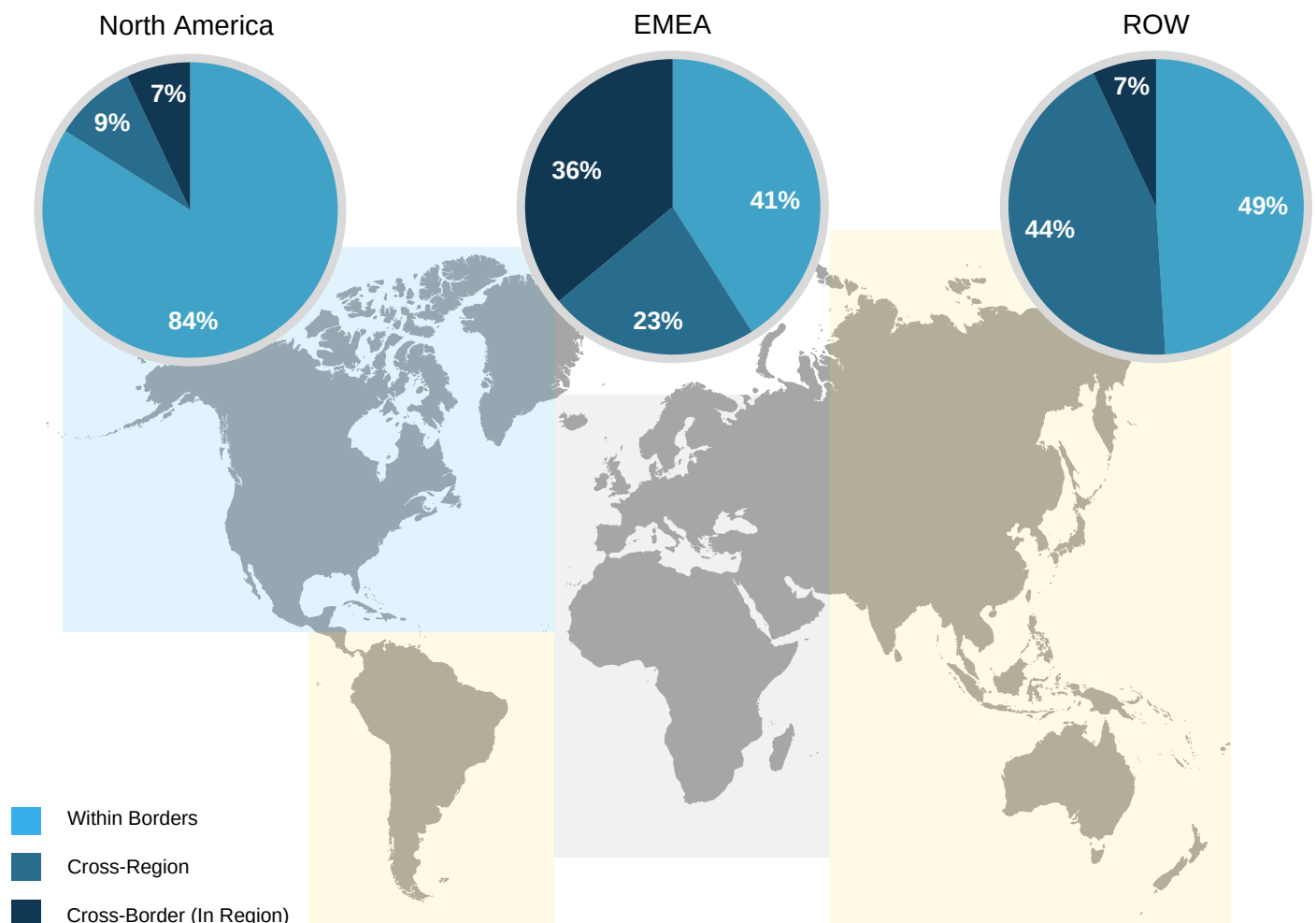


# MAZZONE & ASSOCIATES

## SPOTLIGHT: CROSS-BORDER TRANSACTIONS IN THE PACKAGING INDUSTRY

Mazzone's Packaging Deal Database tracked 70 cross-regional[1] transactions in 2023, which is on par with 2021 and 2022 at 18% of the overall sample. Including cross-border transactions within regions shows a much more active cross-border marketplace, totaling 142 transactions (40% of all Packaging Transactions in 2023).

