

Goizueta Business Library

Creating Bridges to Knowledge

FactSet: Screening for Comparable Deals and Past Precedents

There are different strategies you can use for identifying comparable deals.

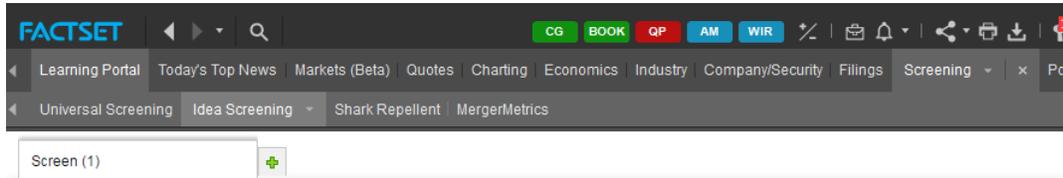
A. Screening Across Multiple Deals

Click **Screening** on the tab banner.

Click **Idea Screening**.

This is where you work within FactSet to generate custom lists based on filters (e.g. revenues, industry, etc.).

For this exercise, focus on the **Mergers & Acquisitions** section. Click **General M&A**.



Companies

Screen on public and private company financials as well as other company characteristics

[All Companies](#)
[Portfolio Companies](#)



Mergers & Acquisitions

Strategic or financial transactions including private equity firms and investments

[General M&A](#)
[Private Equity](#)



Capital Raising

From IPOs and follow-ons to private placements including venture capital investments

[IPOs & FOs](#)
[Venture Capital](#)
[Private Placements](#)



League Tables

Rank advisors and bookrunners for M&A transactions and public equity offerings

[M&A Financial](#)
[M&A Legal](#)
[IPOs & FOs](#)

The left pane contains all of the filtering options to select from. Double clicking on one moves it into the main/right pane. You can select as many filters as you need.

TIP: when starting the screening search, take the time to look at all of the filters that are available; understanding these upfront will help you to build a more thoughtful search and increase efficiency for when you need to rework your search.

Look for the blue “i” icon to the right of any filter for detailed definitions/descriptions.

FactSet defaults to some commonly used filters which will automatically appear in the main pane; you can quickly remove any filters you don’t want to use by clicking the red “x” on the upper right of each filter; the “x” appears when your cursor hovers over that filter.

Keep an eye on the upper right **Transactions** counter; it will automatically update as you add your filters.

Note that you are working in the **Search Items** tab for **Mergers(1)** query.

If you want to run a 2nd search, click on the green “+” tab to the right of Mergers(1) and a new search query will open.

The screenshot displays the FactSet screening interface. At the top, the navigation bar includes tabs for Learning Portal, Today's Top News, Markets (Beta), Quotes, Charting, Economics, Industry, Company/Security, Filings, Screening, Portfolio, and Owners. Below this, the current search is identified as "Mergers (1)".

In the upper right corner, a red circle highlights the "185,386 Transactions" counter and a green "View" button. The "View" dropdown is currently set to "Transactions".

The left pane, titled "Target Company Details (14)", lists various filters under "General (6)" and "Other Target Characteristics (8)". The "Mergers (1)" filter is highlighted with a red box. The "Other Target Characteristics" section includes filters for Going Private, Unequal Voting, Insolvency, Controlling Shareholder, Special Committee, Privatization, Golden Share, and Related Party.

