

GLOBAL CASE COMPETITION AT HARVARD

2021 CASE



NVIDIA - AMD

The competition is brought to you by the IFSA Network and the Harvard Graduate School of Arts and Sciences Business Club.



HARVARD
GSAS Business Club



WELCOME LETTER

Dear Participant,

We would like to thank you for taking part in the **Global Case Competition at Harvard 2021**.

When the competition was created in 2015, its aim was to convene the world's talent and give them international exposure. Through the editions, participants were able to meet likeminded individuals and benefit from one another, whilst exhibiting their skills to industry professionals.

This is your opportunity to prove your worth to a panel of carefully selected judges, acquire unique industry insight, and share your thoughts and ideas with a broad and impactful audience.

Given the global sanitary situation, we are saddened that we cannot offer you all that the competition has to offer by inviting you on campus. However, we sincerely hope that our paths cross in the future editions and we are looking forward to our conversations around Cambridge.

Andrew Carnegie mentioned that “[Teamwork] is the fuel that allows common people to attain uncommon results.”

We expect that you will embrace this opportunity to celebrate teamwork, and work together towards excellency.

Today, you are presented with a complex financial problem. This challenge is a unique opportunity to prove your dedication, creativity, and problem solving skills.

You will be competing with students from 6 continents. This is your chance to show to the world that your team is able to beat the competition, and affirm your leadership.

We are looking forward to your submissions!

- The Executive Board

RULES & REGULATIONS

1. All work submitted must represent the team's own words, ideas, and work. Using public material is allowed, but you are required to cite the sources. Failure to cite sources will be considered plagiarism, and will be sanctioned accordingly.
2. Only listed participants are authorised to read and use the case.
3. Before submitting your case, write team member names and your school name **only** on the front cover of your Case Packet. This is to ensure that cases are graded without bias.
4. You are required to submit a presentation in Powerpoint or PDF format. You may provide additional data or models in an Excel document, if you wish. There is a **limit of 100 slides** to the number of slides in a presentation. We will require that you use Harvard Style referencing.
5. Use any provided material and additional research at your own discretion.
6. In the event that you have any organisational questions, please send an email to **hgceifsa-network.com** or contact us via our **Facebook page**. To keep the competition fair, we cannot provide any feedback or help you with solving the case.
7. Submit the case to **hgceifsa-network.com** before Sunday, March 14th at 11:59 PM EDT.

Late submissions will not be accepted. It is not fair to those who submit their work on time.

We wish you all the best and look forward to your submissions!

2021 CASE

NVIDIA & AMD ENGINEERING THE NEXT GPU

You are part of a successful investment banking team at IFSA Network. Your Managing Director informed you that two industry leaders on the Graphics Processing Unit market are considering a merger, in order to further develop their GPU offer.

Given its outstanding track record, the IFSA Network is the only one attached to the deal. However, several teams will be working on the project.

Your challenge will be to find an answer to this question:

Should Nvidia merge with AMD ?

The question is broad, but the possibilities boundless. You will need to find the most appropriate answer. You must provide useful insights and you must rigorously support them, and ultimately you must convince the board of directors.

Should Nvidia and AMD merge ? Are they better off as separate companies ? Are there other interesting targets for either company ?

Beat the internal competition and get your \$10,000 bonus!

RECOMMENDED GUIDELINE

EXECUTIVE SUMMARY

Outline your solution, and your most important arguments, in no more than one slide.

CHAPTER 1: INTRODUCTION

Introduce the reader to the problem by...

- providing a brief history of the case
- analyzing both companies in terms of their history, operations, market position, and strategic direction
- giving an overview of the relevant industry/sector

CHAPTER 2: FINANCIAL DUE DILIGENCE

What would an acquisition mean in financial terms?

- Value 100% of Nvidia's and AMD's equity using the DCF and/or the multiples approach and discuss the implications of your result. Is a merger feasible for those companies?
- What are the appropriate metrics that show if the deal is profitable or not?
- How should this operation be financed?

CHAPTER 3: NON-FINANCIAL DUE DILIGENCE

Is this deal a good idea from a strategic point of view?

Topics of this chapter may include, but are not limited to:

- Synergies, if the merger is successful
- Threats that may prevent a successful integration
- How would Nvidia and AMD benefit from each other's capabilities
- Implications for the relevant industry/sector

RECOMMENDED GUIDELINE

CHAPTER 4: CONCLUSION

What should Nvidia and AMD do and why?

- In this final chapter, you should derive your solution by balancing the pro and counter arguments for the deal. If you come to the conclusion that Nvidia and AMD should merge, provide a brief outline of a possible deal and the next steps to follow. If you believe that Nvidia and AMD should not go for the deal, provide some alternative investment strategies they could undertake to acquire similar capabilities, and improve their offers.

This only serves as a recommendation of procedure. You are not constrained by it in any way, and are encouraged to explore further avenues and thought processes.

Please read the Rules & Regulations carefully.



IFSA



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BEST OF LUCK

SUBMIT YOUR CASE SOLUTION TO
HGCC@IFSA-NETWORK.COM
BEFORE 11:59PM EASTERN DAYLIGHT TIME,
MARCH 14TH, 2021

WE CANNOT ACCEPT LATE SUBMISSIONS