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Masuda Funai Releases Results From M&A Survey

6/21/2022 By: Benjamin F. Gould Practices: Corporate, Finance & Acquisitions

Masuda, Funai, Eifert & Mitchell, Ltd. released the results of its annual Mergers and Acquisitions Survey today. The survey features data and expectations gathered from executives, professionals, service providers, and thought leaders in the Japanese business community in the United States. The survey results provide predictions about economic performance for the year to come, relay insight into likely levels of Japanese inbound investment, and identify key factors in investment decisions by Japanese companies doing business in the United States.

A majority of respondents expect the U.S. economy to make strides in 2022 compared to 2021 and expect M&A activity levels in the U.S. to improve again this year. Mixed responses were received on Japanese M&A activity into the U.S, with more participants expecting levels to either improve modestly or hold steady. Most cited access to U.S. consumers as a significant factor driving Japanese investment in the United States. The Biden administration's attempt to increase capital gains tax rates is believed to have a negative effect on the M&A market in the United States among most participants.

"At the time of our survey, respondents were generally optimistic that we are headed for continued economic growth in the year ahead," says Ben Gould, Chair of Masuda Funai's Corporate, Finance, and Acquisitions Group. "Following 2021's record-breaking volume of M&A activity in the United States, most respondents expected activity to continue through 2022. However, we've seen a number of significant setbacks in early 2022 that were probably not anticipated by our respondents, including the Omicron outbreak, rising energy prices, and supply chain disruptions, all of which will likely hamper the economic outlook somewhat."

We hope that these notable findings reflected in the survey results will be helpful in planning your company's growth strategy for the year ahead. We welcome comments and questions about the survey results, which should be directed to Ben Gould at bgould@masudafunai.com or Jonathan Park at jpark@masudafunai.com.

Please click here for the 2022 M&A Survey Report.