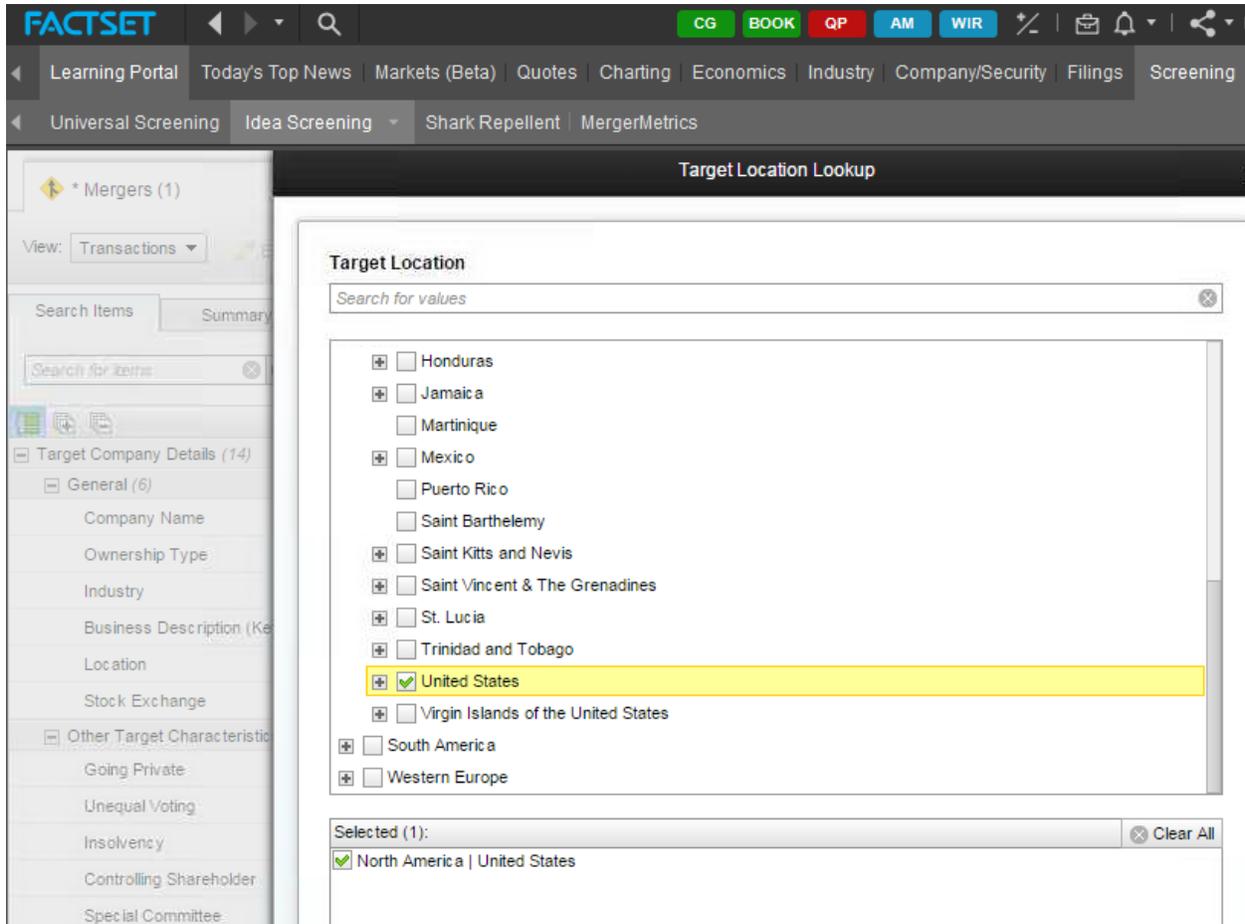
The main pane shows the search criteria for the "Mergers (1)" query:

- Announcement Date:** 01/01/2010 to MM/DD/YYYY
- Transaction Value (MM):** Min to Max, with an option to "Include undisclosed values".
- Deal Type:** Acquisition / Merger, Majority Stake, Minority Stake, Spinoff.
- Transaction Status:** Cancelled, Complete, Pending, Rumor, Rumor Cancelled.

Begin selecting your filters and filling them in.

