

Could a Merger Solve Your New Jersey Business Problem?

by Dan Brecher on March 7, 2012

A recent New Jersey merger shows that teaming up with a competitor can sometimes be the best solution to a business problem. In some cases, it can be the only way to stay afloat in a struggling economy.

The merger involves two New Jersey theater companies—the Theater Company and What Exit? Theater Company—both of which were facing serious business problems. The Theater Company was informed that its lease with Union County College would not be renewed, leaving the company without a theater to stage productions. Meanwhile, What Exit? was trying to figure out how to move forward after the departure of the company's prominent artistic director.

As reported by the Star-Ledger, the solution for both theater companies was to join forces and form a new entity. The new organization, which will use the Theater Company name, has a nine-member board comprised of benefactors from both entities.

In addition, artistic director Mark Spina, who held that position at the Theater Company, will head the new entity. Meanwhile, the founder and artistic director of What Exit? will serve as the casting director and special events coordinator. Productions will be held at What Exit?'s long-standing location at the Burgdorff Cultural Center.

The theater merger, the first of its kind in New Jersey, highlights that mergers can sometimes solve practical business problems. In addition, it also shows that mergers are not confined to one particular industry or business size. In fact, a merger can often be the best solution for a struggling small business or organization.

If you are unsure whether a merger is the best business solution for your company or organization, we encourage you to consult with one of our experienced business attorneys.