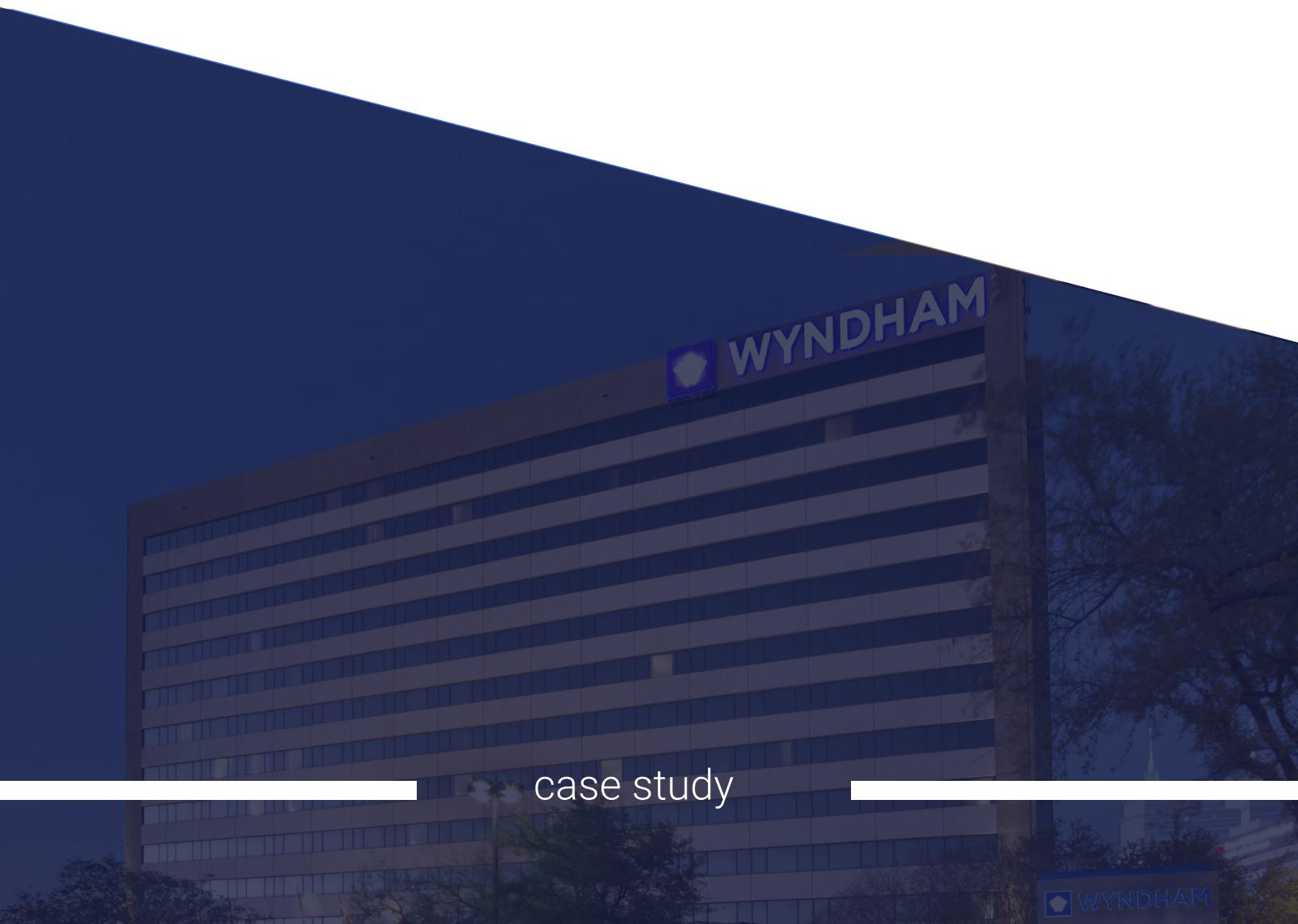


JETTRACK

**Wyndham Signals \$1.8B Acquisition
With Rare Flights to Texas**



case study

CASE STUDY.

Wyndham Signals \$1.8B Acquisition With Rare Flights to Texas

In early 2018, it was well known that Wyndham Worldwide (WYN) was in growth mode and that La Quinta (LQ) was looking for another company to acquire it. And then, in the early hours of Thursday, Jan. 18, [news broke](#) that Wyndham had acquired La Quinta as part of a \$1.95 billion deal.

Stock in both companies [quickly jumped](#) in the wake of the news. La Quinta's stock rose more than 8%, and Wyndham's stock bounced more than 2%.

In hindsight, it's easy to see the signals that connected Wyndham to La Quinta. But it's far more difficult to see those signals in real-time.

Here's a rundown of the news and rumors leading up to Wyndham's acquisition of La Quinta, as well as a closer look at how JetTrack could have helped any analyst connect the two companies ahead of the acquisition.

MID 2017: LA QUINTA SPLITS COMPANY AND LOOKS TO SELL

As far back as early 2017, it was clear that La Quinta was shifting the direction of its business.

In January, [La Quinta announced](#) it would spin off its real estate assets to create a publicly listed REIT (which would later become [CorePoint Lodging Inc.](#)).

