

ORGANIC & ABSORPTION

The company wants to grow internally to generate enough value to yield a substantial premium.

This requires the development of an **Attractive Growth Curve**. The acquirer will pay for the predictability and richness of that curve. The value inside the growth curve does not necessarily have to include operations, since the acquirer can replace those with his own.

NO-GROWTH & ABSORPTION

The company tries to be acquired without a visible growth curve.

The only reason why an acquirer would be interested in a company that does not grow is because it has something that keeps him from growing himself. Typically, this is **IP** in the form of Secrets, Patents, CRM, or Key Talent.

ACQUISITIVE & SPIN-OFF

The company wants to acquire new businesses, increase their value and then sell them. This is a typical LBO.

ORGANIC & SPIN-OFF

The company wants to grow new ideas internally and then sell them to move to new ideas. This is the classic COLONIZER (see "Fast Second").

NO-GROWTH & SPIN-OFF

The company wants to develop ideas and quickly sell them without managing the operations of growth. This is

an IP foundry. It resembles corporate R&D departments and Think-Tanks.

Resources

The Medici Effect, Johansson,
ISBN 1591391865

Winning, Jack Welch,
ISBN 0007197675

Fast Second, C. Markides,
ISBN 0787971545

About Jay Heuer

Dr. Heuer is co-founder and CEO of SarJay GmbH, the Germany-based consulting outfit focused on **Innova-**



tion Management, Finance Management, and Talent Development.

Jay has spoken on numerous occasions at conference and in company events about Innovation Management and Talent Development.

Dr. Heuer has been quoted in several newspaper articles about product development and Innovation Management.

His career spans the creation of a German software development company and a successful, US-based decade in IT and Research & Development for one of the largest companies in the world.

He can be reached through the contact form at <http://www.sarjay.com> (because he really, really, really hates spam).

