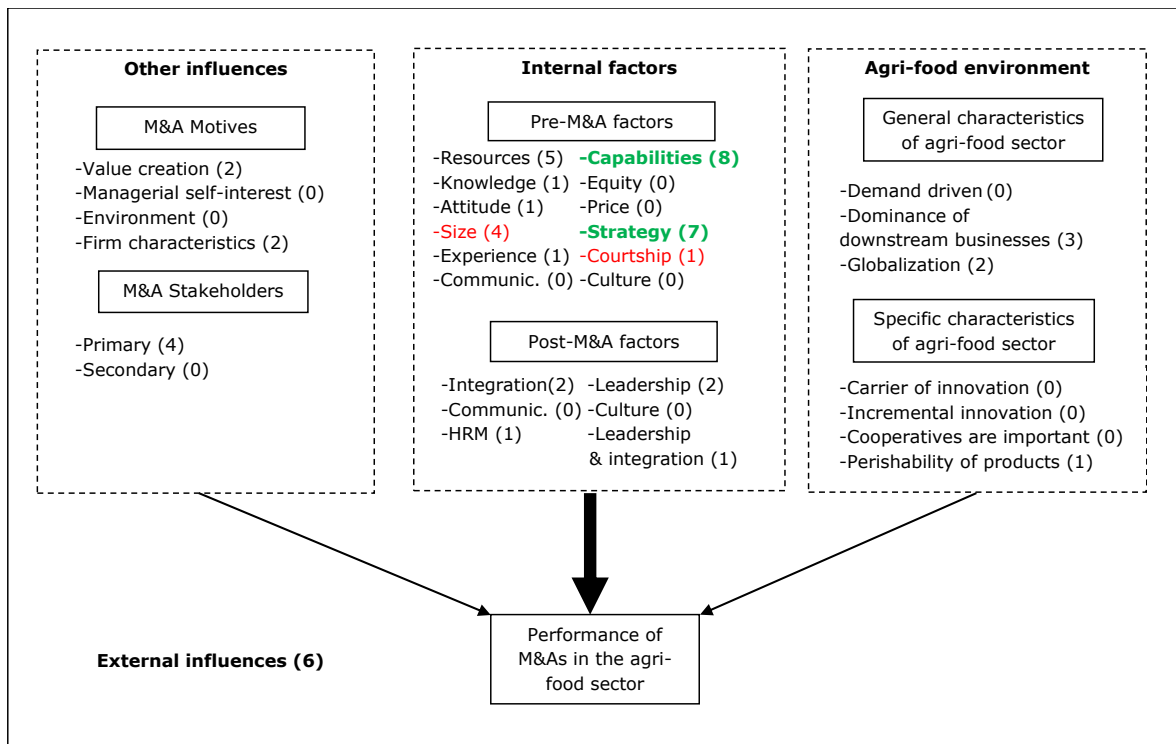


Figure 11: Summary of case III

8. Conclusion

The last chapter of this report concludes and discusses the findings of this research. First of all, in section 8.1 the research questions of this study will be answered and discussed, and conclusions will be drawn regarding the determinants of M&A performance in the agri-food sector. Next, the limitations of this research will be highlighted in chapter 8.2. Based on the discussion, conclusion and limitations, section 8.3 will provide recommendations for further research.

8.1. Conclusion and discussion

This section will start by answering the sub research questions as stated in section 1.3. After that, the main research question of this study will be answered. The first sub research question is: *Which determinants of M&A performance can be found in literature?* The literature review yielded a substantial amount of determinants that might have relevance for the agri-food sector. Some literature is already specific to the agri-food sector, whereas other literature is more generic. Two types of determinants of M&A performance can be distinguished: M&A related determinants (section 2.2), and firm related determinants (section 2.3). The M&A related determinants are not directly applicable to the firms involved in an M&A, but to the event of an M&A itself. Since literature has shown that they can have a strong influence on M&A performance, they have been included in this research.

First of all the M&A related determinants will be covered (section 2.2). These determinants can be divided in two categories: M&A motives (section 2.2.1) and stakeholders (section 2.2.2). M&A related motives can be divided in the following four categories: Motives related to value creation, managerial self-interest, environmental factors, and firm related motives. Next to M&A motives, literature also supports motives combined under the label 'influence of stakeholders'. There are two types of stakeholders to be distinguished: primary stakeholders and secondary stakeholders. Without the participation of primary stakeholders, a firm cannot survive. Without the secondary stakeholders, a firm can survive.

Next, the firm related determinants will be covered (section 2.3). literature supports determinants in both the pre- and the post-M&A phase. All of the determinants mentioned in table 19 have received academic support as being a determinant of M&A performance.

Table 19: Determinants of M&A performance according to academic literature

Determinants of M&A performance	
Pre-M&A	Post-M&A
Resource similarity and complementarity	Use of integration strategy
Combined relational capabilities	Presence of a sound leadership
Partner-specific knowledge between firms	Match between leadership style and integration strategy
Assessment of equity related variables	Appropriate communication
Attitude surrounding the M&A	Cultural fit
M&A price	Presence of HRM strategy
Relative size similarity	
Corporate M&A strategy	
M&A experience in relation to similarity	
Courtship period	
Appropriate communication	
Cultural fit	

The second sub research question is: *What are the specific characteristics of the agri-food sector?* This research question was answered in section 2.4 of this report. This study has a strong focus on the uniqueness of agri-food M&As. Therefore, the found characteristics have been divided into two types of characteristics: general characteristics and specific characteristics.

The general characteristics are important features of the agri-food sector. However, they are not exclusive to the agri-food sector. Therefore, the general characteristics do not distinguish the sector from other industries. The three general characteristics as found in literature are: The demand driven character of the agri-food sector, the dominance of downstream (closer to the consumer) businesses, and globalization (see section 2.4).

The second group of characteristics, the specific characteristics, are features that distinguish the agri-food sector from other industries. With specific is meant that most other industries are not subject to those characteristics. This division between general and specific characteristics is important to enable a judgement about the uniqueness of agri-food M&As. The four characteristics that are specific to the agri-food sector are: the agri-food sector is a carrier of innovation, the agri-food sector shows emphasis on incremental innovation, cooperatives are important in the sector, and the perishability of agri-food products (see section 2.4).

The third sub research question is: *Which of the determinants of M&A performance that are found in literature, can be found in cases of M&As in the agri-food sector?* To answer this sub research question, the findings of all three case studies have been summarized into one table (see table 20). Next to each determinant, the total amount of observations is stated.

Table 20: Summary of the case studies

M&A characteristics		M&A environment in agri-food		M&A determinants			
Motives (n)		General characteristics (n)		Pre-M&A (n)			
Value creation	7	Demand driven	3	Resource similarity and complementarity	11		
Managerial self-interest	1	Dominance of downstream businesses	13	Combined relational capabilities	28		
Environment	2	Globalization	7	Partner-specific knowledge between firms	4		
Firm characteristics	3	Specific characteristics (n)		Assessment of equity related variables	2		
Stakeholders (n)		Carrier of innovation	1	Attitude surrounding the M&A	10		
Primary stakeholders	21	Incremental innovation	5	M&A price	13		
Secondary stakeholders	10	Cooperatives are important	6	Relative size similarity	19		
		Perishability of products	2	Corporate M&A strategy	25		
		External influences (n)		26	M&A experience in relation to similarity	9	
					Courtship period	4	
					Appropriate communication	3	
					Cultural fit	9	
						Post-M&A (n)	
						Use of integration strategy	13
						Presence of a sound leadership	7
						Match between leadership style and integration strategy	10
						Appropriate communication	0
						Cultural fit	0
						Presence of HRM strategy	13

In the remainder of this section, we will discuss the determinants that have received substantial support in the case studies, to find out which of the determinants from the theoretical framework can be confirmed or rejected. The researcher has chosen to use the following criteria to define 'substantial support': determinants with 15 or more observations ($n \geq 15$) are considered as 'strong support'. Determinants that have between 10 and 15 observations ($10 < n < 15$) are considered as 'moderate support'. It is possible to draw conclusions based on this amount of observations since the datasets are selected following a strict procedure, as described in sections 5.3, 6.3 and 7.3. This procedure assures that all the observations are unique. With this is meant that if a certain news article was published in multiple papers, its content is only included once and only counts for one observation in this study. However, it is important to mention that these criteria are arbitrary and that one could also choose to use different criteria. This is also mentioned in chapter 8.2 as a limitation of the current study.

Regarding the M&A characteristics, no strong evidence has been found that the motives behind the M&As had an influence on performance. Subsequently, many primary stakeholders have been identified. However, the current study has not yielded enough evidence to draw specific conclusions regarding their influence of M&A performance. Therefore, the only conclusion that can be drawn regarding M&A characteristics is that primary stakeholders as such are a determinant of M&A performance in the agri-food sector.

Regarding the M&A environment, two features have received support for their possible influence on the performance of M&As. First of all, the dominance of downstream businesses. In two of the three case studies, the dominance of downstream actors such as large retailers played a role (chapters 5 & 7). However, the case studies reveal that the dominance of downstream businesses played a role in the decision to opt for an M&A, and not that they actually influenced its performance. It can be concluded that it is likely that this dominance also influences M&A performance to a certain extent.

Second, the external influences played a substantial role in all case studies (26 observations). Whereas the determinants of M&A performance and the M&A characteristics can have a similar effect in multiple M&As, the external influences are different for every case and so is their effect. Some more common examples of external influences found in this study are: the economic recession and changing market conditions. Based on this research, the only conclusion that can be drawn regarding the external influences is that they are a strong determinant of M&A performance.

Final, regarding the M&A determinants, three determinants have received strong support (i.e. more than 15 observations). This research has yielded strong evidence that M&As between firms that have strong combined relational capabilities, and M&As that are part of a strategic plan have a higher chance of being successful. Also size similarity has a substantial amount of observations. However, although the number of observations is high, the effect of size similarity is diverse. In the M&A between Greenyard and Univeg (chapter 7), the size dissimilarity might have tempered the M&A performance. In contrast, size similarity might have boosted the performance in the M&A between Friesland Foods and Campina (chapter 6). Therefore, this study cannot confirm, nor reject whether size similarity is a determinant of M&A performance, because the sign of the effect is not evident. However, the cases do confirm the two determinants combined relational capabilities and corporate M&A strategy. Moreover, the following four determinants have received moderate support (between 10 and 15 observations): Resource similarity and complementarity, price of the M&A, post M&A integration, and post M&A Human Resource Management.

One surprising conclusion can be drawn from the summary of the case studies. Namely that none of the three cases were preceded by a courtship period. The literature review revealed that without a courtship period, the evaluation of each other's resources, competences, cultures, and intentions can result in problems and difficulties, negatively impacting M&A performance. This might have played a role in the case between VION and Grampian (chapter 5), since this M&A is classified as an unsuccessful M&A. However, the other two cases provide no evidence regarding the courtship period. Therefore this determinant will be rejected based on the findings of the case studies.