By May, [Reuters was reporting](#) that La Quinta was actively looking to sell its remaining franchise and hotel management business. The moves made perfect sense in the sequence La Quinta was making them. Spinning off the real estate reduced drag on revenue, which might allow the rest of the business to fetch a better price on the open market.

But there was another "sell" signal that savvy investors might uncover. Hilton also executed a spin-off of its real estate assets in 2016. But the passage of the Protecting Americans from Tax Hikes Act had passed since Hilton's spin-off, which meant La Quinta would pay spin-off-related taxes that Hilton had not.

Without the promise of a future sale, La Quinta's investors would never have allowed the spin-off and its accompanying tax obligation. It was clear La Quinta would eventually sell. It was only a matter of time and a question of whom would buy the company.

Mid 2017: Wyndham Splits Company and Enters Growth Mode

Just as La Quinta was splitting its company in two, Wyndham was doing the same thing – only with a different purpose.

In August 2017, [Wyndham announced](#) it was splitting into Wyndham Hotel Group and Wyndham Vacation Ownership. The Hotel Group would focus on Wyndham Hotels, while the Vacation Ownership company would focus on timeshares. In [post-announcement analyses](#) and executive comments, common buzzwords included “growth opportunities,” “strategic flexibility” and “sharper focus.”

But there was more to the story behind the split. In 2017, all legacy hotel providers and chains were facing increasing pressure from companies like HomeAway and Airbnb – home-share providers eating into legacy market share.

In the face of this new competition, legacy providers enjoyed two attractive options. First, they could grow their number of rooms and locations, allowing for scale that would reduce operating costs. And, second, they could grow and improve loyalty programs – one of the few things keeping prospective customers from jumping to home-share services.

Which is why any analyst tracking the hospitality industry would be looking for mergers and acquisitions. Acquisitions would allow a legacy hotel provider to add rooms and locations to scale and reduce cost, and acquisitions would also allow a legacy hotel provider to grow and improve its loyalty program.

Wyndham took another big step on Oct. 4, 2017, announcing the [\\$170 million acquisition](#) of AmericInn and its management company. Wyndham had clearly gone into a post-split growth mode – and it wasn’t done yet.

What JetTrack Saw Leading Up to the Acquisition

Imagine the date is Jan. 17, 2018. It's clear that La Quinta is searching for a company to acquire it. And it's also clear that Wyndham is looking at growth opportunities.

But how would you discover signals (or validate existing signals) that Wyndham might be the company to purchase La Quinta?

Any analyst using JetTrack on Jan. 17 would have discovered those signals at the perfect time. A search of Wyndham flights dating back to June 2016 would have shown just two flights from Wyndham's headquarters in New Jersey to the Dallas-Fort Worth area — where La Quinta's headquarters are located:

- Sunday, Nov. 19, 2017: Morristown, NJ to Dallas, TX
- Tuesday, Jan. 16, 2018: Morristown, NJ to Dallas-Fort Worth, TX

The screenshot shows a flight search interface with the following details:

- 2 flights** (total)
- Show up to 30 flights**
- Wyndham Worldwide Corp.** (Aircraft #527) - Flight 1: **Morristown, NJ** (Tue, Jan 16th, 2018 at 02:05pm) to **Dallas, TX** (Tue, Jan 16th, 2018 at 05:27pm). **View >**
- Wyndham Worldwide Corp.** (Aircraft #627) - Flight 2: **Morristown, NJ** (Tue, Jan 16th, 2018 at 02:05pm) to **Dallas, TX** (Tue, Jan 16th, 2018 at 05:27pm). **View >**
- Wyndham Worldwide Corp.** (Aircraft #627) - Flight 3: **Morristown, NJ** (Sun, Nov 19th, 2017 at 05:05pm) to **Dallas-Fort Worth, TX** (Sun, Nov 19th, 2017 at 08:10pm). **View >**

The first flight took place months after both companies had split — one to seek a buyer and the other to seek growth opportunities. And this first flight from New Jersey to Dallas-Fort Worth also occurred just one month after Wyndham announced its acquisition of AmericInn.

An analyst using JetTrack at the time wouldn't know it, but the second flight took place just two days before the announcement of the acquisition. And, looking back after news of the acquisition broke, it would be clear that Wyndham's team stayed through the announcement — leaving at 4:55 p.m. on Thursday, Jan. 18.

 **Wyndham Worldwide Corp. (WYN)** [View Company](#) [Add WYN to Watchlist](#)

Departure Dallas, TX	Arrival Morristown, NJ	Arrival Time Thurs, January 18th, 2018 (4:55pm)	Recurrence 9 times
--------------------------------	----------------------------------	--	------------------------------

 **Aircraft #627** Unknown Model Base Location Unknown [View Aircraft](#)

 Dallas, TX Jan 18th, 2018 at 02:15pm



The map displays a street view of a residential area in Dallas, Texas. A blue dot marks the location of Sabre Dr. Key streets visible include W King Rd, TX-114 Frontage Rd, Kirkwood Blvd E, Kirkwood Blvd W, Sabre Dr, and Weston Ln. The map includes standard navigation controls like zoom and orientation icons.

