



2016 J.P. Morgan
Investment Banking Case Competition
New York University Finance Society

2016 J.P. Morgan Investment Banking Case Competition

Prompt

The management of Johnson & Johnson (“the Company”) has submitted a request for advice on potential strategic alternatives in light of recent developments:

- Recent legal issues related to baby powder and corresponding poor press
- Variety of product lines and large industry mix
- Declining revenue and profitability

Potential proposals include, but are not limited to:

- Mergers & Acquisitions
 - Sales or Divestitures
 - Joint Ventures
 - Maintaining the Status Quo and Pursuing Organic Growth
 - Other
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- **In addition, the company wants to maintain a minimum cash balance of at least \$5 billion**

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Case Assignment

Your 3 to 4 person team, acting as J.P. Morgan investment bankers, will prepare a 10-minute presentation to the management of **Johnson & Johnson**. You are allowed a maximum of ten slides. We recommend six slides dedicated to address the points outlined below. Sub-bullets are used to illustrate potential topics to discuss within each slide.

- Executive summary
 - Illustration of the proposal
- Situation overview
 - How has **Johnson & Johnson** performed recently?
 - How have acquisitions impacted the company?
- Competitive Landscape
 - Who are the main competitors to **Johnson & Johnson** and how have they performed?
 - How is **Johnson & Johnson** positioned compared to...
 - What are some industry trends?
- Overview of potential strategic recommendation and/or target of acquisition
 - Relevant financial data
- Rationale for strategic recommendation
 - How would the proposal fit into the Company's strategy?
 - What are some potential sales and/or cost synergies?
 - Would the target sell? Why should **Johnson & Johnson** buy?
- Valuation
 - Price range for the target
 - Comps, precedent transactions, DCF, and/or LBO analysis
 - Illustration of assumptions

Please email finished cases in PDF format with resumes of team members to finance.society@stern.nyu.edu no later than **Friday, April 1st at 1:00 PM** with the subject line: Case Submission – [Team Name].

Semi-Finalists will be notified in the evening on April 1st and will present on Sunday, April 3rd to qualify for the final round on Friday, April 8th at J.P. Morgan.

Good luck!