This leads to the answer of the main research question of this study: *What are general determinants of M&A performance in the agri-food sector?* From the sub research questions can be concluded that this research has resulted in support for the following nine general determinants of M&A performance in the agri-food sector (all bold in figure 12): Primary stakeholders, dominance of downstream businesses, external influences, combined relational capabilities, part of a strategic plan, resource similarity and complementarity, price of the M&A, post M&A integration, and post M&A Human Resource Management. Courtship has been removed from the figure. For all other determinants that cannot be confirmed or rejected can be said that based on this research, no evident support for those determinants has been found. However, that does not mean that the other determinants do not play a role in agri-food M&As.

As figure 12 shows, most of the determinants of M&A performance have been found in the third column: determinants related to the event of an M&A itself. One could say that the combined potential of the involved firms is of great importance (combined resources, capabilities and strategy). The other three determinants that have received support (price, integration and HRM) do not show a common pattern, however they could each have their individual effect on M&A performance. Furthermore, the determinants primary stakeholders, downstream dominance and external environment might have a strong influence on the performance of an M&A as well, but that influence is mostly dependent on each individual case. For example, the time and market in which the M&A takes place might result in strong influence of these determinants.

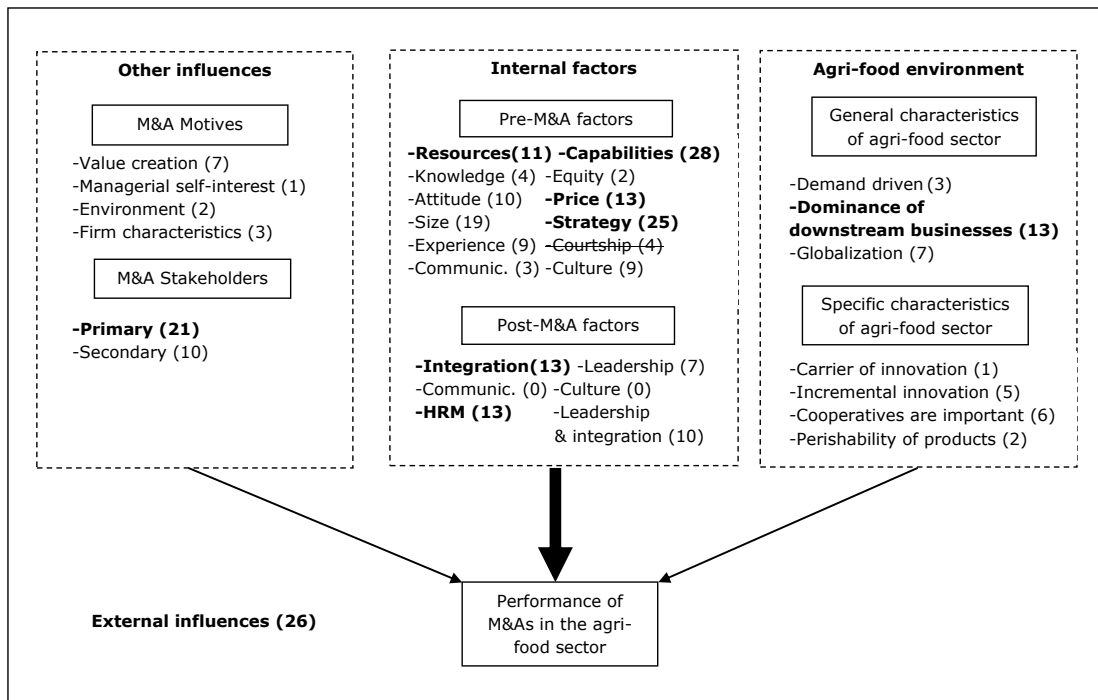


Figure 12: Determinants of M&A performance in the agri-food sector (in bold)

8.2. Limitations

This section will specify seven limitations of this study. The first, and probably most important limitation is the fact that no interviews were conducted. The original intention of the researcher was to collect a complete dataset with literature and interviews. However, M&As, and especially determinants tempering the performance of M&As, are a very sensitive topic amongst companies. Therefore, it was very likely that companies were not willing to cooperate. After consultation, the researcher has decided not to use interviews as a research method.

A second limitation in this research concerns the reliability of the data that is used. The researcher built a dataset by searching for annual reports, academic articles and news articles retrieved from LexisNexis Academic. For each case, the news articles proved to contain the highest amount of useful information for the analysis. As a result of this, the findings from the case studies are largely based on secondary data. A disadvantage of secondary data is that it might be subject to biased opinions. The data collected by the writers of the news articles is collected with a concrete idea in mind, to answer a research question or to meet certain objectives. However it is possible that these questions are not in line with the questions and objectives of this study and therefore the information might be incomplete or differently interpreted by the writer of the news article.

A third limitation in this research is that a wide variety of determinants has been used. The literature review in chapter 2 resulted in ample determinants that could influence the performance of an M&A, both in the pre-M&A and post-M&A phase. As a result of this wide

variety of determinants, the cases were analysed with a broad focus. Given the small amount of conducted case studies, a deeper focus on a smaller amount of determinants could have been better. If the researcher had narrowed the amount of determinants down, for example by means of adjusting the scope of this research, then the case studies could be more focussed on certain aspects of M&A performance. This would have allowed for a more detailed and thorough analysis.

A fourth limitation is the amount of case studies that has been conducted. Given the available time for this study, the researcher was able to conduct three carefully selected case studies. The findings from these case studies were used to confirm or reject the findings from the literature review. The three case studies have yielded sufficient data to meet this objective. However, if more cases were analysed, the researcher would have obtained more data and there might have been stronger evidence to confirm or reject those findings. If there was more time to conduct case studies, the researcher could also analyse for example outlier cases.

A fifth limitation is that this study found evidence for nine determinants of M&A performance in the agri-food sector. This does not mean that one can use the findings of this study in future research by only applying these nine determinants to a case. The other determinants that were examined in this study might also be present, but they have just not received enough support to draw any conclusions based on this study. However, that does not mean that the other determinants do not play a role in agri-food M&As.

A sixth limitation concerns the conclusions drawn in this report. Given the available data sources for each case, it was not always possible to draw conclusions based on concrete quantitative data for example. Conclusions are drawn based on the amount of observations of a certain code. More observations results in stronger support. Although this method is suitable for the current study, it is important to mention its limitation. As a result of this method, some of the conclusions might seem more like an 'indication towards a possible conclusion'. Nevertheless, the indications provide promising directions for future (more quantitative) research.

The seventh and final limitation is the effect of external influences on M&A performance. External influences might affect the performance of an M&A to a large extent and can play an important role in the outcome of an M&A. Especially in the case between VION and Grampian, many external influences have been found. As a result of the presence of external influences, it is hard to say whether the performance of the M&A was effected by the internal factors of M&A performance in the pre- and post-M&A phase, or by the external influences themselves.

8.3. Recommendations for further research

Based on the conclusion, discussion and limitations of this study, the current section will provide three recommendations for further research. A first recommendation would be to perform the case studies by means of interviews. Interviews might reveal undiscovered or underrated characteristics that could yield different conclusions. It is recommended for future research to conduct interviews with former employees that were active in the company at the time of the M&A, but that are now employed elsewhere or retired. By interviewing those people, the researcher can be sure that the interviewees do not have stakes in the company anymore and might therefore be more open towards the research.

A second recommendation for future research is to extend the current research by adding more case studies. A larger amount of case studies will result in more determinants that receive support and therefore a stronger argumentation. The results of this study show a reliable indication towards the presence of the different determinants of M&A performance. However, a larger amount of case studies could transform this reliable indication into hard argumentation and concrete evidence.

A third and final recommendation for future research is to narrow down the scope of the study. In this study the researcher intended to look for firm-related determinants that influence M&A performance. However, the literature review revealed that also M&A motives, stakeholders, firm characteristics and external influences might influence the performance of M&As. Therefore, all those determinants have been added to the theoretical framework to obtain a complete picture. This resulted in a broad range of determinants and a time consuming set-up for the case studies. Future research should think about a way to narrow the amount of determinants down or to extend the timeframe of the research.

Appendix 1

Table 21: Operationalization of theory

Topic	Concept	Expected patterns	Questions to find observed pattern	Source
Determinants of M&A performance	Pre-M&A	Resources	To what extent are resources similar or complements?	-Press releases -Company information
		Capabilities	Does the combination of the two firms yield extra capabilities that they would not achieve alone?	-Press releases -Company information
		Knowledge	-Does any of the partners have specific knowledge that is only relevant for the business itself? -Can that knowledge complement the knowledge of the other firm after an M&A?	-Academic journals
				-Press releases
		Equity	Did the firms have a positive return on equity (ROE) at the time of the M&A?	-Annual report
		Attitude	What is the attitude surrounding the M&A?	-Press releases
		Price	How can the price of the deal be categorized?	-Academic journals -Press releases -Annual report
		Size	Is there a relative size similarity between the firms?	-Annual report -Company information
		Strategy	Is there a corporate strategy involved in the M&A?	-Academic journals
		Experience	Do the firms have experience with similar M&As (e.g. also in meat, vegetables)?	-Academic journals - Press releases -Company information
		Courtship	Was a courtship period preceding the M&A?	-Press releases
Communication	How was the communication before the M&A? -Were employees satisfied? -Did the firms communicate appropriate? (e.g. no over or under communication)	-Academic journals -Press releases		

		Culture	How can the cultural differences between the firms be classified? -No differences -Moderate differences -Large differences -Totally different	-Press releases
	Post-M&A	Integration	To what extent was the integration led by a strategy? -Large extent -Moderate extent -Little extent -Not at all	-Academic journals -Press releases
		Leadership	Was there a sound leadership during the integration?	-Academic journals -Press releases
		Leadership & integration	Did the integration process match with the type of leadership? -Yes -Moderate -No	-Academic journals -Press releases
		Communication	How was the communication after the M&A? -Were employees satisfied? -Did the firms communicate appropriate? (e.g. no over or under communication)	-Academic journals -Press releases
		Culture	How can the cultural differences between the firms be classified?	-Press releases
		HRM	Was there an HRM strategy related to the M&A?	-Academic journals -Press releases
M&A Characteristics	Motives	Value creation	How many of the four motives related to value creation play a role in this case and does that have any implications for the case?	-Company information -Press releases -Academic journals
		Managerial self-interest	How many of the three motives related to managerial self-interest play a role in this case and does that have any implications for the case?	
		Environment	How many of the three environmental motives play a role in this case and does that have any implications for the case?	
		Firm related	How many of the two firm related motives play a role in this case and does that have any implications for the case?	
	Stakeholders	Primary	What are primary stakeholders in this case and what is their influence?	-Company information -Press releases

		Secondary	What are secondary stakeholders in this case and what is their influence?	-Academic journals
M&A environment in agri-food	General characteristics	Demand driven	Are the firms involved in this case driven by demand?	-Company information -Press releases
		Downstream dominance	Are the firms involved in this case subject to dominance of downstream businesses?	
		Globalization	Are the firms involved in this case involved in globalization efforts?	
	Specific Characteristics	Carrier of innovation	Are the firms involved in this case carriers of innovation?	-Company information -Academic journals
		Incremental innovation	Are the firms involved in this case incremental innovators?	
		Cooperatives	Are the firms involved in this case dealing with cooperatives?	
		Perishability	Are the firms involved in this case dealing with perishable products?	
External environment	Possible external influences that have impact on M&A performance	Are there any external circumstances to be found that might have a strong influence on (one of) the firms in the period before, during or after the M&A?	-Academic journals -Press releases -Annual report	