1 Relationships

JetTrack is helpful when you want to know where executives from specific companies have traveled.

But part of JetTrack's benefit is knowing just how rare those specific flights are.

For example, JetTrack's database includes 216 Wyndham flights dating back to June 2016. It only turned up two flights to the Dallas-Fort Worth area — the same two flights that would have signaled something was brewing between Wyndham and La Quinta. It was rare for Wyndham executives to visit the Dallas-Fort Worth area, and they were clearly doing so in preparation for something huge.

The ultimate deal was a lifesaver for La Quinta investors. La Quinta shares had shed about 40% of their value since 2015. It would have been tempting to leave the position and write off the losses as La Quinta's stock languished mostly around \$16 and \$17 throughout fall 2017. But, on the date of the announcement — Jan. 18, 2018 — the stock price jumped to a high of \$21.06.

An in-the-know investor tracking the right signals could have made the perfect play at the exact right time. And JetTrack was one of the few tools that would have delivered those reliable signals.

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JetTrack Uncovers Amazon-Whole Foods Meetings Before \$13.7B Deal



case study

CASE STUDY.

JetTrack Uncovers Amazon-Whole Foods Meetings Before \$13.7B Deal

The news landed on June 16, 2017: Amazon.com Inc. (AMZN) would [acquire Whole Foods Market Inc.](#) (WFM) as part of a \$13.7 billion deal. Amazon would pay \$42 for Whole Foods' shares, which included debt. That price represented a 27% premium above the stock's closing rate on June 15.

A look back at the news and rumors leading up to the deal show that the signals were there to be read — especially with access to the tools necessary to track where the two companies' executives were traveling in the weeks and months leading up to the June 16 announcement.

Here's a closer look at what happened leading up to the acquisition, as well as how JetTrack could have provided essential insight into the impending deal.

Early 2017: Amazon's Interest in the Grocery Market Grows

Amazon's official acquisition of Whole Foods wasn't completely out of the blue. Amazon had dabbled in the \$800 billion grocery market with its Amazon Fresh delivery business. But that endeavor wasn't quite as successful as hoped, and it soon became clear that Amazon couldn't "win the grocery game with websites, warehouses and trucks alone," as [Bloomberg reported](#) in March 2017.

Bloomberg further reported in March 2017 on Amazon's move to create drive-through grocery locations in Seattle, while also making investments in supply-chain software that could support a larger push into the brick-and-mortar grocery business.

Amazon had stated its goal as becoming one of the largest grocery retailers in the United States by 2025 — a goal that would require "a new wave of store and warehouse investments around the country costing billions of dollars."

To anyone tracking Amazon and its actions in the grocery space, an acquisition seemed a viable option.

Mid 2017: Whole Foods vs. Activist Investor

As Amazon moved deeper into the grocery space, Whole Foods was losing market share and slashing its forecasts. More and more retailers had begun to offer the organic food options that Whole Foods built its brand around, and meal delivery services like Blue Apron had offered greater convenience to high-end consumers that were once willing to pay Whole Foods' higher prices in exchange for healthier, better quality products.

In February 2017, [Whole Foods announced](#) it was closing locations and cutting its full-year sales and profit forecasts. At that time, Whole Foods had posted six straight quarters of same-store sales declines – a foreboding streak.

By mid-April, activist investor Jana Partners had amassed a nearly 9% stake in Whole Foods. It began using its position to push for change, including a breakup on the board of directors, updates to backend systems, shifts in procurement and other proposals aimed at making Whole Foods more competitive.

News of Jana Partners' position [leaked out](#) on Monday, April 10. After losing half its value since early 2015, Whole Foods' stock enjoyed a sudden spike. The next day, Whole Foods' stock tumbled again.

Here's a look at how [The Washington Post reported](#) on Jana Partners' investment in Whole Foods:



What JetTrack Saw Leading Up to the Acquisition

As Whole Foods' stock price plummeted in mid-April, some investors may have sought to cut their losses and leave their positions in the company. But, if savvy investors had been using JetTrack during this time, they might have seen strong indications that something big was about to happen.

If you had been an analyst using JetTrack in April 2017, you could have searched year-to-date flights by Amazon to Austin, TX — which is where Whole Foods is headquartered. That search would have shown two flights to that point:

- Monday, Jan. 9: Santa Fe, NM to Austin, TX
- Thursday, Jan. 12: Houston, TX to Austin, TX



The screenshot shows a flight search interface with the following details:

Flight	Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	Action
1	Amazon.com Inc.	Aircraft #5	Oklahoma City, OK	Austin, TX	Aug 17, 2017	1 days, 2 hours	View
2	Amazon.com Inc.	Aircraft #5	Williamsport, PA	Austin, TX	May 12, 2017	0 days, 1 hours	View
3	Amazon.com Inc.	Aircraft #5	Houston, TX	Austin, TX	Jan 12, 2017	0 days, 2 hours	View
4	Amazon.com Inc.	Aircraft #5	Santa Fe, NM	Austin, TX	Jan 9, 2017	0 days, <1 hours	View
5	Amazon.com Inc.	Aircraft #5	Williamsport, PA	Austin, TX	May 12, 2017	0 days, 1 hours	View
6	Amazon.com Inc.	Aircraft #5	Houston, TX	Austin, TX	Jan 12, 2017	0 days, 2 hours	View
7	Amazon.com Inc.	Aircraft #5	Santa Fe, NM	Austin, TX	Jan 9, 2017	0 days, <1 hours	View

If you were then to go back to June 1, 2016, you would see that these were the only flights to Austin, TX. The plane was on the tarmac for only an hour each time, which indicates a group was dropped off on Monday and picked up on Thursday.

