

Frequently Asked Questions

1) Are we allowed to have a 2 person team?

A team must consist of at least three (3) but no more than four (4) people.

2) Is there any way we could get an extension for the submission of our case?

Extensions are rarely offered. Under extenuating circumstances, an extension may be granted by the case competition coordinator.

3) If a company has a current market cap below \$1B but has an average market cap over \$1B – does this company qualify for the case?

No. the market company must have a market capitalization of at least US \$1 billion.

4) Are we expected to justify our expected return using a detailed LBO model or something of that level, or should we focus more on qualitative trends?

See answer to #5

5) If we were to model out an LBO of our target company, what type of loan could we expect Farallon to secure for these type of deals?

It does not need to be a detailed LBO model since in reality, most public companies are going to adopt an LBO capital structure or capital allocation approach. Rather, if you owned this stock over the next one year, what is the upside and what is the potential downside? And if you owned the business for three to five years, what is the IRR? You should model the earnings power of the business over the relevant time horizon and think about the appropriate exit multiple. The underlying model should include some view on key drivers (price, volume, margins, etc) and capital allocation (buying back stock? acquisitions? Etc).

6) Will we receive feedback even if we don't get selected as a finalist?

We hope to give you the feedback that we collected during the judging process. We hope that this feedback and advice will improve your analytical skills for future case studies.

CONTACT INFORMATION

If you are interested in a career opportunity at Farallon, please send a resume and cover letter to casecareers@farcap.com.