Appendix 2

Table 22: Full data coding case I

Code	Case	Text
Attitude	LexisNexis articles VION	According to a City insider, The Hilton Food Group and 2 Sisters have made a joint bid, while separate offers have come in from Vion Food Group, Brazilian meat processors Sadia and Perdigao, and founder and majority shareholder Fred Duncan, in conjunction with a buyout team or backer.
Attitude	LexisNexis articles VION	preferred bidder
Attitude	LexisNexis articles VION	"This is an excellent outcome to the process which has been ongoing for some months and brings an end to speculation surrounding the Grampian business. "Vion has ambitious plans for investment, development and growth in the UK from which the Grampian business and its farmer suppliers will benefit."
Capabilities	LexisNexis articles VION	We voorzien geen problemen. In rundvlees zijn we straks eerste in Europa, in varkensvlees tweede.' Omdat de zaak in Brussel ligt, wil Vion niets zeggen over de prijs en de financiering van de overname. In de markt wordt een koopprijs van £ 350 tot 400 mln genoemd.
Capabilities	LexisNexis articles VION	Grampian levert kip, varkensvlees, rundvlees en lamsvlees. Grote afnemers zijn met name de Britse supermarkten. Het bedrijf heeft 17.500 werknemers in dienst, van wie 4500 in Thailand.
Capabilities	LexisNexis articles VION	Het bedrijf maakt ook diepvries- en stoomgroenten, van worteltjes en peultjes tot bloemkool en courgette. Of pizza's en soepen. En vleesvervangers. Vreemd voor een vleesbedrijf? Helemaal niet, vindt bestuursvoorzitter Daan van Doorn. Want Vion noemt zich nadrukkelijk een voedingsmiddelenconcern en is druk bezig te diversifiëren. Vorig jaar werd het Limburgse familiebedrijf Oerlemans ingelijfd, en ook Grampian is sterk in 'gemaksvoeding
Capabilities	LexisNexis articles VION	The combined group will become a major player in the UK food industry. Together with Grampian's management we want to further intensify the cooperation with our retail clients by investing in Grampian, sharing knowledge and developing partnerships
Capabilities	LexisNexis articles VION	But the Dutch group made clear the acquisition was aimed at growing its share of the UK meat market. Chairman Daan van Doorn added: "At the heart of Vion's business is a passion for better food and Grampian is key to developing this strategy. The combined group will become a major player in the UK food industry."
Demand driven	LexisNexis articles VION	De consument koopt steeds meer samengestelde producten en kant-en-klare maaltijden: vlees en groenten samen, in diepvriesverpakking of anderszins voorbereid. 'Over tien jaar weet bijna niemand meer hoe je moet koken', is een gevlugelde uitspraak van topman Van Doorn
Demand driven	LexisNexis articles VION	klanten naast vlees ook vleesvervangers willen, dan voorzien we daarin
Downstream dominance	LexisNexis articles VION	de supermarkten aanhoudend druk uitoefenen
Downstream dominance	LexisNexis articles VION	Bovendien willen supermarkten vaak het hele gamma afnemen bij één leverancier
Downstream dominance	LexisNexis articles VION	British food companies have come under increasing pressure as the price of commodities - such as wheat for animal feed - have rocketed and retailers slash prices to boost sales.

Downstream dominance	Opportunist dealing in the UK pig meat supply chain	From this point of view, VION was to meat processing in the UK what Foxconn is to electronics assembly in China: a major upstream player with a volume business and meager profits because it is at the wrong end of a power relationship with a dominant actor that is determined to realize value. In both cases, the dominant downstream actor controls the brand, pleases consumers and delivers for its own shareholders by creating and capturing profits in a way that make its supply chain financially unsustainable.
Downstream dominance	Opportunist dealing in the UK pig meat supply chain	Insofar as the underlying problem is a power imbalance along the chain, then more radical institutional solutions are required to shift power and align interests. Policy could encourage cooperation between producers and processors, similar to the Danish or Dutch model, in which cooperation provides a counterweight in the supply chain
Downstream dominance	VION Food Group; New Challenges	Second, supermarkets and food service clients demand just-in-time delivery,
Downstream dominance	VION Food Group; New Challenges	five major industry wisdoms can be distilled which seem to drive strategic thinking in the contemporary European meat business. 1. Food retail is leading and consolidating, food suppliers need to follow
Environmental motive	LexisNexis articles VION	de vleesbedrijven zijn destijds vooral aangekocht om te voorzien in de grondstoffen voor de ingrediëntenbedrijven. Vlees werd in de toenmalige situatie eigenlijk gezien als bijproduct.
Equity	LexisNexis articles VION	If the company is sold for £350million, shareholders would get only a fraction of this because the company has net debts of more than £300million
Experience	LexisNexis articles VION	kocht zich in die periode met een reeks van overnames naar een jaarmzet van ruim 7 miljard euro
Experience	LexisNexis articles VION	Fred Duncan, die de onderneming in 1980 oprichtte en door een reeks overnames uitbouwde tot het grootste Britse vleesbedrijf
Experience	LexisNexis articles VION	Eind jaren zeventig liet hij zich overhalen een kwakkelende kippenboerderij over te nemen, die hij samen met een partner uitbouwde tot een imperium door een eindeloze reeks overnames
Experience	LexisNexis articles VION	Vion has a good track-record in investments and
External influence	LexisNexis articles VION	De snelle expansie van de afgelopen jaren eist zijn tol. Omdat de prijzen voor veevoer sterk zijn gestegen en de supermarkten aanhoudend druk uitoefenen op de leveranciers, staan de marges onder druk. Ook de schuldenlast die door de vele aankopen is opgebouwd, drukt zwaar op de onderneming. In het jaar 2006-2007 boekte de Britse onderneming een winst voor belasting van ruim £ 5 mln.
External influence	LexisNexis articles VION	De Nederlandse onderneming, die in drie jaar de omzet door overnames zag vertienvoudigen tot euro 7 mrd, heeft behoefte aan meer schaalgrootte. 'De consolidatie in de Europese vleessector zet door'
External influence	LexisNexis articles VION	Enkele jaren geleden dook het bedrijf in de rode cijfers door onder meer de hoge energieprijzen, een Britse supermarktoorlog en goedkope import.; Bovendien kwam Grampian in het nauw omdat het niet voldoende scharrelvlees kon leveren, terwijl consumenten daar steeds meer om vroegen. Circa drieduizend werknemers werden ontslagen. Onlangs besloten honderden Grampian-medewerkers in Wales te gaan staken. Ze vinden hun loon te mager.
External influence	LexisNexis articles VION	British food companies have come under increasing pressure as the price of commodities - such as wheat for animal feed - have rocketed and retailers slash prices to boost sales.

External influence	LexisNexis articles VION	They have also been hit by the rise of television chefs such as Jamie Oliver, who have attacked mass-processing methods and championed more expensive organic produce over battery-farmed poultr
External influence	LexisNexis articles VION	The fact this acquisition coincided with the start of the recession, on the other hand, was always going to be a challenge to a business whose focus at the time was on internal restructuring. Four years later, with no sight of economic recovery, the 2011 group accounts bemoaned the "weakening of consumer demand and record livestock prices" in red meat in the UK, the "only partial transfer of cost inflation through the chain" in pork, and the "significant increases in key input costs" in poultry.
External influence	Opportunist dealing in the UK pig meat supply chain	in meat supply, it is the farmer as the producer at the end of the chain who makes losses and is forced to quit the business and surrender a way of life that had sustained earlier generations.
Globalization	LexisNexis articles VION	Daarmee ontstaat verreweg de grootste vleesverwerker van Europa
Globalization	LexisNexis articles VION	t Vion, dat de afgelopen jaren grote overnames deed in Nederland en Duitsland
Globalization	VION Food Group; New Challenges	The competitive battling continued and seems to be accelerating in 2008. In search of growth markets, large global firms, including Smithfield Foods based in the USA or Brazil's JBS Swift and Perdigão, are penetrating and expanding into European territory.
Globalization	VION Food Group; New Challenges	globalizing food industry with ever fewer and larger international players on the processing and retail side who are driving cross-border competition.
HRM	Bad attitude; Migrant workers,meat processing work in the UK	Employment relations are also complicated by the fact that Tesco closely monitors the produc- tion process as part of its contract with St Merryn; workers tell stories of how production lines are slowed down and work is done to regulation on days when Tesco inspectors visit the factory.
HRM	Bad attitude; Migrant workers,meat processing work in the UK	Part of the problem, finally, in organising to improve working conditions in places like St Merryn is the complex structure of employment relations and pressures of the meat industry supply chain
HRM	Bad attitude; Migrant workers,meat processing work in the UK	Though Unite has deployed a range of strategic campaigning tactics, including pressuring shareholders of Britain's largest super - markets to take responsibility for improving work- ing conditions in their UK meat supply chains, and pushing the British Equality and Human Rights Commission to launch an inquiry into meat industry working conditions, progress in actually improving these conditions across the sector has been difficult and slow
HRM	LexisNexis articles VION	Grampian, which employs about 25,000 people, has run into trouble with unions over pay, pensions and the use of agency staff
HRM	LexisNexis articles VION	financial turmoil at Grampian, which has in recent years been forced to make more than 3,000 staff redundant in a series of factory closures that have included processing sites at Banff, Buckie and Aberdeen. It has also had to resolve a pension scheme deficit by providing a £181.25million guarantee to the Pension Protection Fund.
HRM	Opportunist dealing in the UK pig meat supply chain	Workers in meat processing across the sector face the risk of job loss when supply agreements are ended but also ongoing pressure regarding pay and conditions as part of the business of retaining agreements. The union representatives interviewed for this project described a 'never ending race to the bottom' in terms of pay and conditions, which failed to deliver any form of stability for individual plants or the industry as a whole