The screenshot displays the FACTSET Mergers (1) interface. The top navigation bar includes 'Learning Portal', 'Today's Top News', 'Markets (Beta)', 'Quotes', 'Charting', 'Economics', 'Industry', 'Company/Security', 'Fillings', 'Screening', 'Portfolio', and 'Owners'. Below this, there are tabs for 'Universal Screening', 'Idea Screening', 'Shark Repellent', and 'MergerMetrics'. The main window shows a search bar with 'Search for items' and 'Search Description' options. A sidebar on the left lists 'Target Company Details (14)' with categories like 'General (6)' and 'Other Target Characteristics (8)'. The main content area contains filter settings: 'Announcement Date' (01/01/2010 to MM/DD/YYYY), 'Transaction Value (MM)' (Min to Max), 'Deal Type' (Acquisition / Merger checked, Majority Stake, Minority Stake, Spinoff), and 'Transaction Status' (Complete checked, Cancelled, Pending, Rumor, Rumor Cancelled). Red arrows point to the 'Acquisition / Merger' and 'Complete' checkboxes.

Some filters, such as Location and Sector/Industry will open to a second screen, prompting you to refine your selection. Be careful to click the **OK** button at the bottom of the screen so that your selections will apply.



The screenshot displays the FACTSET Target Location Lookup interface. The top navigation bar includes the FACTSET logo and various menu items like Learning Portal, Today's Top News, Markets (Beta), Quotes, Charting, Economics, Industry, Company/Security, Filings, and Screening. Below this, there are sub-menus for Universal Screening, Idea Screening, Shark Repellent, and MergerMetrics. The main content area is titled "Target Location Lookup" and features a search bar labeled "Search for values". Below the search bar is a list of countries and regions with checkboxes. The "United States" option is selected and highlighted in yellow. At the bottom, a "Selected (1):" section shows "North America | United States" with a "Clear All" button.

Target Location

Search for values

- Honduras
- Jamaica
- Martinique
- Mexico
- Puerto Rico
- Saint Barthelemy
- Saint Kitts and Nevis
- Saint Vincent & The Grenadines
- St. Lucia
- Trinidad and Tobago
- United States
- Virgin Islands of the United States
- South America
- Western Europe

Selected (1):

✓ North America | United States

Sector/Industry

FactSet allows you to screen on Sector/Industry in a number of ways, including GICS, RBICS, NAICS, SIC and FactSet codes. There is no best or right code to use; in fact, it is the most imprecise filter you will use – in spite of the fact that it is one of the most important. You will want to work and rework this filter until you yield the most useful results.

TIP for Identifying Possible Industry Codes

In FactSet, look up a large, well-known company in the industry for which you want to filter deals. Type the company name or ticker in the upper right corner of the FactSet screen; once the **Company Overview** display, click **Reference** on the left. This displays all the various codes that are used to identify the company's industry.

The screenshot shows the FactSet interface for Coca-Cola Company (KO). The search bar contains 'KO-US'. The navigation menu on the left includes 'Reference', which is highlighted. The main content area displays the following industry codes:

Industry Breakdown	
RBICS	GICS
50 Consumer Non-Cyclicals	30 Consumer Staples
5015 Food and Tobacco Production	3020 Food Beverage & Tobacco
501515 Food and Beverage Production	302010 Beverages
50151510 Beverages Production	30201030 Soft Drinks
5015151020 Non-Alcoholic Beverage Production	
501515102035 Multi-Type Non-Alcoholic Beverages...	
FactSet	NAICS
2400 Consumer Non-Durables	31 Manufacturing
2420 Beverages: Non-Alcoholic	312 Beverage and Tobacco Product Manufacturing
	3121 Beverage Manufacturing
	31211 Soft Drink and Ice Manufacturing
SIC	
D Manufacturing	
20 Food And Kindred Products	
208 Beverages	
2086 Bottled and Canned Soft Drinks and Carbonate...	

Once back in Deals Screening, think carefully about whether the code should be “primary” or “primary or secondary/all;” the results will likely be very different depending on your selection.

Take the time to click on “+” to the right of the codes; this will expand the code so that you can select the sector that best fits what you want to screen on.

Note the blue “i” to the right of each code; click on it for a definition of the industry, e.g. clarifies the types of companies that the search will generate.