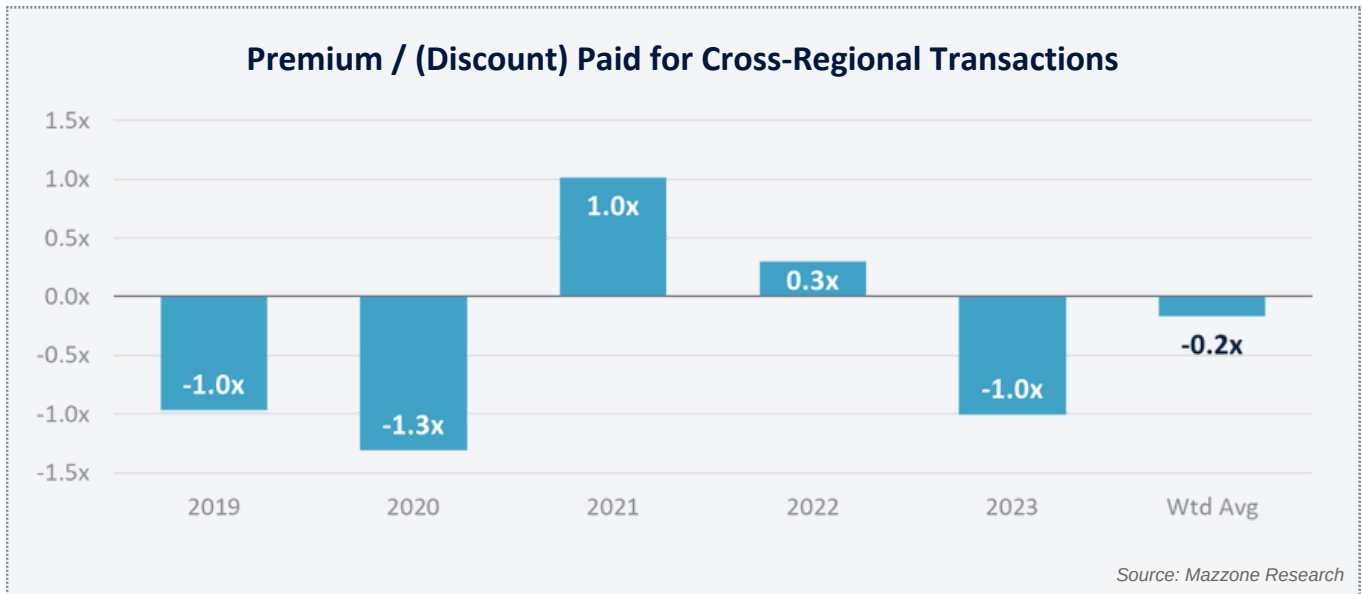
- Europe/Middle East/Africa (EMEA) targets saw the highest number of cross-border deals, split 60% within EMEA and 40% from outside the region. The most active non-EMEA acquirers were from Japan; within EMEA, Germany, France and Austria combined for 50% of cross-border deals.
- 51% of acquirers of Rest of World (ROW) targets were beyond national borders. Cross-regional deals were more common in ROW, with European buyers the most active.
- On a proportional basis, North America targets saw the least amount of cross-border activity, with only 16% of acquirers outside of national borders. Non-North American acquirers were predominantly European.



Source: Mazzone Research

[1] Our three tracked regions include (North America (NA), Europe/Middle East/Africa (EMEA), and Rest of World (ROW)

As noted in our [Winter Industry Insights](#), we see no premium or discount for cross-regional or cross-border transactions. Deal values are driven more by product segment, buyer type, deal motivation, and the pricing prevalent in target markets (regardless of buyer geography).



As the strategic value of a cross-border transaction is often significant to an acquirer, this raises the question of why no premium is ascribed to these transactions. We suggest that while the strategic value may warrant a premium, the additional risks in consummating such a transaction neutralizes that premium. Mazzone’s experience in cross-border transactions has revealed differences that must be carefully managed in these situations – not simply language and time zones, but differences in negotiation styles; legal, tax, and accounting standards; due diligence processes; regulatory approvals; and transaction timelines. All this needs to be carefully navigated to successfully close a cross-border deal.

## MAZZONE’S CROSS-BORDER EXPERIENCE

In 2022 – 2023, approximately 30% of our transactions were cross-border, including select transactions featured below, with Mazzone advising clients from the US, Europe, the Middle East, and Asia, in the closing of transactions in the US, Mexico, and Europe. For more information on our firm and other recently-completed transactions, please visit [mazzoneib.com](http://mazzoneib.com).



Advised TSC Auto ID Technology with respect to the acquisition of a producer of labels and shrink sleeves located in Poland



Advised Pamarco on its acquisition of TLS



Advised INDEVCO North America on its acquisition of Perma R Products, Inc.



Advised PowerSonic on the sale of its Plasticos business unit to Plastiexports

