

MOORE CORPORATION

How to Become a Global Company Through Acquisition

The Canadian operations

Moore Corporation is a multinational organisation providing products and services in the business information sector (eg. business forms, labels, computer supplies and information-management services, etc.). 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.

Its overseas 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, UK-based conglomerate of European, African, Australian, and Middle East companies. This was done in 3 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 to any others 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 2 companies had kept good relationships throughout the years.
- Lamson was involved in markets where Moore wanted to develop a presence.

Lessons to be drawn

Though the European expansion took place some 13 years ago, valuable lessons can still be drawn from Moore's experience:

- In order to transfer Moore's culture and management style, and to mitigate negative reactions following the acquisition, a cross-fertilisation programme was set up. This programme has involved sending senior managers of Lamson to North America for a period varying between 2 to 7 years, or exchanging financial and marketing people between Europe and Canada for a 2 to 6 month period.