So, Amazon had explored the grocery space, and Jana Partners had taken its stake in Whole Foods. There was clear reason to track both companies, and then even more reason to track the companies after Amazon made a return visit to Austin on Friday, May 12 (see image above).

Using JetTrack, you could have also searched for a reciprocal flight by Whole Foods to Seattle, where Amazon is headquartered. And, when searching for flights by Whole Foods to Seattle, you would have seen there was only one flight between June 1, 2016 and the closing of the acquisition on June 16, 2017. That flight by Whole Foods to Seattle took place on April 30 – just two weeks after news of Jana Partners' stake in Whole Foods entered the mainstream.

The screenshot shows a search interface for JetTrack. At the top, a search bar contains "Whole Foods Market". Below it, a dropdown menu shows "Aircraft #907 (Whole Foods Market, Wholly Owned)". The main area is a table showing flight details:

Departure Location	Within	Arrival Location	Within	From	To	Duration of Stay	X
Ent	Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	
Whole Foods Market	Aircraft #907	Austin, TX	Seattle, WA	Apr 30, 2017	0 days, 6 hours	View	

Below the table, there are filters: "1 flights", "Highlight Locations", "Select locations", "Show up to 50 flights", and a download icon.

At the bottom, there is another row of flight details:

Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	Cloud
Whole Foods Market	Aircraft #907	Austin, TX	Seattle, WA	Apr 30, 2017	0 days, 6 hours	View

The Difference JetTrack Could Have Made

Jana Partners took its stake in Whole Foods in April. Amazon acquired Whole Foods in June. In July, Jana Partners [sold its stake](#) in Whole Foods for a profit of \$300 million.

Investment signals can come from anywhere. There are often rumors leading up to acquisitions, and analysts can find plenty of news stories speculating about what may or may not happen.

But, in this case, JetTrack would have confirmed and validated the signals any investor may have been reading in relation to an Amazon acquisition of Whole Foods.

1. **JetTrack's database includes 199 total flights by Amazon.**
2. **Only four of those flights were to Whole Foods' home city of Austin, TX.**
3. **One was the drop-off-and-pick-up situation in January 2017, just weeks after rumors emerged of Amazon's growing interest in the grocery market.**
4. **One was in May 2017, in the window between Jana Partners' investment in Whole Foods and the closing of the acquisition.**
5. **And one was in August 2017, just after the deal was complete.**

JetTrack's database also includes more than 50 flights by Whole Foods. Only one of those flights was to Amazon's home city of Seattle, WA. That one flight just happened to take place days after Jana Partners' investment in Whole Foods and two weeks before Amazon's plane again flew to Austin, TX in mid-May 2017.

Successful investing requires the right experience, knowledge and instincts. But it's also important to have the right information at the right time — information that other investors may not have the tools or resources to obtain. And, in this case, JetTrack could have provided the scarce information needed to enjoy a windfall return on investment.

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JetTrack Sees Patterns as New ServiceMaster CEO Tours the Country



case study

CASE STUDY.

JetTrack Sees Patterns as New ServiceMaster CEO Tours the Country

On Wednesday, July 26, ServiceMaster Global Holdings (SERV) [announced](#) that Nikhil Varty would replace Robert Gillette as CEO, effective immediately. ServiceMaster's primary business lines are residential pest control (through Terminix) and home warranties (through American Home Shield).

Varty had previously served as global vice president of mergers and acquisitions at WABCO Holdings (WBC), a manufacturer of parts for commercial vehicles. Given that ServiceMaster's business would be vastly different from Varty's experience at WABCO, he said in [earnings calls](#) that he would tour the country to see operations, meet people and learn as much as possible.

In February 2018, on an [earnings call](#) to discuss 2017's fourth quarter, Varty followed up on his promise to tour the country by saying, "I've had the great pleasure of meeting many of our approximately 13,000 employees over 15,000 contractor partners and more than 4,500 franchise owners."

But statements like this leave a question: Is this just the right thing for a new CEO to say? Or, had Varty really invested time in visiting ServiceMaster locations and personnel around the country?

JetTrack provides 2 interesting insights in this case. First, it helps confirm whether or not a CEO is being truthful in earnings calls when describing where he or she has been traveling. And, second, it also helps investors compare the travel patterns of 2 different CEOs —information that can help predict the direction a new CEO is planning to take a company.



Here's a look at what JetTrack can tell investors about ServiceMaster's new CEO, his truthfulness on earnings calls, as well as his plans for the company's future.

Did Varty Really Travel the Country?