The screenshot shows the FACTSET website interface. At the top, there is a navigation bar with the FACTSET logo and several menu items: Learning Portal, Today's Top News, Markets (Beta), Quotes, Charting, Economics, Industry, Company/Security, Filings, and Screenin. Below this is a secondary navigation bar with Universal Screening, Idea Screening, Shark Repellent, and MergerMetrics. The main content area is titled 'Target Sector/Industry Lookup'. On the left side, there is a sidebar with a 'Mergers (1)' section and a 'View: Transactions' dropdown. Below this is a 'Search Items' section with a 'Summary' button and a search input field. The main content area contains a search bar labeled 'Search for values' and a tree view of industry categories. The tree view is expanded to show the following categories and sub-categories:

- [484] Truck Transportation
 - [4841] General Freight Trucking
 - [48411] General Freight Trucking, Local
 - [484110] General Freight Trucking, Local ⓘ
 - [48412] General Freight Trucking, Long-Distance
 - [484121] General Freight Trucking, Long-Distance, Truckload ⓘ
 - [484122] General Freight Trucking, Long-Distance, Less Than Truckload ⓘ
 - [4842] Specialized Freight Trucking
 - [48421] Used Household and Office Goods Moving
 - [484210] Used Household and Office Goods Moving ⓘ
 - [48422] Specialized Freight (except Used Goods) Trucking, Local
 - [484220] Specialized Freight (except Used Goods) Trucking, Local ⓘ
 - [48423] Specialized Freight (except Used Goods) Trucking, Long-Distance
 - [484230] Specialized Freight (except Used Goods) Trucking, Long-Distance ⓘ

Be sure to click on the **Summary** tab to review your search strategy. It is recommended to always print this out so you have an exact record of all of your filters; if you run multiple searches, print out the summary for each one. If you are going to run searches Thomson and/or Bloomberg, you want to ensure consistency in your search strategy.



Search Parameters and Logic (7)

P1. Announcement Date:

>= 01/01/2010

P2. Transaction Value (MM):

Inactive

P3. Target Location:

Included: United States

Searching on: Target

P4. Target Sector/Industry:

Included: [484122] General Freight Trucking, Long-Distance, Less Than Truckload; [48411] General Freight Trucking, Local; [484110] General Freight Trucking, Local

Searching on: Target, Primary

P5. Transaction Status:

Included: Complete

P6. Deal Type:

Included: Acquisition / Merger

P7. Target Revenue (LTM) (MM):

1.00 to 100.00

Logic = (P1 AND P6 AND P5 AND P3 AND P4 AND P7)

Report Details

Report View

List of Buyers

In millions of USD except per share amounts

Screen Details

Name

Mergers (1) (Modified) ⓘ

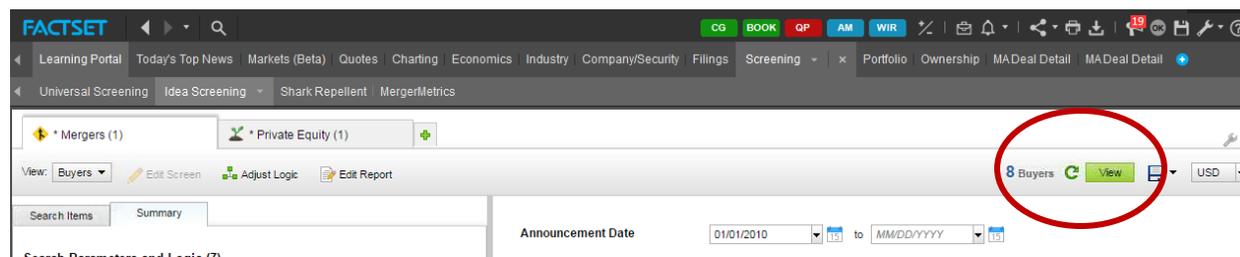
Screen Currency

USD

Directory

Unsaved

To view the transactions resulting from your search, click on the green **View** button on the upper right of the screen.



Click on the “+” to the left of each company to view a snapshot of the acquisition; click on related links for detailed information about the deal and source of the data.

The results of the search will inform decisions about reworking the original search strategy. Click on the **Search Items** tab to return to your filtering screen.

Everything can be downloaded into Excel or printed.

