

Moore Corporation

How to become a global company through acquisition.

Canadian operations Moore Corporation is a multinational organization providing products and services in the business information sector (e.g., business forms, labels, computer supplies and information-management services). It operates in 54 countries with 150 manufacturing plants (major markets are located in North America, Europe, Australia and South America). It employs more than 26,000 people worldwide.

U.K. activities Having built a dominant position in North and South America, Moore Corporation decided to become a global company. This objective was achieved through the acquisition of Lamson Industries, a U.K.-based conglomerate of European, African, Australian and Middle East companies. This was done in three steps with Moore buying 20% of Lamson's equity in 1964, and increasing it to 52% in 1973 and to 100% in 1977.

This entry route was preferred because:

- Samuel Moore, founder of the Canadian company in 1882, was also involved in the start-up of Lamson Industries. Because of these historical links, the two companies maintained a good relationship throughout the years; and
- Lamson was involved in markets where Moore wanted to develop a presence.

Lessons to be drawn Though the European expansion has been taking place since 1977, valuable lessons can still be drawn from Moore's experience.

Cross-fertilization programs are seen as essential to achieving harmonious relations. To transfer Moore's culture and management style, and to mitigate negative reactions following the acquisition, a cross-fertilization program was set up. This program involved sending senior managers of Lamson to North America for a period of two to seven years, or exchanging financial and marketing people between Europe and Canada for two to six months.

All activities except sales will be regrouped Europe-wide. Over the next three years, European activities will be reorganized with the objective of regrouping the various companies into a European division. However, sales will continue to be organized within each country to satisfy national idiosyncrasies.

Its U.K. advertising campaign promotes awareness of company change. An extensive advertising campaign was conducted after the acquisition of Lamson to make customers and suppliers aware of the change in the name and ownership of the company.