

Difference between the Factset Mergerstat / BVR Control Premium Study and the Mergerstat Review

Control Premium Study Online	Mergerstat Review¹
Used to calculate controls premiums and implied minority discounts	Used to stay current with deals by size or industry sector
Quarterly updates of controlling acquisitions	Monthly updates of major deal activity
Greater focus on individual transactions	Focus on aggregate data (plus individual)
Updated quarterly	Updated annually
Only includes deals that are closed	Includes deals that are announced and closed
Uses unaffected date price to calculate Control Premium (could be difference of days or weeks)	Uses five days before the acquisition announcement date to calculate Premium - but it's not a Control Premium (see below Review note)
Includes only controlling purchases	Includes controlling and NON-controlling purchases
Details on individual transactions are available	Details on transactions are available but not quite as much detail
Contains information only on public targets	Contains public, private, divestitures, and cross-border deals
Contains information from non-US companies - both sides can be non-US based companies	Contains information from non-US companies - one side MUST be US based company
Allows for inclusion of negative premiums	Excludes negative premiums
Includes transaction codes for Vertical Integration (V), Horizontal Integration (H), Conglomerate (C) and Financial transactions (F)	Does not include transaction codes

¹ Also includes monthly emailed Factset Mergerstat Monthly Review in PDF format

Review note - for the Review, there is the premium you pay for the right to control an entity but there is also the premium you may have to pay over the current share price to get the piece of the company you want to own. The moment your demand for the shares is realized in the market - the price of those shares are going to adjust (usually up in price) - almost as quickly as you can buy (especially if you are looking for a large piece). That differential between the share price (unaffected by your demand) and what you may actually have to pay to get the share is the "premium". It may be zero, negative, a small amount or a considerable amount depending on the market's reaction to your demand.

General Comments:

There are advantages for any firm to owning both publications because there is little overlap. The Mergerstat Review covers a much broader spectrum of overall M&A market & industry statistics and analysis plus details of the underlying transactions, whereas the Factset Mergerstat/ BVR Control Premium Study focuses on transactions where a controlling interest is being exchanged and the associated control premiums.