The screenshot shows the FactSet interface with search results. The 'Search Parameters and Logic (7)' section includes filters for 'P1. Announcement Date: >= 01/01/2010', 'P2. Transaction Value (MM): Inactive', 'P3. Target Location: Included: United States, Searching on: Target', and 'P4. Target Sector/Industry: General Trucking, Distance: Greater Than 100 Miles, Freight Local, General Trucking, Search on: Target'. The search results table shows a list of companies with a '+' icon next to each name. The 'M&A Transactions' section is expanded, showing a transaction for 'Roadrunner Transportation Systems, Inc. acquires Central Cal Transportation, Inc.'. The detailed view of this transaction includes the following information:

Company Name	Ultimate Parent Company Name	FactSet Industry
Aveda Transportation & Energy S...	-	Oilfield Services
Integrated Freight Corp.	-	Electronic Com
National Energy Services, Inc. (N...	-	Information Tec
Optimized Transportation Manag...	-	Air Freight/Cou
Perdue Partners LLC	-	Miscellaneous
Roadrunner Transportation Syste...	-	Air Freight/Cou

M&A Transactions 1 of 26 Passed

Target Company Name	Ultimate Parent Company Name	FactSet Industry
Central Cal Transportation, Inc.	-	Trucks/Constru

Roadrunner Transportation Systems, Inc. acquires Central Cal Transportation, Inc.

Roadrunner Transportation Systems Inc acquired Central Cal Transportation Inc for approximately US\$4 million in cash and contingent payout. The consideration was funded using a credit facility. Moreover, the acquisition is expected to be earnings accretive, as well as expand the bidder's operations. Central Cal Transportation Inc is located in Fresno, California, United States and provides trucking services. For the year 2011, Central Cal Transportation Inc had revenues of approximately US\$19 million.

Announced / Closed: 05 Nov '12 / 05 Nov '12
Deal Type: Acquisition / Merger
Transaction Value: 4.00 (M)
Sales: 19.00 (M)
Currency: USD
Country: United States
Industry: Trucking

Deal Detail | Target | Acquirer | Source

P5. Transaction Status: Include
P6. Deal Type: Include Acquisition, Merger
P7. Target Revenue (LTM) (MM): 1.00 to 100.00