JetTrack's database includes one aircraft connected to ServiceMaster – a wholly owned Cessna Citation Sovereign.

Tracking this jet over Varty's first 6 months as ServiceMaster's CEO indicates that overall **trips jumped 50% year over year**. In the days after taking his new position, Varty had promised to meet with suppliers, clients and customers as well as to conduct interviews at branches, all in an effort to get up to speed as quickly as possible and to learn as much as possible while transitioning to an entirely new industry.

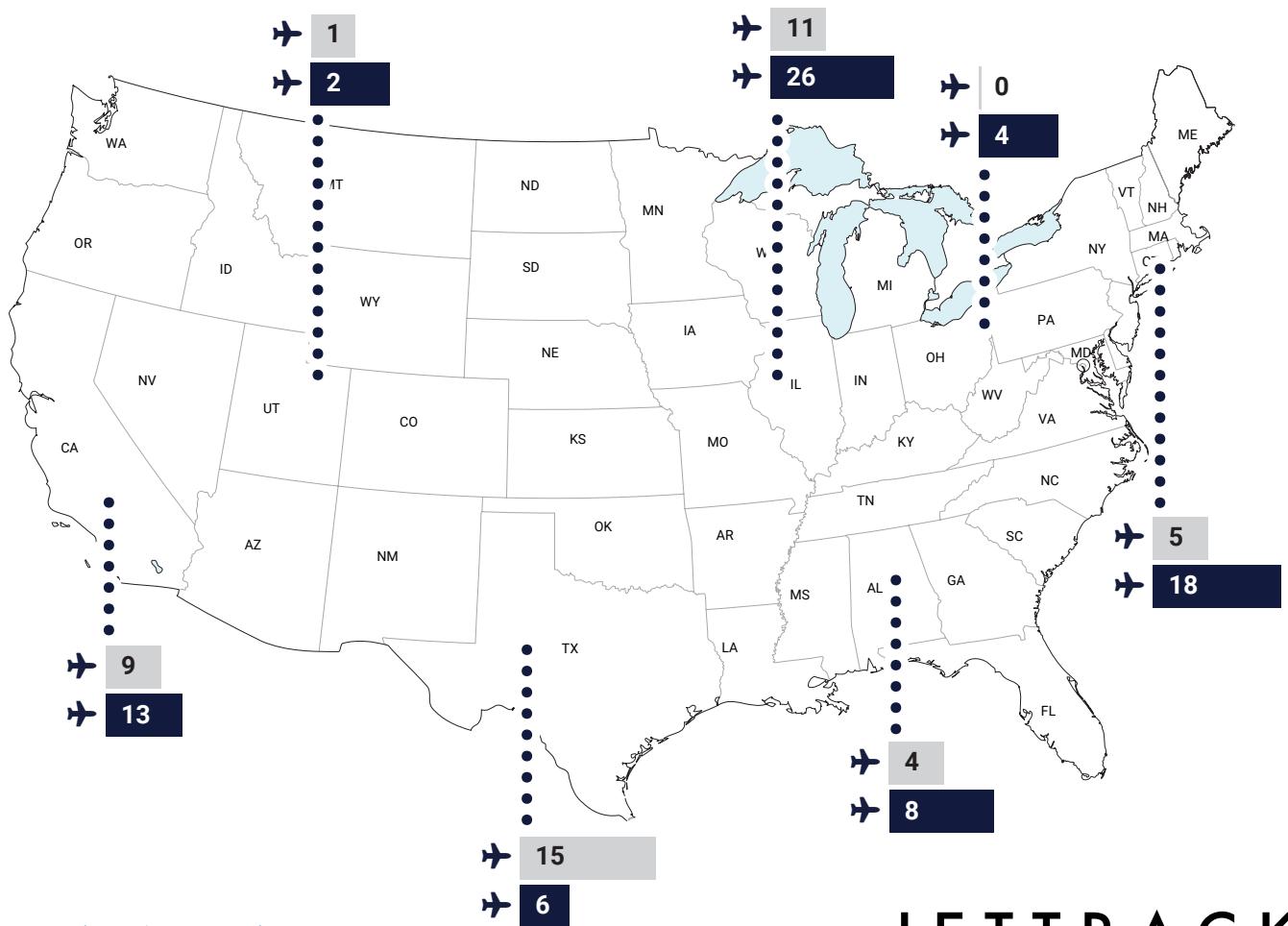
Beyond the 50% increase in year-over-year trips, it's also insightful to look at where Varty spent a disproportionate amount of his time.

Where Did Varty Spend Most of His Time?

A breakdown of Varty's trips by region indicates that he didn't distribute his time equally around the country. In some regions, he took 50% more trips, which aligns with the overall increase in travel. In Florida, Georgia, Alabama and the Carolinas, for example, he took 8 trips in his first 6 months – a 50% increase over the 4 trips taken to that area by the previous CEO the year prior.

Some parts of the country saw much larger increases in the number of trips, though. For example, Varty visited the Northeast United States 18 times in his first 6 months, which is a huge jump over the 5 trips taken by the previous CEO in the year prior.