Integration	LexisNexis articles VION	De Nederlandse en Duitse bedrijven vormden totaal geen eenheid en werkten elkaar te vaak regelrecht tegen, bijvoorbeeld bij het binnenhalen van exportorders. In de nieuwe visie opereren de Duitse en Nederlandse bedrijven veel meer als een geheel.
Integration	LexisNexis articles VION	INTEGRATING the Grampian Country Food Group into Vion - the Dutch food giant that bought it in August - could take at least 12 months, its chairman said yesterday
Integration	LexisNexis articles VION	The meat processor has undergone a wide-ranging consolidation process in the UK, but stressed it had also made significant investments in its business.
Integration	LexisNexis articles VION	The Halls factory is making losses of £79,000 a day and is due to close by February with the loss of 1,700 jobs.
Integration	Opportunist dealing in the UK pig meat supply chain	given the failure of the previous acquisition and growth strategy in Food, to deliver the expected operational synergies and financial performance. Combined with the poor market conditions in the European pork sector, this has forced the company to take some difficult but necessary decisions.'
Knowledge	LexisNexis articles VION	sharing knowledge
Leadership	LexisNexis articles VION	Vion UK will be led by a new chief executive, Ton Christiaan, who heads up the group's convenience business. Vion has also strengthened its boardroom team and UK management by appointing Meat and Livestock Commission chairman Peter Barr as non-executive chairman.
Leadership	LexisNexis articles VION	Mr Barr did not rule out significant changes in the shape of the former Grampian business which may have suffered from under-investment in recent years. He said the new owners were committed to investing in the business for the long term.
Leadership & integration	LexisNexis articles VION	"it's not category focus that's the key to success. It's knowing what you're doing, and having a bunch of guys around you that are aligned with your way of working: keeping as close an eye on the customer as on the costs."He also contrasts Vion's management with the leadership style of Fred Duncan, founder of the Grampian business."Fred was a bit like Ranjit. He obsessed over every detail, and knew everyone."A leading pork industry source believes Vion simply underestimated the power of the UK retailers. "I think they came in a little bit naïve, thinking it was easier to deal with the UK supermarkets than it really was
Leadership & integration	LexisNexis articles VION	strategic review of Grampian's operations UK-wide was under way. Initial findings are likely to be reported in January at which point the new Dutch owners will have their first overview of what changes are likely to be needed in the business that also includes Vion's existing fresh pork, bacon and sausage operations in the UK.
Leadership & integration	LexisNexis articles VION	The question is: how did a global meat business with a 9.5bn turnover and an EBITDA of 90.1m last year fail to make its UK scale and global expertise pay
Leadership & integration	LexisNexis articles VION	Some sources claim Vion UK is a sacrificial lamb, the sale of which will provide much-needed finance for its parent, Vion Food Group, as it regroups and grows its core operations
Leadership & integration	LexisNexis articles VION	"The group needs cash. It's not a UK problem, it's a group problem
Leadership & integration	LexisNexis articles VION	Some date Vion's UK troubles back to the £350m acquisition of Grampian in 2008. But as a senior poultry source says: "Although Grampian had its problems and for a period lost its way, Vion bought a profitable business." The fact this acquisition coincided with the start of the recession, on the other hand, was always going to be a challenge to a business whose focus at the time was on internal restructuring

Leadership & integration	LexisNexis articles VION	some believe Vion hasn't helped itself with its lack of category focus. While its £2.3bn UK sales made it one of the UK's largest suppliers, it hasn't been dominant in any market it operates in, slaughtering 17% of UK poultry, 15% of beef and 13% of lamb
Managerial self-interest related motive	LexisNexis articles VION	Sobel-directeur Daan van Doorn gaat op overnamepad, met geld van zijn vermogende aandeelhouder ZLTO. Hij is tot de conclusie gekomen dat de vleesmarkt veel te versnipperd is. De macht van de supermarktconcerns is veel sneller gegroeid dan die van de vleesconcerns. In rap tempo worden de vleesbedrijven Dumeco en Hendrix ingelijfd. In Duitsland worden Moxsel, Nordfleisch en Südfleisch overgenomen.
Perishability of products	VION Food Group; New Challenges	It should be stressed here that these rules of the game are true for fresh meat only. For frozen meat and meat
Pre culture	LexisNexis articles VION	Zijn adagium: 'Als je een pond winst maakt, kun je er weer vier extra lenen'
Pre culture	LexisNexis articles VION	BEST - Vion, het grootste vleesverwerkende bedrijf van Europa, is klaar voor nieuwe acquisities. De Nederlandse onderneming, die in drie jaar de omzet door overnames zag vertienvoudigen tot euro 7 mrd, heeft behoefte aan meer schaalgrootte. 'De consolidatie in de Europese vleessector zet door', zegt bestuursvoorzitter Daan van Doorn in een gesprek met deze krant.
Pre culture	LexisNexis articles VION	could mean that Duncan, the publicity-shy creator of a GBP2bn business, who has refused to accept most of the business awards for which he has been nominated, has walked away with only a fraction of the "GBP275m pay-out" being canvassed in some reports last year.
Pre culture	LexisNexis articles VION	NFU Scotland said the acquisition should be seen as a springboard to move Scotland's meat industry forward, with president Jim McLaren saying the "air of uncertainty" over the future of Grampian had been lifted.
Pre culture	LexisNexis articles VION	He also contrasts Vion's management with the leadership style of Fred Duncan, founder of the Grampian business. "Fred was a bit like Ranjit. He obsessed over every detail, and knew everyone." A leading pork industry source believes Vion simply underestimated the power of the UK retailers. "I think they came in a little bit naïve, thinking it was easier to deal with the UK supermarkets than it really was."
Price	LexisNexis articles VION	Schattingen in de Britse pers lopen op tot een bedrag van 400 miljoen pond
Price	LexisNexis articles VION	Vion zou een bedrag van ruim 400 miljoen euro voor Grampian hebben betaald. Dat meldt het Britse blad The Herald. Andere Britse media reppen zelfs over bedragen van 440 tot 500 miljoen euro (350 tot 400 miljoen pond sterling). Vion en Grampian willen niets zeggen over de overnamesom. Grampian had
Price	LexisNexis articles VION	overnameprijs van £ 400 mln genoemd, omgerekend euro 192 mln
Price	LexisNexis articles VION	De ogenschijnlijk lage verkoopprijs aan VION houdt verband met de financiële situatie van Grampian, die niet bijzonder rooskleurig is
Price	LexisNexis articles VION	Five bids in excess of £400m have been tabled for Grampian Country Food Group
Price	LexisNexis articles VION	The deal with Vion was first reported two months ago, when banking sources were quoting a GBP350m price tag. But that almost certainly does not take account of Grampian's debt, which was at GBP292m two years ago, and its pension guarantees
Primary stakeholder	LexisNexis articles VION	. Vion is echter gezond genoeg om banken tevreden te stellen

Primary stakeholder	LexisNexis articles VION	Oprichter en grootaandeelhouder Fred Duncan (66) was min of meer gedwongen een koper te vinden. Bank of Scotland is de belangrijkste schuldeiser.
Primary stakeholder	LexisNexis articles VION	alle grote Britse supermarkten, maar ook aan de Amerikaanse fastfoodketen KFC
Primary stakeholder	LexisNexis articles VION	that HBOS, its banker, had pushed Grampian into a sale
Primary stakeholder	LexisNexis articles VION	Grampian, which employs about 25,000 people, has run into trouble with unions over pay, pensions and the use of agency staff.
Primary stakeholder	LexisNexis articles VION	to UK supermarkets including Tesco, Sainsbury's, Asda, Morrisons the Co-op, Somerfield and Marks & Spencer
Relation with cooperatives	LexisNexis articles VION	Het bedrijf wordt vaak gezien als coöperatie. Alle aandelen zijn in bezit van de ZLTO
Relation with cooperatives	Support for Farmers cooperatives	ZLTO has three main objectives and activities: (1) the representation of the economic interests of the farmers/members in the society, (2) the provision of services to its members and (3) investing in companies in and around the farms to strengthen the position of farmers and growers in
Relation with cooperatives	VION Food Group; New Challenges	ZLTO is a farmers union (aimed to further interests of farmers), and NOT a cooperative.
Resources	Case European Commission	The proposed transaction concerns mainly the sale of fresh and processed pork, in particular bacon and raw sausages. This is where both VION and Grampian are primarily active
Resources	LexisNexis articles VION	Grampian levert kip, varkensvlees, rundvlees en lamsvlees. Grote afnemers zijn met name de Britse supermarkten. Het bedrijf heeft 17.500 werknemers in dienst, van wie 4500 in Thailand.
Resources	LexisNexis articles VION	'Vion is op twee terreinen op zoek naar versterking: in het segment vers vlees en in gemakvoeding. Volgend jaar gaan we er serieus mee aan de slag.' Volgens de topman ligt het voor de hand dat Vion in het buitenland een of meer grote overnames zal doen
Secondary stakeholder	LexisNexis articles VION	Vion is als Europa's grootste vleesbedrijf regelmatig mikpunt van dierenactivisten.
Secondary stakeholder	Opportunist dealing in the UK pig meat supply chain	social cost of supply chain unsustainability captures the public's attention through human stories
Secondary stakeholder	Risk and resilience in agri-food supply chains;	the Scottish Society for the Protection of Animals (Scottish SPCA) inspects supplying farms, haulage and Vion-Halls' premises to verify high animal welfare standards throughout the supply chain
Size	Case European Commission	The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 billion 3 (VION: EUR 6,996 million; Grampian: EUR 2,504 million). Each of them have a Community-wide turnover in excess of EUR 250 million (VION: 6,379 million; Grampian: EUR 2,459 million)
Size	LexisNexis articles VION	7 miljard euro. Met de aankoop van het noodlijdende Schotse familiebedrijf Grampian komt daar nog eens zo'n 2,5 miljard bij.
Size	LexisNexis articles VION	kip, varkensvlees, rundvlees en lamsvlees. Grote afnemers zijn met name de Britse supermarkten. Het bedrijf heeft 17.500 werknemers in dienst, van wie 4500 in Thailand.
Size	LexisNexis articles VION	In het jaar 2006-2007 boekte de Britse onderneming een winst voor belasting van ruim £ 5 mln