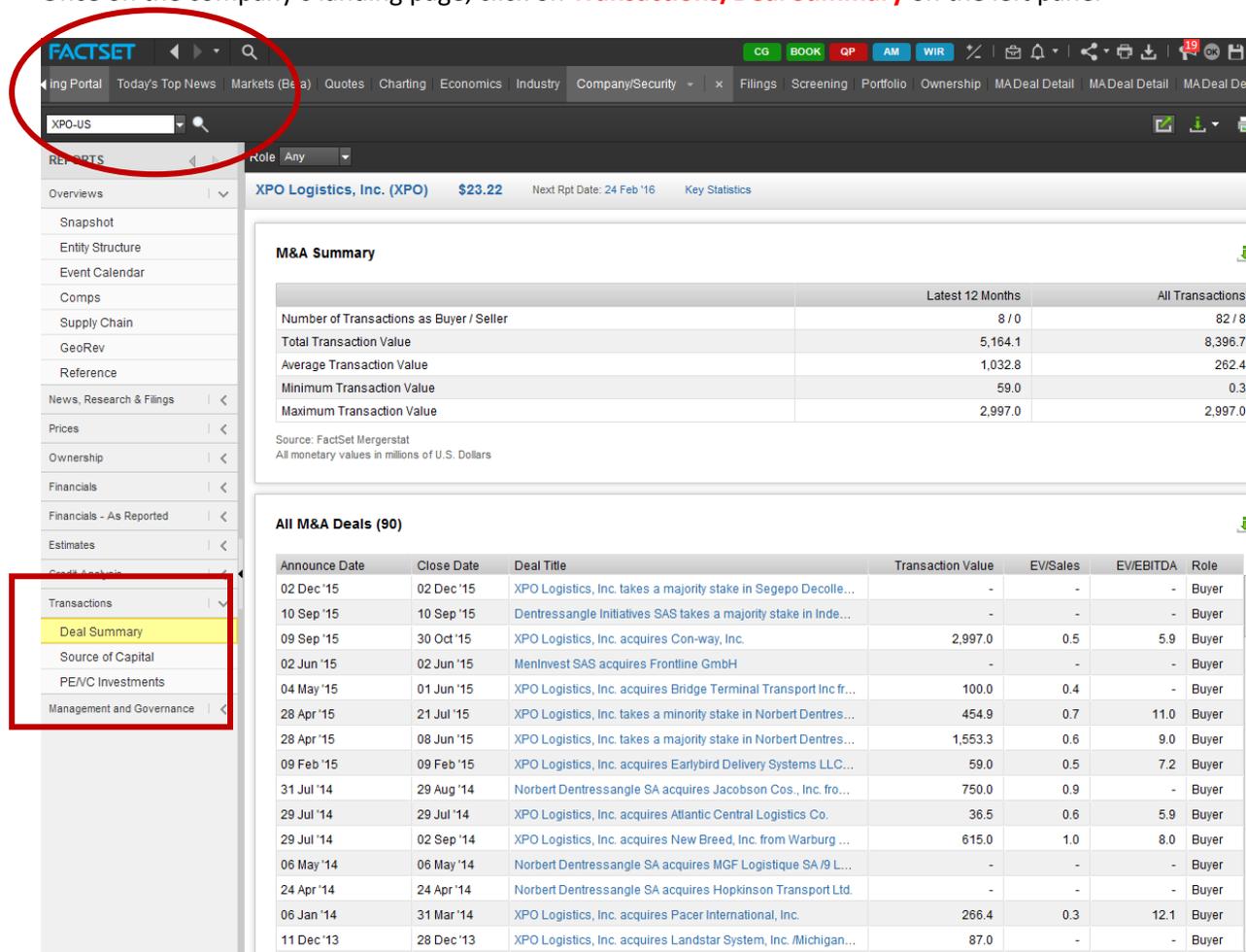
B. Examining Acquisitions of Public Companies in your Industry

It can be a very useful strategy to look up individual public companies in your industry and explore their M&A activity. This is very useful for “backing into” deals by focusing on the public companies in the sector and looking at their transactions, etc.

TIP: Look at how the deal summary data, in particular what sectors/industry code(s) are used; this may give you some ideas if you are struggling with identifying the right codes.

Look for the **search/magnifying glass icon** on the upper left corner of FactSet’s top banner. Type the company name or ticker.

Once on the company’s landing page, click on **Transactions/Deal Summary** on the left pane.



The screenshot shows the FactSet website interface. The search bar at the top left contains the ticker "XPO-US" and is circled in red. The left navigation pane has "Deal Summary" highlighted in yellow. The main content area displays the "M&A Summary" for XPO Logistics, Inc. (XPO) with a stock price of \$23.22. Below this is a table of "All M&A Deals (90)".

M&A Summary			Latest 12 Months	All Transactions
Number of Transactions as Buyer / Seller			8 / 0	82 / 8
Total Transaction Value			5,164.1	8,396.7
Average Transaction Value			1,032.8	262.4
Minimum Transaction Value			59.0	0.3
Maximum Transaction Value			2,997.0	2,997.0

