

# LESSONS LEARNED

The Good, the Bad, and the Ugly of  
Collaboration & Partnering

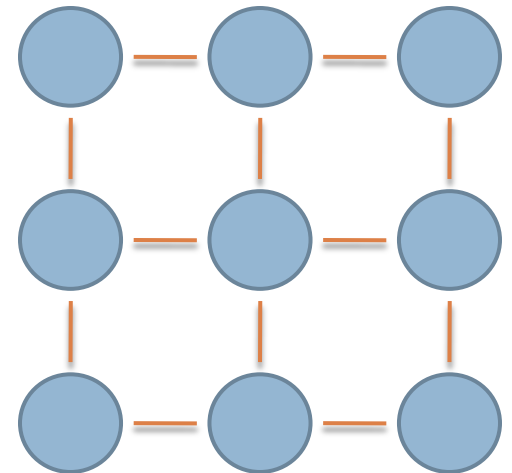
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Weyerhaeuser Company

# Agenda- 12 Learnings

1. Clear strategy & clear alignment
2. Understand the total value
3. Build a long term relationship
4. Don't get "greedy"
5. No deals are the same
6. 80/20 rule
7. Do your homework
8. Don't let "ego" get in the way
9. Know when to "walk"
10. Don't be too "eager"
11. Measure what you want to achieve
12. Put people in the right roles

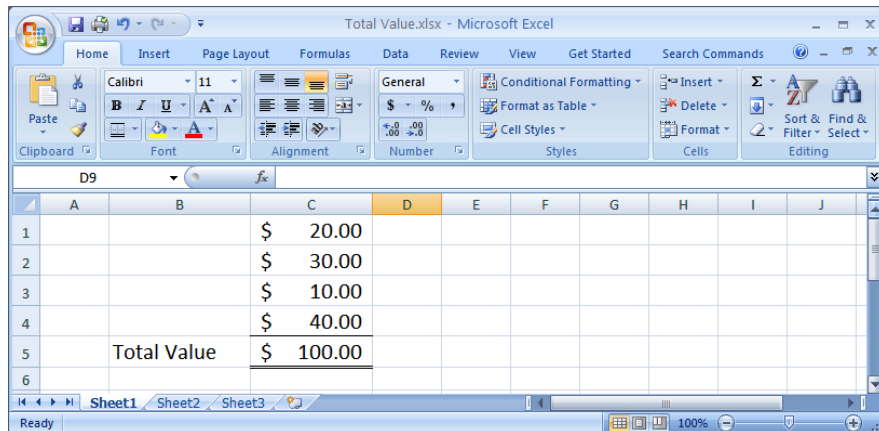
# Clear Strategy & Clear Alignment

- Know what you bring
- Know what your partner brings
- Alignment in strategies
- Minimize any potential conflicts
- Division of responsibilities



# Understand the Total Value

- $1 + 1 > 2$
- Deal has big enough value for both parties
- Use external valuations
- Is there future adds?
- Apportion value only when total is there



The screenshot shows a Microsoft Excel spreadsheet titled "Total Value.xlsx". The spreadsheet has a grid with columns A through J and rows 1 through 6. The data is as follows:

	A	B	C	D	E	F	G	H	I	J
1			\$ 20.00							
2			\$ 30.00							
3			\$ 10.00							
4			\$ 40.00							
5		Total Value	\$ 100.00							
6										

The Excel interface includes the ribbon with tabs for Home, Insert, Page Layout, Formulas, Data, Review, View, and Get Started. The status bar at the bottom shows "Ready" and "100%" zoom.

# Build a Long-Term Relationship

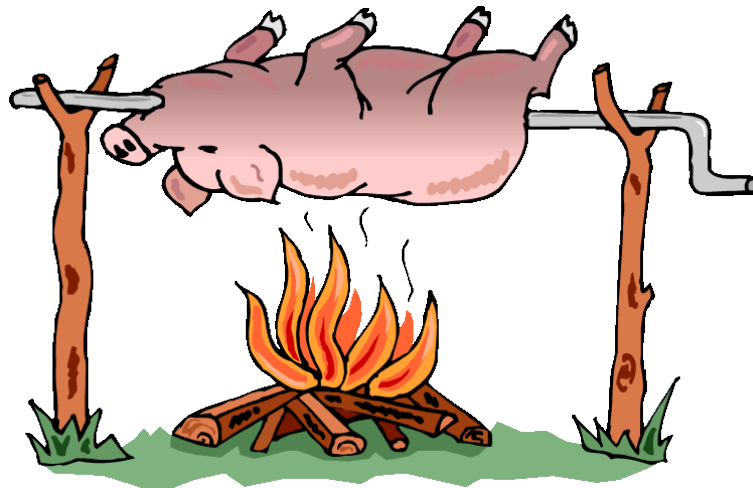
- ❑ Married vs one time fling
- ❑ Establish trust and respect
- ❑ Need clear communication
- ❑ Establish good governance
- ❑ Always good to have a “pre-nup”
- ❑ Fair balance in relationship
- ❑ Repeat business is always good



关系

# Don't Get "Greedy" – Pigs Get Eaten

- "win-lose" leads to "lose-lose"
- Don't squeeze the last drop
- Will you sign if you were on the other side?
- Always give something before closing