Size	LexisNexis articles VION	Volgens het Britse The Times is Vion een van de kandidaat-kopers. De twee andere bidders die worden genoemd zijn de Braziliaanse vleesverwerkers Sadia en Perdigao. In de markt wordt een overnameprijs van £ 400 mln genoemd, omgerekend euro 192 mln . Grampian is eigendom van Fred Duncan, die de onderneming in 1980 oprichtte en door een reeks overnames uitbouwde tot het grootste Britse vleesbedrijf. Grampian produceert wekelijks 7000 ton kippenvlees, 5300 ton varkensvlees en varkensvleesproducten en verder kleinere hoeveelheden rund- en lamsvlees
Size	LexisNexis articles VION	Vion heeft in Nederland nog vijf andere varkensslachterijen, en een runderslachterij. Per jaar slacht het bedrijf 9miljoen varkens en 150duizend runderen. Wereldwijd gaan de getallen nog meer duizelen. Met grote vestigingen in vooral Duitsland, Groot-Brittannië en Australië komt de totale slachtproductie uit op 18miljoen varkens, 1,2miljoen runderen en 2miljoen lammeren.
Size	LexisNexis articles VION	Het kwakkelende Britse voedingsmiddelenbedrijf heeft een omzet van 2,5 miljard euro. Daarmee groeit Vionsomzet met eenderde. Maar in werkgelegenheid vindt zelfs ruim een verdubbeling plaats. Grampian telt 17.500 werknemers, waarvan 4.500 in Thailand. Vion telde vorig jaar 16.200werknemers
Size	LexisNexis articles VION	The 2006 accounts show founder Fred Duncan holding some 2.6 million of the 3.7 million issued shares, with around 485,000 being held by an employee trust. Bank of Scotland is believed to hold the balance of the equity
Size	LexisNexis articles VION	Like Grampian, Vion employs around 18,000 worldwide, but its turnover at 7.1bn euros is three times Grampian' s GBP1.8bn. Vion, Europe's largest food producer, says it "holds a central position in the supply chain and translates market and consumer developments to the agricultural sector", thereby making "an active contribution to and investment in a sustainable future for the agricultural sectors in Holland, Germany and the UK".
Size	LexisNexis articles VION	The group has an annual turnover of more than £5.6billion and employs 18,000 people worldwide. It is non-listed and has a single agricultural shareholder, the Dutch southern agricultural and horticultural farmers' union, which has 18,000 members. Grampian Country Food Group was founded in Scotland in 1980 and has become one of the UK's leading food companies, supplying the major multiples with chicken, pork, beef and lamb. The company currently employs 17,500 staff, of which 4,500 are in Thailand, and has an annual turnover of £1.7billion, with production sites in the UK and Thailand. Its head office is at Livingston.
Strategy	LexisNexis articles VION	Vion Foods overweegt onderdelen van het Britse Grampian die niet passen bij de kernactiviteiten, te verkopen
Strategy	LexisNexis articles VION	Het is duidelijk dat we heel goed naar onze organisatie gaan kijken om te stroomlijnen daar waar mogelijk. Verkopen van onderdelen die niet passen bij onze kernactiviteiten is een serieuze mogelijkheid.
Strategy	LexisNexis articles VION	Vion liet zich bij de overname adviseren door Steven Spiekhout en Arthur van der Goes van Rabo Securities. Karin Schadee van De Brauw Blackstone Westbroek trad op als lead counsel voor de financiering. Linklaters onderhoudt de contacten met mededingingsautoriteiten bij de Europese Commissie in Brussel en BDO adviseerde over de fiscale aspecten van de transactie.
Strategy	LexisNexis articles VION	Bekend is dat Vion sterk wil groeien in gemakvoeding. 'Die markt is in het Verenigd Koninkrijk sterk ontwikkeld. Het VK is de derde markt voor Vion en is daarom een erg relevante markt', aldus de woordvoerder

Strategy	LexisNexis articles VION	group Vion said yesterday that the running of Grampian from its Livingston headquarters would continue "for the moment", but that it would be integrated into a new division "managed from the UK
Strategy	LexisNexis articles VION	On whether there would be any review of the company's Scottish plants, which employ 3500, Vion said: "It is still under discussion
Strategy	LexisNexis articles VION	Vion gave no guarantees about jobs in Grampian's worldwide workforce of 17,500, including about 13,000 in the UK, saying it was too early to comment on future business plans
Strategy	LexisNexis articles VION	But the Dutch group made clear the acquisition was aimed at growing its share of the UK meat market. Chairman Daan van Doorn added: "At the heart of Vion's business is a passion for better food and Grampian is key to developing this strategy. The combined group will become a major player in the UK food industry."
Strategy	LexisNexis articles VION	We can then think about integrating the businesses and seeing what synergies there are.
Strategy	LexisNexis articles VION	Otherwise it is too early to talk about future plans
Strategy	VION Food Group; New Challenges	Daan van Doorn, CEO of VION, commented on the Grampian acquisition that: "The combined (VION/Grampian) group will become a major player in the European food industry. VION holds a central position in the supply chain and translates market and consumer developments to the agricultural sector. VION thereby provides an active contribution to and investment in a sustainable future for the agricultural sectors in the Netherlands, Germany and the UK."
Strategy	VION Food Group; New Challenges	the ultimate intended impact of the company's strategic actions, is to secure long-term market demand for goods produced by farmers in the Dutch agricultural complex. At the time of VION's strategic transformation in 2005, the chairman of ZLTO and supervisory board member Anton Vermeer expressed that vision: "A healthy meat processing industry is a prerequisite for long-term survival of the livestock farmers. It is an indispensable layer linking the primary production system on the one hand and the industry for food distribution and retail on the other."
Value creation	Vion Food Group; New Challenges	"the philosophy of former CEO Daan van Doorn, who believed that consolidation is the key to market power" (Rademakers, 2012)

Appendix 3

Table 23: Full data coding case II

Code	Case	Text
Attitude	ANP, 2008b	Naar verwachting zullen de boeren hun goedkeuring geven.
Attitude	Boerderij, 2008	er weinig tot geen weerstand is
Attitude	Boerderij, 2008	We vullen elkaar perfect aan"
Attitude	FD, 2008	Boeren die zijn aangesloten bij zuivelcoöperatie Campina staan huiverig tegenover de voorgenomen fusie met Friesland Foods. Om een gelijkwaardige structuur te creëren moeten huidige en voormalige veehouders van Friesland Foods voor euro 336 mln worden uitgekocht.
Attitude	Van der Horst & Veldman, 2008	"De fusie is een goede zaak. Het gaat maar om één ding en dat is een goede melkprijs. De organisaties vullen elkaar goed aan."
Attitude	Van der Horst & Veldman, 2008	Sjack Snepvanger uit Bergen op Zoom (bijna een miljoen liter melk) is wel blij met de fusie. "Samen staan ze sterker. Zo hebben ze allebei sterke merken in het schap en kunnen ze beter weerstand bieden aan concurrenten.
Capabilities	ANP, 2008	De combinatie verwacht op termijn jaarlijks circa 175 miljoen euro aan synergievoordelen te kunnen behalen.
Capabilities	ANP, 2008	De nieuwe onderneming kan naar eigen zeggen beter inspelen op de ontwikkelingen in de zuivelmarkt en zo groei realiseren.
Capabilities	BMI research, 2009	The merged firm is one of the largest dairy processors in the world and dominates the Dutch market.
Capabilities	BMI research, 2009	Is large enough to compete on the global stage
Capabilities	BMI research, 2009	Limited exposure to high-growth functional dairy products
Capabilities	BMI research, 2009	The firm remains underexposed to the healthy eating, functional and 'neutraceutical' sectors
Capabilities	Boerderij, 2008	het synergievoordeel van (EUR) Euro 175 miljoen op jaarbasis vanaf 2012
Capabilities	Farmers Guardian, 2007	As one new co-operative they are looking to better anticipate increasingly rapid changes like deregulation (EU/WTO) and the fluctuating global dairy market. They are also looking towards a worldwide increase in dairy consumption and as a bigger, stronger operation, says the aim is to support their member farmers' milk price.
Capabilities	Karman, 2008	Campina is vooral actief in Nederland, Duitsland en België, FrieslandFoods haalt tweederde van zijn omzet uit het buitenland, en ontwikkelt zich sterk in landen in Azië en Afrika.
Capabilities	Newswire, 2008	FrieslandCampina is better able to anticipate and respond more dynamically and effectively to the constantly accelerating changes in market conditions, the ongoing liberalisation of the international markets and the increasing competition, both regionally and worldwide
Capabilities	Newswire, 2008	FrieslandCampina has scale in research, production and marketing, local market knowledge, entrepreneurship and highly skilled and motivated staff.
Capabilities	Newswire, 2008	The diversification across product groups and geographical markets, the strong brands and the international scale in research, production, marketing and sales will make FrieslandCampina a more dynamic and effective company - a company that will be able to respond efficiently to the constantly accelerating changes in the market.
Capabilities	NRC, 2008	"Met deze schaal moeten we wereldwijd de strijd met Danone en Nestlé aan kunnen gaan

Capabilities	Schutijser, 2007	De twee vullen elkaar perfect aan, was de mededeling. Friesland Foods is sterk in Azië, terwijl Campina een vooraanstaande positie inneemt in onder meer Duitsland en België
Capabilities	Thomson Financial, 2008	The company will be able to achieve synergies which in the longer term will lead to lower costs and higher revenues and the strategy will focus on creating sustainable value for consumers, customers and staff,' the companies said.
Courtship	Karman, 2008	Eind december maakten Campina en Friesland Foods al bekend dat er verkennende gesprekken gaande waren over de op handen zijnde fusie.
Courtship	Newswire, 2008	The preparations for the merger have taken more than a year. During that period we have become even more convinced that the merger is coming at the right time. Now we can actually start doing business together based on our combined innovative strength and the milk expertise of our employees.
Courtship	Newswire, 2008	The past period has demonstrated this. Teams have worked very hard and very well together to prepare the merger.
Demand driven	From commodity to customer value; The transition from a production-oriented to a marketoriented	Friesland is also very active in the commodity and industry goods segment. This business is mainly located in the Netherlands, where Friesland tries to focus more competition on costs. Here they follow mass market strategies and do not look only at differentiation, because for many product categories, marketing and placing new branded products at the retailers would be too expensive for the company.
Downstream dominance	Karman, 2008	'De melkprijs wordt bepaald op de wereldmarkt, niet door de Nederlandse supermarkten.
Downstream dominance	Parool, 2008	Supermarkten waren bang
Downstream dominance	Van der Horst & Veldman, 2008	Dan hadden we Albert Heijn eerder een kopje kleiner kunnen maken. Dat willen ze met ons ook
Environmental motive	Boerderij, 2008	de zuivelmarkt veranderd is door een tekort op de wereldmarkt en concurrenten in het buitenland snel groeien, was Campina bereid om de boekhouding op tafel te gooien, was het antwoord van de directie
Experience	From commodity to customer value; The transition from a production-oriented to a marketoriented	Royal Friesland Foods is an example of a company that grew through mergers in the home market (the Netherlands) and acquisitions or direct investments in foreign markets. Till the end of the 1970s, the major predecessor (ccFriesland) grew mainly abroad, especially in Southeast Asia
Experience	BMI research, 2009	after Campina acquired Menken van Grieken in 1997 and in the same year Friesland merged with Coberco
Experience	NRC Next, 2007	Campina vormde in 2005 bijna met het Deense Arla de grootste zuivelcoöperatie ter wereld. Tot teleurstelling van Campina werd de fusie afgeblazen, omdat de Denen onderling verdeeld raakten.
Experience	Support for Farmers Cooperatives, country report, The Netherlands	Campina (in 2008 merged into FrieslandCampina) always had a strong position in the consumer market for dairy desserts in the Netherlands, but it has further developed along this path by acquiring dairy companies in Germany and Belgium
External influence	BMI research, 2009	Susceptible to fluctuations in the price of raw milk
External influence	BMI research, 2009	Could lose market share as European dairy market is gradually opened up to foreign competitors