Source: FactSet Mergerstat
All monetary values in millions of U.S. Dollars

All M&A Deals (90)						
Announce Date	Close Date	Deal Title	Transaction Value	EV/Sales	EV/EBITDA	Role
02 Dec '15	02 Dec '15	XPO Logistics, Inc. takes a majority stake in Segepo Decolle...	-	-	-	Buyer
10 Sep '15	10 Sep '15	Dentressangle Initiatives SAS takes a majority stake in Inde...	-	-	-	Buyer
09 Sep '15	30 Oct '15	XPO Logistics, Inc. acquires Con-way, Inc.	2,997.0	0.5	5.9	Buyer
02 Jun '15	02 Jun '15	MenInvest SAS acquires Frontline GmbH	-	-	-	Buyer
04 May '15	01 Jun '15	XPO Logistics, Inc. acquires Bridge Terminal Transport Inc fr...	100.0	0.4	-	Buyer
28 Apr '15	21 Jul '15	XPO Logistics, Inc. takes a minority stake in Norbert Dentres...	454.9	0.7	11.0	Buyer
28 Apr '15	08 Jun '15	XPO Logistics, Inc. takes a majority stake in Norbert Dentres...	1,553.3	0.6	9.0	Buyer
09 Feb '15	09 Feb '15	XPO Logistics, Inc. acquires Earlybird Delivery Systems LLC...	59.0	0.5	7.2	Buyer
31 Jul '14	29 Aug '14	Norbert Dentressangle SA acquires Jacobson Cos., Inc. fro...	750.0	0.9	-	Buyer
29 Jul '14	29 Jul '14	XPO Logistics, Inc. acquires Atlantic Central Logistics Co.	36.5	0.6	5.9	Buyer
29 Jul '14	02 Sep '14	XPO Logistics, Inc. acquires New Breed, Inc. from Warburg ...	615.0	1.0	8.0	Buyer
06 May '14	06 May '14	Norbert Dentressangle SA acquires MGF Logistique SA /9 L...	-	-	-	Buyer
24 Apr '14	24 Apr '14	Norbert Dentressangle SA acquires Hopkinson Transport Ltd.	-	-	-	Buyer
06 Jan '14	31 Mar '14	XPO Logistics, Inc. acquires Pacer International, Inc.	266.4	0.3	12.1	Buyer
11 Dec '13	28 Dec '13	XPO Logistics, Inc. acquires Landstar System, Inc. Michigan...	87.0	-	-	Buyer

Explore the other content on the left pane. **Snapshot** includes comparable key industry public companies; **Comparison** provides key valuation and financial comparative data, etc.

REPORTS

- Overviews
- Snapshot**
- Earnings & Drivers
- Macro Factors
- Comparison
- Performance
- Constituents
- Financials
- Estimates
- Transactions
- News & Research

United States / Trucking YTD Return: -7.2% Source: FactSet

Performance

United States / Trucking -IND - Total Return (Blue line) vs World - Total Return (Green line)

United States / Trucking -IND - Volume (billions) (Bar chart)

Performance (%)

YTD	-7.2
1Yr	-29.1
2Yr	-12.5
3Yr	21.6
5Yr	46.3

Beta 1.1
Beta (Adj) 1.1
Avg Chg -3.7
R2 0.6

Key Industry Players

Company	Symbol	Type	Sales (\$m)	Employees	MV (\$m)	EV (\$m)	Price (loc)	Target Price (local)	Rec	P/E
J.B. Hunt Transport Services, Inc.	JBHT-US	Public	6,165	20,158	7,830	8,818	68.33	85.29	Overweight	
YRC Worldwide Inc.	YRCW-US	Public	5,069	33,000	399	1,244	12.24	25.75	Buy	
Swift Transportation Company Class A	SWFT-US	Public	4,299	21,100	1,900	3,193	13.29	20.48	Overweight	
Landstar System, Inc.	LSTR-US	Public	3,185	1,211	2,459	2,427	56.95	66.87	Overweight	
Old Dominion Freight Line, Inc.	ODFL-US	Public	2,788	16,443	4,656	4,830	55.05	70.71	Overweight	
ArcBest Corporation	ARCB-US	Public	2,613	11,484	486	415	18.71	28.95	Hold	
XPO Logistics, Inc.	XPO-US	Public	2,357	10,000	2,516	5,142	23.22	46.33	Buy	
Werner Enterprises, Inc.	WERN-US	Public	2,139	9,091	1,578	1,607	21.95	28.79	Hold	
Saia, Inc.	SAIA-US	Public	1,272	8,900	504	581	20.05	27.40	Overweight	
Universal Truckload Services, Inc.	UACL-US	Public	1,192	4,218	377	602	13.30	18.00	Overweight	

Private company comparables are only applicable in this component