Also, some parts of the country saw sharp decreases in the number of trips. For example, Varty visited Texas and Oklahoma only 6 times in his first 6 months, which is far fewer than the 15 trips taken by the previous CEO in the year prior.



What do these disparities tell investors?

A natural next step would be to examine the business units located in the Northeast United States and to evaluate why Varty might be spending a disproportionate amount of his time there. Also, what business units are located in Texas and Oklahoma? And why might Varty be spending less time there than the previous CEO?

ServiceMaster's business includes far more than just Terminix and American Home Shield — it also owns AmeriSpec, Furniture Medic, Merry Maids, ServiceMaster Clean and ServiceMaster Restore. In the past, ServiceMaster has shown a willingness to [spin off TruGreen](#), its lawn care business. And one of Varty's first orders of business was to begin [spinning off American Home Shield](#) so that it might become its own publicly traded company. What other moves might his travel patterns foreshadow?

The answers to these questions could yield actionable investment insights for analysts using JetTrack.

It Matters Where Executives Travel

JetTrack is designed to be a reliable source of alternative data for analysts and investors. Its database includes thousands of corporate aircraft, allowing users to track the [regulatory approvals process](#), follow up on [rumors](#), or even to identify unusual travel patterns as [mega acquisitions](#) are about to close.

It matters where executives travel, and JetTrack gives you a clear view into where company executives are going, how long they are staying in certain locations, as well as how rare it is for them to visit specific destinations.

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JetTrack Captures Qualcomm-China Meetings on \$44B Acquisition

case study

CASE STUDY.

JetTrack Captures Qualcomm-China Meetings on \$44B Acquisition

In fall 2016, Qualcomm (QCOM) [announced the \\$44 billion acquisition](#) of Netherlands-based NXP Semiconductors (NXPI) — an enormous deal with implications around the globe.

San Diego-based Qualcomm made its name as a key supplier to Apple and other smartphone manufacturers. But, as the smartphone market became more and more saturated, companies like Apple began trying to lessen their reliance on suppliers like Qualcomm.

Qualcomm's growth naturally stagnated as Apple and other smartphone makers deemphasized its products and services. Further complicating matters were legal issues between Qualcomm and Apple, which continue today and will likely extend for years.

By purchasing NXP, Qualcomm would enjoy a new presence in growth industries. NXP works with NFC chips, microcontrollers, the Internet of Things, and the automotive sector. The deal would also give Qualcomm a head start on developing 5G technology. If approved, the deal would allow Qualcomm to maintain its presence in the stagnating smartphone market while also exploring growth opportunities.

The closing of the deal wouldn't be simple, though. In fact, it would require approval from [9 separate regulatory jurisdictions](#): the United States, Mexico, the Philippines, Japan, Taiwan, South Korea, China, the European Union and Russia.

Many of the jurisdictions provided approval in 2017. In January 2018, the European Union and South Korea [approved the deal](#) as well — leaving China as the last regulatory body that needed to sign off.

Trump's Trade War Complicates the Acquisition

Gaining approval from the Chinese government would prove more challenging, though. China is the largest semiconductor market in the world, and its initial concerns about the deal ostensibly centered on protecting its own semiconductor companies. In short, China was at first worried about post-acquisition Qualcomm enjoying an unfair advantage.



Then, in the months after Qualcomm earned approval from the European Union and South Korea, President Trump and the United States [entered into a trade war](#) with China. The trade war started with the U.S. placing tariffs on steel and aluminum imported from certain countries – China included. The Chinese responded by placing its own tariffs on [pork and apples](#).

While a trade war involving steel, aluminum, pork and apples may seem irrelevant to the semiconductor industry, Qualcomm found itself drawn into the back-and-forth as the trade war escalated.

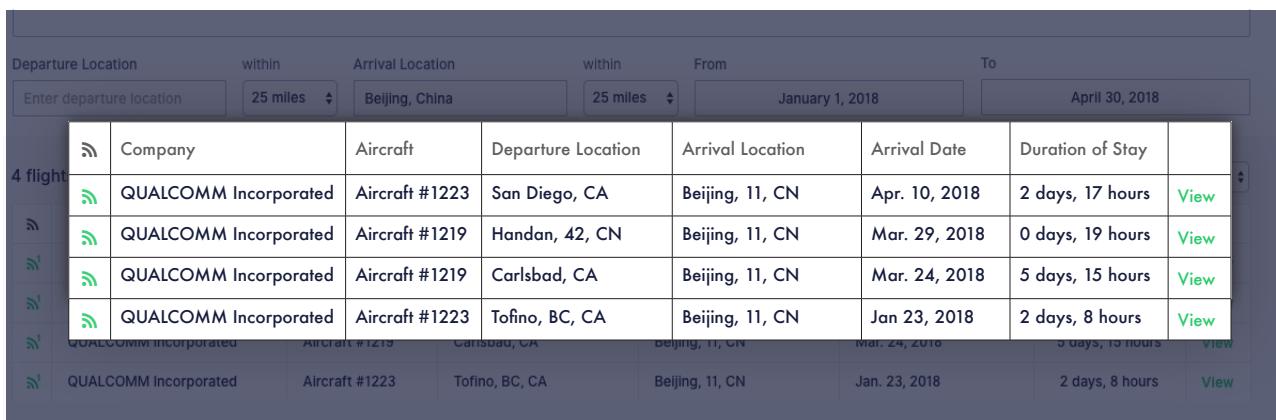
The U.S. Department of Commerce responded to China's pork and apple tariffs by placing a 7-year ban on selling American goods to ZTE, a Chinese phone equipment manufacturer. In response, China's Ministry of Commerce [issued a negative review](#) of Qualcomm's NXP acquisition – putting in doubt the deal's ultimate success.