External influence	BMI research, 2009	The growing strength of the private-label dairy industry, particularly during a global economic downturn when consumers are particularly likely to trade down
External influence	BMI research, 2009	Dairy firms are looking to consolidate before EU dairy quotas are scrapped in 2015.
External influence	BMI research, 2009	demand for milk in many EU markets is stagnant or declining and dairy firms are now having to invest significantly to develop innovative dairy products, such as probiotic yoghurts, to maintain revenues.
External influence	Boerderij, 2008	Nu de zuivelmarkt veranderd is door een tekort op de wereldmarkt
External influence	Boerderij, 2008	en concurrenten in het buitenland snel groeien
External influence	Farmers Guardian, 2007	As one new co-operative they are looking to better anticipate increasingly rapid changes like deregulation (EU/WTO) and the fluctuating global dairy market. They are also looking towards a worldwide increase in dairy consumption
External influence	Newswire, 2008	When we started with the merger in 2007, there was no sign of a financial crisis, let alone a recession. So the new company will start in a challenging market and will have to prove itself in these testing conditions
External influence	Newswire, 2008	The dairy market is complex because on the production side, various dairy groups are interlinked (such as cheese, whey and butter/cream), but in the market, the positions can vary hugely
External influence	PR newswire, 2009	The global economic recession is bound to affect price developments in the market, our results and, hence, the milk price for member dairy farmers in 2009
External influence	PR newswire, 2009	The weak US dollar also made competition
External influence	PR newswire, 2009	The external costs of the merger came to 28 million euros. These costs mainly pertained to the costs of legal support in connection with the competition process of the European Commission and advisory fees. The
Firm related motive	BMI research, 2009	The merger is part of a general trend towards consolidation throughout Europe which has left just a handful of major European dairy firms remaining
Globalization	BMI research, 2009	The merger is part of a general trend towards consolidation throughout Europe which has left just a handful of major European dairy firms remaining.
HRM	ANP, 2008	Door de fusie gaan minstens vijfhonderd banen verloren
HRM	ANP, 2008	De sanering treft met name medewerkers op (hoofd-)kantoren in Nederland. „FrieslandCampina zal er alles aan doen om de sociale gevolgen zo veel mogelijk te beperken." De bedrijven willen met de vakbonden om tafel om afspraken te maken over een sociaal plan.
HRM	Karman, 2008	minstens 500 van de 22 duizend banen bij de toekomstige zuivelgigant verdwijnen. De sanering treft vooral werknemers op de hoofdkantoren. Met de vakbonden worden afspraken gemaakt over een sociaal plan.
HRM	Newswire, 2008	Management and employees who currently work at Friesland Foods in Nijkerk and Campina in Bleskensgraaf will transfer with the activities to a new owner.
HRM	NRC, 2008	zal de komende drie jaar minstens 500 banen kosten op een totaal van 22.000
HRM	NRC, 2008	Zo sluit men gedwongen ontslagen niet uit, maar wil men in overleg met de bonden komen tot een sociaal plan. Door samenvoeging van kantoren zullen vooral daar banen verdwijnen, maar ook zullen er fabrieken samengevoegd worden.

Incremental innovation	From commodity to customer value	Compared to its competitors, Friesland has always been more focused on innovation regarding the branding of products or the development of products for special markets
Incremental innovation	BMI research, 2009	dairy firms are now having to invest significantly to develop innovative dairy products, such as probiotic yoghurts, to maintain revenues.
Incremental innovation	Karman, 2008	wordt ook veel energie gestoken in de ontwikkeling van vetarme gezondheidsdrankjes. En wordt een groot deel van de melk verwerkt tot melkpoeder, dat onder meer wordt verkocht aan de farmaceutische industrie.
Incremental innovation	Karman, 2008	meer rendement maken voor de boeren door nieuwe producten te ontwikkelen.
Incremental innovation	Newswire, 2008	We expect to be able to grow more strongly in brands and new concepts. This not only applies to consumer products, but also to dairy ingredients."
Integration	Economics at DG competition, 2008-2009	The merging parties offered to divest the entire fresh dairy business of Friesland Foods situated in Nijkerk (the Netherlands), covering largely fresh basic dairy products. Furthermore, among other brands they granted an exclusive, renewable 5-year licence to use the Friesche Vlag brand name in the Netherlands for the current Friesland Foods Fresh product portfolio, followed by a black-out period. Finally the divested Campina's Dutch-type cheese production facility at Bleskensgraaf (the Netherlands) and offered to carve out a sales team and other employees for R&D, planning and logistics and general support from the sales organisation of the merged entity.
Integration	Newswire, 2008	To meet the objections of the European Commission, the activities of Friesland Foods Fresh (fresh dairy) in Nijkerk, the cheese production plant of Campina Holland Cheese (naturally matured cheese) in Bleskensgraaf and the Yogho Yogho and Choco Choco brands (long-life dairy drinks) in the Netherlands and Belgium will be divested. In addition, FrieslandCampina will grant a temporary licence to the buyer of Friesland Foods Fresh for the Friesche Vlag fresh dairy brand. FrieslandCampina will remain the owner of the Friesche Vlag brand and will continue to carry it for such products as long-life dairy drinks and coffee creamers.
Integration	Newswire, 2008	To guarantee the availability of Dutch raw milk for third parties, FrieslandCampina is required to make available annually a maximum of 1.2 billion kilos of Dutch raw milk for sale to new or existing producers of fresh dairy products or naturally matured cheese in the Netherlands, provided they are interested in buying this milk. An independent foundation will be set up for this purpose and will be operational from mid-2009. In order to reduce FrieslandCampina's share in the Dutch raw milk market and guarantee the availability of milk for third parties, member dairy farmers who opt to cancel their membership of FrieslandCampina and deliver their milk elsewhere will receive an amount of 5 euros per 100 kilos of milk
Integration	PR newswire, 2009	Consequently, FrieslandCampina takes additional measures in the fields of capital expenditure, cost control and production efficiency.
Integration	PR newswire, 2009	2009. Accordingly, cost savings, capital expenditure restrictions and production efficiency should be key this year.
Integration	PR newswire, 2009	Short-term and medium-term developments are very difficult to forecast. For 2009, additional measures have been taken in the fields of capital expenditure restrictions, cost control and production efficiency. No statement is being made on the expected result for 2009

Knowledge	PR newswire, 2009	Our pooled innovative power and our staff's milk expertise should enable us to properly meet customers' and consumers' requirements, both in the area of consumer products and that of dairy ingredients
Knowledge	BMI research, 2009	Size is also a benefit here as R&D and marketing costs are diluted
Leadership	ANP, 2008b	Cees 't Hart, afkomstig van Unilever, is de beoogd directievoorzitter van de nieuwe onderneming.
Leadership	NRC Next, 2007	Topman Tiny Sanders van Campina stapt op. Het meegaan van Sanders naar de nieuwe combinatie wordt niet verstandig geacht, zo meldde Campina in een apart persbericht. Zijn vertrek is met de raad van commissarissen afgesproken "om de fusie een zo groot mogelijke kans op succes te geven"
Leadership & integration	FD, 2008b	Men staat ruimhartig de stoel af. Soms ook onder de noemer 'verschil van inzicht'. Alles voor het nieuwe bedrijf, waarin we vooral zoeken naar de factoren die ons binden. De fusie moet tenslotte tot een succes leiden.
Leadership & integration	Schutijser, 2007	Om bloedgroepengedoe te voorkomen, wordt een nieuwe topman gezocht buiten Friesland Foods en Campina
Pre communication	Boerderij, 2008	Sinds vorige week maandag organiseren de ondernemingen voorlichtingsbijeenkomsten om hun leden te informeren over defusieovereenkomst
Pre communication	Boerderij, 2008	Decoöperatieledenwarenal goed op de hoogte viabrochures, ledenbladen, internet ende anderemedia.Veel nieuws was niet meer te vertellen
Pre communication	NRC, 2008	Voorafgaand aan de algemene ledenvergadering zal er een honderdtal regionale bijeenkomsten gehouden worden.
Pre culture	CSR and Policy Making; What Role Does Communication Play	The score on internal business processes was satisfactory, but with room for improvement, especially in the ?elds of business ethics and human rights.
Pre culture	FD, 2008b	de 'lichte cultuurverschillen' tussen Friesland Foods en Campina.
Pre culture	FD, 2008b	Die gelijkwaardige benadering is ook zichtbaar in de wijze waarop topmanagementposities worden verdeeld. Zo is het bijvoorbeeld volkomen transparant waarom die ene topmanager niet geschikt is voor die ene functie in de nieuwe organisatie. Men staat ruimhartig de stoel af. Soms ook onder de noemer 'verschil van inzicht'. Alles voor het nieuwe bedrijf, waarin we vooral zoeken naar de factoren die ons binden. De fusie moet tenslotte tot een succes leiden.
Pre culture	FD, 2008b	En bij de cultuur is het vertrekpunt, verrassend genoeg, opeens het 'oude' in plaats van het 'nieuwe'. Behouden waar we in uitblinken, is het adagium. En daar gaat het mis. Want behoud van wat ooit tot succes heeft geleid, is geen garantie voor de toekomst. Zeker niet bij een fusie.
Price	Boerderij, 2008	Er becroop de leden het gevoel dat de grote reus de 'kleine' dwerg moet redden van een ondergang.,,Deze fusie is een noodsprong van Campina
Price	FD, 2008	De afkoopsom heeft veel invloed op het fusievoorstel. Het bedrag is bijna even groot als het gezamenlijke leenvermogen van bijna euro 400 mln van de beide coöperaties, geld dat nodig is voor investeringen en acquisities.
Price	Ter Horst, 2010	Buitenlandse activiteiten van Friesland Foods zouden €500 miljoen tot €900 miljoen ondergewaardeerd zijn.
Price	Ter Horst, 2010	Volgens de krant zijn adviseurs op pad gestuurd met de opdracht de fusie gelijkwaardig te laten lijken.De top

		van Friesland Foods berekende dat verkoop van het internationale bedrijf alleen al €800 miljoen tot €1,2 miljard had kunnen opleveren, aldus het FD.
Price	Ter Horst, 2010	LTO-bestuurder Siem Jan Schenk denkt dat het FD-verhaal best kan kloppen, maar wijst er op dat fusies tussen coöperaties toch anders verlopen dan bij andere (beursgenoteerde) ondernemingen. Schenk: „Als je eenmaal hebt vastgesteld dat een fusie tussen coöperaties gewenst is, moet je dat voornemen niet meer laten verstoren door het verrekenen van waardeverschillen. Dat geeft maar onrust.”
Price	Ter Horst, 2010	Schenk vindt dat de immateriële waarde van het samengaan hoort uit te stijgen boven de materiële waardeverschillen, die tóch al moeilijk zijn te bepalen. „Hoe waardeer je bijvoorbeeld een merk als Mona? Zeg het maar
Price	Ter Horst, 2010	Prof. mr. Ruud Galle, directeur van de Nationale Coöperatieve Raad, betitelt de reconstructie van het FD als 'onwaarschijnlijk'
Primary stakeholder	CSR and Policy Making; What Role Does Communication Play	Finally, Campina has yet to implement a fully ?edged stakeholder management system, using instead a decen- tralized approach, which does not allow it to coordinate stakeholder interests in an effective manner.
Primary stakeholder	CSR and Policy Making; What Role Does Communication Play	Governmental Ministry of Environment VROM Ministry of Economic Affairs EZ SenterNovem Agency for Sustainable Innovation SN Ministry of Agriculture, Nature and Food Quality LNV Ministry of Social Affairs and Employment SZW Ministry of Health, Welfare and Sport VWS Social Economic Council SER Sector organizations Dutch Controlling Authority for Milk and Milk Products COKZ Dutch Organization for Certi?cation of Dairy Farms OCM Dutch Dairy Board PZ Dutch Dairy Organization NZO Dutch Dairy Bureau NZB Werkgeversvereniging VNO/NCW VON/NCW Federatie Nederlandse Levensmiddelenindustrie FNLI National Cooperative Council for Agriculture and Horticulture NCR Employee organizations National Federation of Christian Trade Unions CNV Dutch Trade Union Confederation FNV Supplier organization Dutch Organization for Agriculture and Horticulture LTO Customer organizations Joint Dairy Federation GemZu Dutch Bureau for Provision Trade CBL Albert Heijn AH Laurus Laurus Companies Friesland Foods FF Nestle Nederland NN Cono Kaasmakers CK Leerdammer Company L Campina Campina Unilever Unilever NGOs Stichting Natuur en Milieu SNenM Consumentenbond Cb Dierenbescherming Db Greenpeace Nederland GpN Milieudefensie Md Media Agriculture journal Boerderij Boerderij Agriculture journal Agrarisch Dagblad AD Others Stichting Duurzame Voedingsmiddelenketen DuVo Centrum voor Landbouw en Milieu CLM Rijksinstituut voor Volksgezondheid en Milieu RIVM Waterboards Wbs Confederation of the Food and Drink Industries in the EU CIAA
Primary stakeholder	CSR and Policy Making; What Role Does Communication Play	the 'iron pentagon' consisting of LNV, VROM, NZO, LTO and Campina (with Friesland Foods only ranked as a little above average source of information in the network) is of great importance in the sector. This policy-making core group of the sector is, not surprisingly, seen as the most valuable source of information.
Primary stakeholder	CSR and Policy Making; What Role Does Communication Play	Campina's pro-active reputation makes it a leading example for CSR policies in the eyes of public authorities, who turn to Campina when considering implementing new policy, espe- cially with regard to CSR. In turn, Campina is in a position that gives it the ability to anticipate poten- tial midterm issues for the political agenda.

