

TABLE 13

Cross Border Acquisitions in Europe, 1989

<u>Target nations</u>	<u>C\$ million</u>	<u>Total No. of deals</u>
U.K.	30 913	238
Federal Republic of Germany	8 279	216
France	7 780	191
Italy	5 975	104
Spain	3 899	128
Netherlands	2 730	99
Belgium	1 863	62
Sweden	1 104	35
Denmark	787	35

<u>Acquiring nations</u>	<u>C\$ million</u>	<u>Total No. of deals</u>
U.S.	20 014	185
France	14 027	168
Federal Republic of Germany	9 638	128
U.K.	7 992	282
Italy	2 437	52
Japan	2 147	55
Sweden	2 002	121
Belgium	1 473	28
Switzerland	1 342	83

Source: Translink's *European Deal Review*.

Note: These tables include acquisitions made in European nations by U.S. and Japanese companies.

acquisitions in Europe and North America have turned into very costly mistakes because of mismatches in cultures and management styles and an incorrect perception of the market.

At the same time, local banks are keeping a strong hold on their markets and are rapidly diversifying their products. This creates excellent opportunities for foreign banks to create joint ventures to distribute specialized products to local banks, who are eager to offer new products to their clientele, particularly the more demanding younger generation.

The different approaches adopted by the three largest German banks to broaden their European coverage are typical of the strategies being used.

Deutsche Bank is developing a strategy of "Allfinanz," offering a wide range of financial services under one roof. In addition to acquiring banks, it is invading the insurance sector, breaking an old tacit agreement not to infringe on insurer's territory.

Dresdner Bank is much more selective. It has acquired a third of Banque