GLOBAL CASE COMPETITION AT

HARVARD

2019 CASE

GENERAL MOTORS – TESLA

This competition is brought to you by the IFSA Network and the Harvard College European Business Group.
Dear Participant,

We would like to thank you for taking part in the Global Case Competition at Harvard.

The competition was created in 2015 in order to give students across the world an opportunity to showcase their skills to industry leaders, network with people of various backgrounds, and ultimately end up one step ahead of the competition.

This is your opportunity to prove your worth to a panel of carefully selected judges, acquire unique industry insight, and share your thoughts and ideas with a broad and impactful audience.

During the competition, we will be able to identify the leaders of tomorrow by reviewing the talents of today.

Henry Ford said that "Coming together is a beginning; keeping together is progress; working together is success."

Once you have created a team, you have embarked on a journey we hope you'll remember.

We are honored to give you the opportunity to present your point of view on a complex financial problem. Starting today, you possess a unique and fun opportunity to demonstrate your passion, creativity, and intelligence.

You will be competing with students from 5 different continents. We hope to see you all this spring.

We wish you the best of luck,

- The Executive Board
RULES & REGULATIONS

1. All work submitted must represent the team’s own words, ideas, and work. Using public material is allowed, but you are required to cite the sources. Failure to cite sources will be considered plagiarism, and will be sanctioned accordingly.

2. Only listed participants are authorized to read and use the case.

3. Before submitting your case, write team member names and your school name **only** on the front cover of your Case Packet. This is to ensure that cases are graded without bias.

4. You are required to submit a presentation in Powerpoint or PDF format. You may provide additional data or models in an Excel document, if you wish. There is no limit to the number of slides in a presentation, nor are there rules related to formatting. We will require that you use Harvard Style referencing.

5. Use any provided material and additional research at your own discretion.

6. In the event that you have any organizational questions, please send an email to hgce@ifsa-network.com. To keep the competition fair, we cannot provide any feedback or help you with solving the case.

7. Submit the case to hgce@ifsa-network.com before Friday, March 1st at 11:59 PM EST.

**Late submissions will not be accepted. It is not fair to those who submit their work on time.**

We wish you all the best and look forward to your submissions!
2019 CASE

GENERAL MOTORS & TESLA MOTORS
MERGING PAST AND FUTURE

You are a team of successful bankers working at IFSA Network. Today you have been informed by your Managing Director that General Motors would like to renew its brand and develop new capabilities.

Due to its past success, the IFSA Network managed to be the only one on the deal. The problem is that you are not the only team working on the project.

Your challenge will be to find an answer to this question:

**Should General Motors acquire Tesla?**

The question is broad, but the possibilities boundless. You will need to find the most appropriate answer. You must provide useful insights and you must rigorously support them, and ultimately you must convince the board of directors. Should GM acquire Tesla? Should it acquire it partially? Or, should it find another target?

Beat the internal competition and get your $10,000 bonus!
EXECUTIVE SUMMARY

Outline your solution, and your most important arguments, in no more than one slide.

CHAPTER 1: INTRODUCTION

Introduce the reader to the problem by...

- providing a brief history of the case
- analyzing both companies in terms of their history, operations, market position, and strategic direction
- giving an overview of the relevant industry/sector

CHAPTER 2: FINANCIAL DUE DILIGENCE

What would an acquisition mean in financial terms?

- Value 100% of Tesla equity using the DCF and/or the multiples approach and discuss the implications of your result. Is an acquisition feasible for GM? What ROI could they expect?

CHAPTER 3: NON-FINANCIAL DUE DILIGENCE

Is this deal a good idea from a strategic point of view?

Topics of this chapter may include, but are not limited to:

- Synergies, if Tesla can be successfully integrated
- Threats that may prevent a successful integration
- How would Tesla fit in General Motors' portfolio
- Implications for the relevant industry/sector
CHAPTER 4: CONCLUSION

What should General Motors do and why?

- In this final chapter, you should derive your solution by balancing the pro and counter arguments for the deal. If you come to the conclusion that General Motors should proceed, provide a brief outline of a possible deal and the next steps to follow. If you believe that General Motors should not go for the deal, provide some alternative investment strategies it could undertake to acquire similar capabilities, and renew its brand.

*This only serves as a recommendation of procedure. You are not constrained by it in any way, and are encouraged to explore further avenues and thought processes.*

Please read the Rules & Regulations carefully.
BEST OF LUCK

SUBMIT YOUR CASE SOLUTION TO
HGCC@IFSA-NETWORK.COM
BEFORE 11:59PM EASTERN STANDARD TIME,
MARCH 1ST, 2019

WE CANNOT ACCEPT LATE SUBMISSIONS