Primary stakeholder	ANP, 2008b	De leden van de zuivelcoöperaties Campina en Friesland Foods stemmen woensdag over de voorgenenomene fusie
Primary stakeholder	ANP, 2008b	Bij de coöperaties zijn ongeveer 17.000 melkveebedrijven in Nederland, Duitsland en België aangesloten die jaarlijks ongeveer 8,3 miljard kilo leveren.
Primary stakeholder	ANP, 2008b	enig gemor" over de nieuwe aandelenstructuur. „Jonge boeren hebben het geld niet om de nieuwe obligaties te kopen. Dus blijft er veel winst wegstromen naar het bejaardenhuis, de oude gepensioneerde boeren die geld hebben."
Primary stakeholder	ANP, 2008b	De Europese Commissie geeft dit najaar haar oordeel over de fusie.
Primary stakeholder	Newswire, 2008	Ultimately, the Commission felt that the new combination would hold too dominant a position in the markets for fresh dairy and naturally matured cheese in the Netherlands, in long-life flavoured dairy drinks in the Netherlands and Belgium and in the raw milk market in the Netherlands.
Primary stakeholder	Newswire, 2008	We are delighted with the permission from Brussels, but we regret that we are required to divest certain parts of the business.
Primary stakeholder	Parool, 2008	Kroes trekt nog drie maanden uit voor nader onderzoek en neemt dan een definitief besluit.
Relation with cooperatives	ANP, 2008b	De leden van de zuivelcoöperaties Campina en Friesland Foods stemmen woensdag over de voorgenenomene fusie
Relation with cooperatives	Boerderij, 2008	Vertel me eens hoe jullie die melkprijs bepalen. Nemen jullie ook de prijzen op de spotmarkt mee?", vroeg een jonge melkveehouder zich af.Drie bestuurderskniktengezamenlijk'nee'.In Duitsland kijkt FrieslandCampina naar de prijs vanhet Duitse marktonderzoeksbureau ZMP. In Denemarken is de melkprijs van Arla van betekenis voor de vaststelling van de garantieprijs. In Nederland wordt gekeken naar drie andere coöperaties, was het antwoord van de bestuurders.
Relation with cooperatives	Supply Chain Structure Incentives for Corporate Social Responsibility, An Incomplete Contracting Analysis	cooperatives can have different structures from the one of FrieslandCampina, depending on the presence of an external supplier and the type of integration (which can be either forward or backward integration).
Resources	Economics at DG competition, 2008-2009	Their activities overlapped in several markets along the dairy food product chain, from the procurement and processing of fresh milk to the production of a variety of dairy and non-dairy products. Both companies were predominantly based in the Netherlands, 1 from where they had expanded internationally. The merged entity would become one of the top three dairy companies in the world
Resources	Farmers Guardian, 2007	Campina has 8,000 members in the three countries but operates in dairy consumer products in Europe and Asia and in dairy ingredients for industrial use worldwide. It has a wide range of products through milk, milk-based drinks, yoghurts, desserts, cheese and butter that are sold under several brand names. Ingredients to the food and pharmaceutical industry are processed and marketed through daughter companies, including DMV International, Creamy Creation and Nutrifeed.
Resources	Farmers Guardian, 2007	Friesland Foods has 9,700 dairy farmer members. The last official turnover (2006) was E4.7 bn. It produces and markets dairy products, fruit-based drinks and ingredients for consumers in over 100 countries.
Secondary stakeholder	CSR and Policy Making; What	Governmental Ministry of Environment VROM Ministry of Economic Affairs EZ SenterNovem Agency for Sustainable Innovation SN Ministry

	Role Does Communication Play	of Agriculture, Nature and Food Quality LNV Ministry of Social Affairs and Employment SZW Ministry of Health, Welfare and Sport VWS Social Economic Council SER Sector organizations Dutch Controlling Authority for Milk and Milk Products COKZ Dutch Organization for Certification of Dairy Farms OCM Dutch Dairy Board PZ Dutch Dairy Organization NZO Dutch Dairy Bureau NZB Werkgeversvereniging VNO/NCW VON/NCW Federatie Nederlandse Levensmiddelenindustrie FNLI National Cooperative Council for Agriculture and Horticulture NCR Employee organizations National Federation of Christian Trade Unions CNV Dutch Trade Union Confederation FNV Supplier organization Dutch Organization for Agriculture and Horticulture LTO Customer organizations Joint Dairy Federation GemZu Dutch Bureau for Provision Trade CBL Albert Heijn AH Laurus Laurus Companies Friesland Foods FF Nestle Nederland NN Cono Kaasmakers CK Leerdammer Company L Campina Campina Unilever Unilever NGOs Stichting Natuur en Milieu SNeM Consumentenbond Cb Dierenbescherming Db Greenpeace Nederland GpN Milieudefensie Md Media Agriculture journal Boerderij Boerderij Agriculture journal Agrarisch Dagblad AD Others Stichting Duurzame Voedingsmiddelenketen DuVo Centrum voor Landbouw en Milieu CLM Rijksinstituut voor Volksgezondheid en Milieu RIVM Waterboards Wbs Confederation of the Food and Drink Industries in the EU CIAA
Secondary stakeholder	Boerderij, 2008	Aan de basis van het fusieplan staat de waardebeoordeling van beide ondernemingen door McKinsey, een onafhankelijk bureau
Secondary stakeholder	Boerderij, 2008	De waardering van de B-certificaten van Friesland Foods is onder andere gedaan door ABN Amro
Secondary stakeholder	De Limburger, 2007	De Nederlandse Melkveehouders Vakbond
Secondary stakeholder	Karman, 2008	Supermarkten en inkooporganisatie Superunie reageren terughoudend op het fusieakkoord
Secondary stakeholder	NRC Next, 2007	Vakbond FNV Bondgenoten
Secondary stakeholder	NRC Next, 2007	Landbouworganisatie LTO, belangenorganisatie voor de melkveehouders
Size	BMI research, 2009	These deals left only Friesland and Campina with significant market share in the country.
Size	Boerderij, 2008	Uit de waardebeoordeling blijkt dat Friesland Foods een groter eigen vermogen heeft dan Campina. Om dit gelijk te trekken is in de fusieovereenkomst onder andere bepaald dat de Friesland-boeren (EUR) Euro 6 per 105 kilogram melk op naam krijgen. Dit is een eenmalige toekenning van ledencertificaten op basis van levering in superheffingsjaar 2007-'08. In totaal gaat het om bijna (EUR) Euro 300 miljoen
Size	Farmers Guardian, 2007	Campina has 8,000 members in the three countries but operates in dairy consumer products in Europe and Asia and in dairy ingredients for industrial use worldwide. (...) The last official turnover (2006) of Campina was E3.6 billion. Friesland Foods has 9,700 dairy farmer members. The last official turnover (2006) was E4.7 bn. It produces and markets dairy products, fruit-based drinks and ingredients for consumers in over 100 countries.
Size	Newswire, 2008	Royal Friesland Foods is a multinational that produces and markets natural, nutritious and high-quality dairy products, fruit drinks and ingredients. Taste, health, convenience, reliability and vitality for the consumer are key characteristics. With a wide range, Friesland Foods is represented in more than 100 countries. Worldwide, Friesland Foods employs approximately 14,600

		employees. In 2007, its revenue was 5.1 billion euros. The business is based on a cooperative model. The 9,400 member dairy farmers of Zuivelcoöperatie Friesland Foods are the owners and the suppliers of the milk(...) The just over 7,000 dairy farmers who together own Campina, supply the best milk every day (...) Campina is also a leading global supplier of ingredients to the food and pharmaceutical industry. With their passion for dairy, the 7,000 or so employees generate revenue of 4.0 billion euros.
Size	Measuring and analysing the effects of M&A on innovation in the agri-food industry (1)	Of the two parties involved, Friesland Foods was the largest of the two in terms of turnover, employees, and cooperative members. Both were Dutch cooperative dairy M&A Measuring and analysing the effects of M&A on innovation in the agri-food industry 2009 - 75 - producers, and both were formed after M&A's between smaller cooperatives, but they did not partake in the international consolidation wave of dairy producers of the late 1990s.
Strategy	From commodity to customer value;	Whereas Nestlé, Unilever and Danone aim to be present in almost every dairy market in the world, Friesland decided to deliver only some core regions where the company already had a strong position in branded products.
Strategy	From commodity to customer value;	Thus, the major strategy in all their international activities is differentiation
Strategy	Boerderij, 2008	De nieuwe combinatie FrieslandCampina belooft een hogere melkprijs uit te betalen dan de zuivelfabrieken in de omliggende landen.
Strategy	Farmers Guardian, 2007	As one new co-operative they are looking to better anticipate increasingly rapid changes like deregulation (EU/WTO) and the fluctuating global dairy market. They are also looking towards a worldwide increase in dairy consumption and as a bigger, stronger operation, says the aim is to support their member farmers' milk price
Strategy	Farmers Guardian, 2007	It is the intention that in the new structure, all members will participate as equals.
Strategy	Karman, 2008	Zij denken samen beter te kunnen inspelen op de ontwikkelingen op de internationale zuivelmarkt en de concurrentie van bedrijven als Nestlé en Danone.
Value creation related motive	From commodity to customer value;	the cooperative mainly sells commodity products like milk and standard types of cheese. Thus Friesland's major reason for the mergers in the Netherlands was to strengthen this commodity segment.
Value creation related motive	BMI research, 2009	Opportunities in high-growth emerging markets where dairy consumption is increasing rapidly
Value creation related motive	BMI research, 2009	most firms have now come to the conclusion that, to effectively operate in these new markets, size is very important, prompting this wave of consolidation
Value creation related motive	PR newswire, 2009	Diversity in Geographical Markets, Broad Range of Value-Added Products and Brands Prove Added Value