# No Deals Are the Same

- ❑ Each deal has its own nuances
- ❑ Every negotiator has his/her own style
- ❑ National culture and company culture are important
- ❑ Start with a good alignment with term sheets
- ❑ Be patient
- ❑ Be a good listener
- ❑ Try to understand the other side



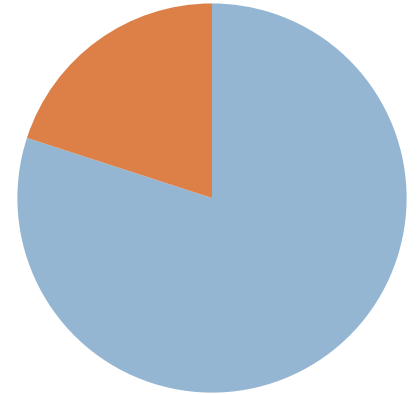
# Do your homework

- ❑ Field of Deal/Subject matter
- ❑ Organization : yours and theirs
- ❑ Your counterpart
- ❑ Your envelop: target, bottom line/minimum
- ❑ Authority level
- ❑ Team participation
- ❑ What to take/what to give



# 80/20 Rule

- Speed is important
- There is no “perfect” solution
- Legal support is important
- Trade off on important issues
- Give in on “doesn’t matter”



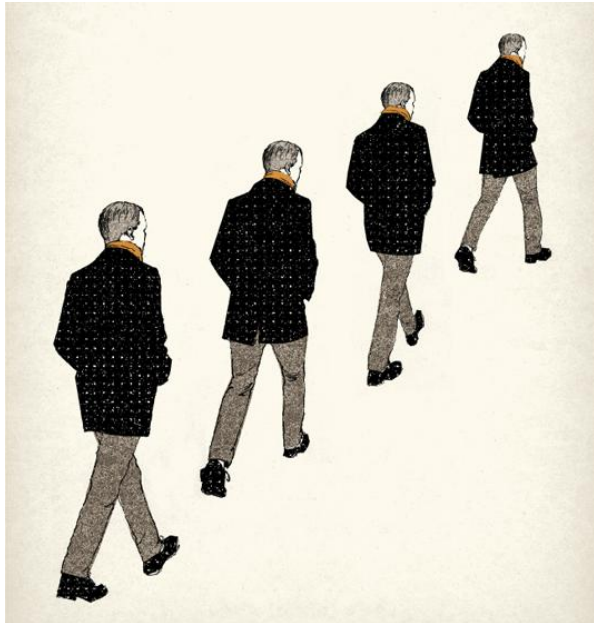
# Don't Let “Ego” Get in the Way

- Before every negotiation, leave your ego at home (or hotel)
- IQ  $\neq$  Good results
- Watch out for 3<sup>rd</sup> party “meddling”
- Don't be a “7/11” or “Wawa”



# Know When to “Walk”

- Understand BATNA
- Better to walk than to sign a bad deal
- “Pre-nups” are good for the unexpected



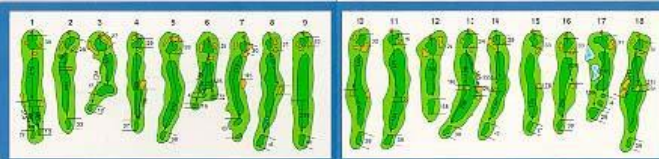
# Don't be too “eager”

- Time is a two edge sword
- Learn who has the time pressure
- Don't show you're anxious
- Anxious translates to giving in early
- Patience is a virtue



# Measure What You Want to Achieve

- Metrics lead to incentives
- Incentives drive behaviors
- Keep metrics simple
- Keep an eye on value extraction



HOLE	1	2	3	4	5	6	7	8	9	OUT	P	10	11	12	13	14	15	16	17	18	IN	TCT	ADJ	HCP	NET
CHAMPIONSHIP <small>PAR 72 (36 x 3.5)</small>	520	326	121	356	371	360	400	436	457	3275	L	416	437	190	430	577	397	338	172	485	332	657			
REGULAR <small>PAR 72 (36 x 3.5)</small>	511	313	112	384	355	350	354	418	490	3077	A	404	422	174	418	490	367	353	159	472	309	636			
PAR	5	4	3	4	4	3	4	4	5	36	E	4	4	3	4	5	4	4	3	5	36	72			
HANDICAP	7	15	17	3	9	13	5	1	11		R	6	2	10	4	14	8	18	12	16					
MATCH+/-																									
RED <small>PAR 72 (36 x 3.5)</small>	504	303	109	374	346	341	346	404	491	2997		391	410	159	407	493	373	314	125	463	301	618			
PAR	5	4	3	4	4	3	4	4	5	36		4	5	3	5	4	4	3	5	36	74				
HANDICAP	3	13	17	7	11	15	5	1	9			4	12	16	10	2	8	14	18	6					
DATE:	SCORER:										ATTEST:														

# Put People in the Right Roles

- ❑ Multi-functional teams are necessary
- ❑ Relationships first
- ❑ Knowledge/experience count
- ❑ But youth and passion are good
- ❑ Blend of both





Thank you, any questions?