As the trade war raged, Qualcomm was also dealing with a hostile takeover bid from Broadcom (AVGO), a Singapore-based semiconductor company. The United States officially [blocked Broadcom's efforts](#) in March 2018, citing the possibility that the takeover would clear the way for Chinese company Huawei to take the lead in developing 5G technology.

These developments only muddied the waters and made talks between Qualcomm and the Chinese more complicated. Given just how complicated the deal had become, any investors interested in the Qualcomm-NXP deal would need additional sources of information that might more reliably signal the success or failure of the acquisition.

JetTrack Monitors Qualcomm's Visits to Beijing

As Qualcomm and its leadership team sought approval from the 9 regulatory jurisdictions around the world, it was only natural to visit regulators in their home countries and regions. After the European Union and South Korea gave approval in early 2018, Qualcomm executives began spending a disproportionate amount of their time in Beijing. JetTrack's database includes 4 Qualcomm flights to Beijing in 2018:



The screenshot shows a flight search interface with the following parameters:

- Departure Location: Enter departure location (empty)
- within: 25 miles
- Arrival Location: Beijing, China
- within: 25 miles
- From: January 1, 2018
- To: April 30, 2018

The results table displays 4 flights:

Flight #	Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	Action
1	QUALCOMM Incorporated	Aircraft #1223	San Diego, CA	Beijing, 11, CN	Apr. 10, 2018	2 days, 17 hours	View
2	QUALCOMM Incorporated	Aircraft #1219	Handan, 42, CN	Beijing, 11, CN	Mar. 29, 2018	0 days, 19 hours	View
3	QUALCOMM Incorporated	Aircraft #1219	Carlsbad, CA	Beijing, 11, CN	Mar. 24, 2018	5 days, 15 hours	View
4	QUALCOMM Incorporated	Aircraft #1223	Tofino, BC, CA	Beijing, 11, CN	Jan 23, 2018	2 days, 8 hours	View
5	QUALCOMM Incorporated	Aircraft #1219	Carlsbad, CA	Beijing, 11, CN	Mar. 24, 2018	3 days, 15 hours	View
6	QUALCOMM Incorporated	Aircraft #1223	Tofino, BC, CA	Beijing, 11, CN	Jan. 23, 2018	2 days, 8 hours	View

Several of these flights align with important announcements and decisions made by the Chinese government, other regulatory bodies and Qualcomm. For example, the Jan. 23 flight is less than a week after the European Union and South Korea provided approval, indicating that Qualcomm wanted to act quickly in securing the final approval needed.

Also, as China continued to withhold approval, Qualcomm extended its cash tender offer for NXP shares on March 23. The very next day, Qualcomm executives landed in Beijing to spend the week. The new cash tender offer would expire on April 2, and it appeared that Qualcomm leadership again wanted to waste no time in securing the needed approval.

As March turned to April, Qualcomm was also battling the deadline on its Chinese antitrust application. The application would expire on April 17, and Qualcomm executives made yet another flight to Beijing on April 10 — just one week before the deadline.

The 2 parties apparently made process during the April 10 meeting. On April 14, Qualcomm announced that it would [withdraw its antitrust](#) application at the request of the Chinese government and then refile so that the two parties might continue their negotiations.

Use JetTrack to Follow Qualcomm's Progress

The success of Qualcomm's NXP acquisition is essential to the company's long-term success and the returns enjoyed by each organization's shareholders. The ultimate closing of the deal would return Qualcomm to a path of growth, and it would also deliver potential double-digit returns for investors.

Conversely, the failure of the deal would be devastating to both Qualcomm and its shareholders. This is an acquisition that represents huge monetary value as well as significant future opportunity. Also, Qualcomm to this point has invested nearly 2 years of time and effort into closing this acquisition — and all of that time and effort would go for naught if the Chinese refuse to provide approval.

Using JetTrack, an analyst can see in real-time Qualcomm's intention and commitment to the acquisition. China's reciprocal interest and willingness to talk and negotiate are additional key insights revealed by JetTrack's database.

As talks between the Chinese government and Qualcomm continue, JetTrack can be the tool that gives analysts unique information about the progress of negotiations, allowing investors to make the right plays ahead of important deadlines.

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Conagra Sends Two Jets to New Jersey, Signaling Pinnacle Acquisition



case study

CASE STUDY.

Conagra Sends Two Jets to New Jersey, Signaling Pinnacle Acquisition

On June 27, 2018, Conagra Brands (CAG) acquired Pinnacle Foods (PF) as part of an \$8.1 billion cash-and-stock deal. With assumed debt, the deal is valued at a total of \$10.9 billion.