Appendix 4

Table 2: Full data coding case III

Code	Case	Text
Attitude	FD, 2015	De drie bedrijven gaan een gezamenlijke 'strategische roadmap' ontwikkelen
Capabilities	FD, 2015	De bedrijven willen een combinatie vormen om te komen tot een Belgische wereldleider in fruit en groenten
Capabilities	FD, 2015	de strijd aanbinden met andere giganten in de sector zoals Dole, Chiquita en Fresh del Monte
Resources	RTT News, 2015	the overlaps between the activities of Greenyard and Deprez Holdings are very limited.
Capabilities	Statement over inbreng aandelen M&A	The production technique is different in each division, i.e., cold treatment process in the Frozen Division and heat treatment in the Canning Division. However, what is important in both divisions is that fruit and vegetables are processed within a few hours of being harvested: this preserves their original colour, flavour, and vitamin content.
Capabilities	Statement over inbreng aandelen M&A	The Univeg Group believes that the ability to combine its strong global sourcing presence with strategically complementary services offering through the large network of service and distribution centres in Europe is what differentiates the Univeg Group from its main global competitors.
Capabilities	Statement over inbreng aandelen M&A	The business combination has the potential to create a unique global player in these markets capable of offering the full range of frozen, canned and fresh products.
Capabilities	Statement over inbreng aandelen M&A	Have a meaningful impact on the market
Capabilities	Statement over inbreng aandelen M&A	Grow market share
Capabilities	Statement over inbreng aandelen M&A	Create cross-fertilisation and synergies
Courtship	Seenews Belgium, 2015	April 13 (SeeNews) - Belgian Greenyard Foods (EBR:GRYFO), Univeg and Peatinvest have signed a letter of intent (LoI) to merge their operations in a bid form a global leader in vegetables and fruit with annual sales of EUR 3.7 billion (USD 3.9bn), Greenyard Foods said Monday. In early March the companies already announced talks on a possible business combination.
Downstream dominance	Interview AGF	samen opgebouwd met de retailer om het meest ideale assortiment in het schap te krijgen in functie van de consument
Downstream dominance	Trends, 2015b	Univeg heeft dan wel een grote omzet, maar de winstmarges zijn klein. Bovendien is de onderneming sterk afhankelijk van een zeer beperkt aantal klanten: in 2013 waren drie retailers goed voor 55 procent van de omzet
Downstream dominance	Trends, 2017	"Die winkelketens hebben natuurlijk een sterke onderhandelingsmacht. Maar die druk is even groot voor merkproducten. De winkelketens staan enorm onder druk. Ze schuiven die zo veel mogelijk door naar de producenten en de leveranciers. Maar dat hoort erbij, het is gezond. Het maakt deel uit van zakendoen

Experience	Statement over inbreng aandelen M&A	started in southern France (Ychoux), in a joint venture with the British company Fisher Frozen Foods and the French company Agralco. In 2003, the southern France agricultural cooperative Luc Berri began to invest and Greenyard Foods took over Fisher's interest which gave Greenyard Foods a controlling interest of 52%.
External influence	Statement over inbreng aandelen M&A	Health concerns
External influence	Statement over inbreng aandelen M&A	Environmental issues and sustainability
External influence	Statement over inbreng aandelen M&A	Increasing sourcing and supply chain complexity
External influence	Statement over inbreng aandelen M&A	Customers require ever higher standards of products
External influence	Statement over inbreng aandelen M&A	Marketing and sales process more demanding
External influence	Statement over inbreng aandelen M&A	Convenience
Firm related motive	LZ.net, 2015	Durch die Ausgabe von Greenyard-Aktien will sich Univeg offenbar Kapital für den Unternehmensumbau besorgen
Firm related motive	LZ.net, 2015	Wie berichtet hat Univeg derzeit mit rückläufigen Umsätzen im deutschen und britischen Einzelhandel zu kämpfen. Hinzu kommen Schließungskosten für Niederlassungen in Deutschland.
Globalization	Interview AGF	Wij zijn in heel veel 'verre' landen daarmee bezig
Globalization	Statement over inbreng aandelen M&A	Over the years, the Greenyard Foods Group has developed a diversified client base, both in terms of customer type and geographical scope
HRM	Trends, 2016	Het aantal werknemers steeg van 2350 naar meer dan 8000
Integration	Seenews Belgium, 2015	Greenyard Foods will become the umbrella organisation of the new entity
Integration	Trends, 2017	Twee van de drie synergiebeloftes zijn al waargemaakt: minder intresten op leningen en minder belastingen. "Binnen vijf jaar na de fusie willen we ook een organische groei van de omzet met 200 miljoen euro, en een grotere winstmarge", zegt Marleen Vaesen
Knowledge	Interview AGF	Product komt van producenten en wij werken ook veel rechtstreeks met hen. Voor ons dus heel belangrijk om hen ook innovatie, kennis en know-how te verschaffen. Peatinvest vervult die rol. Zij brengt teeltsystemen en teeltkennis naar de producent toe. Op die manier kan topkwaliteit product worden geproduceerd in de hele wereld."
Leadership	Krant van west-Vlaanderen, 2015	Hein Deprez, uit Sint-Katelijne-Waver maar met roots in Heuvelland, wordt voorzitter van Greenyard Foods, Univeg en Peatinvest. "
Leadership	Seenews Belgium, 2015	Upon completion, 42.5% of the merged entity will be in hands of existing Greenyard Foods shareholders, 49.6% of current Univeg shareholders and 7.9% of Peatinvest owners. The total number of outstanding shares will be 44.4 million. Deprez Holding, controlled by Hein and Veerle Deprez, will remain the strategic long-term reference shareholder.

Leadership & integration	Trends, 2015	Er zal ongetwijfeld synergie tussen de drie fusiepartijen zijn. Voor Hein Deprez is die stap logisch, gezien hij de controle in de drie bedrijven heeft: 52,1 procent in Univeg, 46,5 procent in Greenyard Foods en 95 procent van Peatinvest. Er is uiteraard ook synergie in de bundeling van het aanbod voor de klanten van de groep. Bovendien zou de aankoopkracht moeten stijgen. Maar het blijft voor een groot stuk een operatie waarbij een vrij solide onderneming, Greenyard Foods, samensmelt met een zwakke reus. Hein Deprez ziet daarbij de waardering van Univeg fors klimmen.
Perishability of products	Statement over inbreng aandelen M&A	The top priority of the Greenyard Foods Group is continuous and rigorous quality control. Customers appreciate the continued focus on high-quality raw materials and finished products. Moreover, the preparation of vegetables at high quality standards also guarantees a stable quality over all product lines
Primary stakeholder	Case M7615 Deprez Holding - Greenyard Foods	the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement
Primary stakeholder	FD, 2015	Ondernemer Hein Deprez, voorzitter van Univeg en belangrijk aandeelhouder van alle drie bedrijven
Primary stakeholder	Krant van west-Vlaanderen, 2015	De operatie is wel nog afhankelijk van onder meer de goedkeuringen van de raden van bestuur en de Europese mededingingsautoriteit.
Primary stakeholder	Progressive Media, 2015	and Greenyard Foods shareholders meeting
Resources	Case M7615 Deprez Holding - Greenyard Foods	Deprez Holding : active through its subsidiary Univeg Holding BV in the areas of fresh fruit and vegetables (including fresh-cut produce), flowers and plants, as well as related transport and logistics, and to some extent, in the horticultural sector through its subsidiary;
Resources	Case M7615 Deprez Holding - Greenyard Foods	Greenyard Foods: active in the processing and commercialization of vegetables and fruit and ready-to-eat food, both deep frozen and canned (under the divisions Pinguin and Noliko)
Resources	FD, 2015	het creëren van een gecombineerde groep met verse, diepvries- en groenten en fruit in conserven gunstig zal zijn voor telers, retailers, consumenten en aandeelhouders. 'Wij zijn ervan overtuigd dat maatschappelijke trends vragen om een meer holistische kijk op de groente- en fruitconsumptie
Resources	Krant van west-Vlaanderen, 2015	met enerzijds verse groenten en fruit en anderzijds verwerkte groenten en fruit in diepvries, blik en conserven
Size	FD, 2015	Greenyard Foods is een beursgenoteerd bedrijf en actief in de markt van diepvriesgroenten en conserven. De omzet bedraagt meer dan EUR 600 mln. Het concern heeft een kleine 2300 medewerkers en heeft circa vijftien productievestigingen in zes landen. Univeg is qua omzet (ruim EUR 3 mrd) bijna vijf keer zo groot en is Europa's grootste handelaar in groente en fruit.
Size	FD, 2015	Peatinvest is de kleinere partij en actief in de tuinbouwsector
Size	Seenews, 2015	Greenyard Foods employs 2,200 staff and has 13 production facilities in Belgium, France, the UK, Poland and Hungary, as well as sales offices across five continents. Univeg supplies fresh vegetables and fruit, with 4,000 staff and facilities across 27 countries on five continents.
Size	Trends, 2015	Greenyard Foods is een rendabeler bedrijf en heeft een fors hogere solvabiliteit dan Univeg.
Strategy	FD, 2015	kan het nieuwe concern de strijd aanbinden met andere giganten in de sector zoals Dole, Chiquita en Fresh del Monte

Strategy	FD, 2015	zegt dat het creëren van een gecombineerde groep met verse, diepvries- en groenten en fruit in conserven gunstig zal zijn voor telers, retailers, consumenten en aandeelhouders. 'Wij zijn ervan overtuigd dat maatschappelijke trends vragen om een meer holistische kijk op de groente- en fruitconsumptie
Strategy	FD, 2015	De drie bedrijven gaan een gezamenlijke 'strategische roadmap' ontwikkelen
Strategy	Krant van west-Vlaanderen, 2015	een wereldleider in fruit en groenten te vormen
Strategy	Krant van west-Vlaanderen, 2015	"We slaan de handen in elkaar om consumenten te overtuigen om meer groenten en fruit te eten"
Strategy	Krant van west-Vlaanderen, 2015	om een wereldwijde speler in de groenten- en fruitsector te creëren die het volledige assortiment van zowel verse producten, diepvriesproducten als conserven aanbiedt
Strategy	Krant van west-Vlaanderen, 2015	de koppen samenbrengen om vooral het bewustzijn en de perceptie van de bevolking over groenten en fruit te wijzigen. Dat is de voornaamste reden voor deze fusie, want op het vlak van productie verandert er niets.
Value creation related motive	FD, 2015	een wereldmarktleider in fruit en (diepvries)groenten creëren
Value creation related motive	Krant van west-Vlaanderen, 2015	Greenyard Foods, Univeg en Peatinvest hebben een intentieverklaring ondertekend tot bedrijfscombinatie met als doel een wereldleider in fruit en groenten te vormen

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