



## News & Trending

NEWS

### GERALD ROACH SHARES INSIGHT WITH TBJ ON IMPACT COVID-19 HAS ON TRIANGLE'S M&A LANDSCAPE

04.14.2020

*Triangle Business Journal*

Mergers and acquisitions attorney Gerald Roach participated in a Q&A forum with *Triangle Business Journal* editor Cameron Snipes on how COVID-19 is affecting the current M&A landscape in the Triangle. In the article "**COVID-19 causing uncertainty, concern in Triangle's M&A world**," Gerald shared that he is seeing M&A deals that were well underway, but not yet signed, being put on hold.

"The hold status is about uncertainty, conservation of cash, concern over potential losses, as well as valuations," said Gerald. "While strategic buyers with cash remain in a good position to restart activity, lenders are reacting to high default rates and private equity investors are focusing on protecting their existing portfolio companies."

When asked about how he foresees the pandemic affecting M&A deals going forward, Gerald thinks the effect will differ by industry and even by company. "Companies with strong balance sheets may see a greater opportunity for M&A at valuations which are more attractive," Gerald said. "Sellers may still expect pre-crisis valuations, while buyers will want to see consistent performance reestablished, which means agreeing on value may be challenging. The strongest buyers and sellers should be able to get back into step quickly and there may be some opportunistic buying, but we anticipate most buyers and sellers will need a little time to get comfortable again, especially for deals requiring financing."

The article also included Gerald's advice for companies that are thinking of going through the M&A process either now or at some point in the months ahead. "Be prepared to show how you managed this crisis as that will tell a lot about how your business is run and will make it a more attractive M&A candidate in this COVID-19 environment," he conveyed. "This is not the first time we have experienced a significant economic downturn and it will not be the last, so learning how to be flexible with pivoting your business to respond to changing economic factors is key."

*TBJ subscribers can read the full article [here](#).*

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The *Triangle Business Journal* (TBJ) is the leading source of business news and events covering all industries in Raleigh, Durham and Chapel Hill, North Carolina and the surrounding areas. *The Business Journals* report on local and national issues that impact businesses and are a division of the *American City Business Journals* (ACBJ), the largest publisher of metropolitan business newsweeklies in the United States.

## PROFESSIONALS

Gerald F. Roach

## PRACTICE AREAS

Mergers and Acquisitions