It's a done deal! Conagra buys Pinnacle Foods for \$10.9 billion from CNBC.

More than a year earlier, Conagra had approached Pinnacle about a possible acquisition. At that time, the discussion of an acquisition sent Pinnacle's stock soaring, but the two corporations were unable to come to an agreement. Though Conagra and Pinnacle did not reach a deal, Pinnacle's stock continued to climb through the summer of 2017 as acquisition rumors swirled — rumors about Conagra (or perhaps a different company) buying Pinnacle.

Conagra's unsuccessful bid put Pinnacle in play. Then, in April 2018, activist investment firm JANA Partners acquired a 9.1% stake in Pinnacle, which it used to push for restructuring and a potential divestiture. Almost a year after Conagra and Pinnacle's initial discussions about an acquisition, the sale of Pinnacle looked likelier than ever.

Any investor tracking a Pinnacle acquisition would have been on high alert. Headlines in Summer 2017 and into Spring 2018 may have indicated a Pinnacle purchase, but an investor using JetTrack would have been able to get further conviction by monitoring the jets of Pinnacle or any potential suitor.

A Packaged Food Industry Under Pressure Made the Deal Likely

Conagra Brands, founded in 1919, is located in the heart of Chicago, IL. It owns a range of well-known consumer food brands, including Reddi-wip, Healthy Choice, Slim Jim, Hunt's, Chef Boyardee, Hebrew National, David Sunflower Seeds and more.

Pinnacle Foods was founded in 1998 as Vlasic Foods International. Its headquarters are located in Parsippany, NJ, and it owns popular brands like Birds Eye, Hungry-Man, Mrs. Paul's, Smart Balance, Duncan Hines, Mrs. Butterworth's and others.

Conagra announced a new CEO in 2015 — Sean Connolly, who had previously served as CEO of Hillshire Brands. In 2014, Hillshire [came close to acquiring Pinnacle](#), though the company ended up [merging with Tyson Foods](#) instead. That previous interaction signaled potential renewed interest once Connolly joined Conagra.

Pinnacle enjoyed a strong end to 2017 after the acquisition overture from Conagra. In 2017's fourth quarter, Pinnacle posted its 15th consecutive quarter and 6th consecutive year of market growth. Still, the margins in the packaged food industry have been under pressure in recent years, mostly due to shifts in supermarket pricing and the presence of discount retailers like Wal-Mart and Target.

Because of its strong end to 2017, and because of shrinking margins in its industry, Pinnacle Foods looked like a perfect acquisition target — and JANA Partners began using its stake to rekindle conversations with Conagra.

Conagra Sends Two Jets to Visit Pinnacle

JetTrack's database includes four jets owned by Conagra (see photo below). An investor tracking these jets as the likelihood of a Pinnacle acquisition increased would have noticed interesting activity on June 12, 2018.

Conagra Brands, Inc.

Add to Watchlist

Headquarters in [Omaha, NE](#)

Overview

Symbol	Sector & Industry
CAG	Consumer Non-Durables / Food: Major Diversified

4 Aircraft

Request an ownership audit

Aircraft	Make & Model	Ownership	Current Location
Aircraft #201	LearJet 45	Wholly Owned (100%)	Nashville, TN
Aircraft #205	LearJet 45	Wholly Owned (100%)	Midland, TX
Aircraft #214	LearJet 45	Wholly Owned (100%)	Lincoln, NE
Aircraft #224	LearJet 45	Wholly Owned (100%)	Omaha, NE

Flight History

[See More Flights](#)

Map Satellite

Google

Map data ©2018 Google, INEGI Terms of Use

On that date, 2 Conagra aircraft traveled from the Chicago area to Morristown, NJ, which is about a 10-minute drive from Pinnacle's headquarters (see photo below):

- **Aircraft #201:** Chicago/Prospect Heights/Wheeling, IL to Morristown, NJ (arrive 1:59 p.m. and stay 5 hours)
- **Aircraft #224:** Chicago/Prospect Heights/Wheeling, IL to Morristown, NJ (arrive 2:08 p.m. and stay 5 hours)

 Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	
 Conagra Brands, Inc.	Aircraft #214	Omaha, NE	Chicago, IL	Jun 13, 2018	0 days, <1 hours	View
 Conagra Brands, Inc.	Aircraft #214	Chicago, IL	Omaha, NE	Jun 13, 2018	0 days, 5 hours	View
 Conagra Brands, Inc.	Aircraft #214	Omaha, NE	Chicago, IL	Jun 13, 2018	0 days, <1 hours	View
 Conagra Brands, Inc.	Aircraft #224	Chicago/Prospect Heights/Wheeling, IL	Omaha, NE	Jun 12, 2018	5 days, 12 hours	View
 Conagra Brands, Inc.	Aircraft #224	Morristown, NJ	Chicago/Prospect Heights/Wheeling, IL	Jun 12, 2018	0 days, <1 hours	View
 Conagra Brands, Inc.	Aircraft #201	Morristown, NJ	Chicago/Prospect Heights/Wheeling, IL	Jun 12, 2018	1 days, 21 hours	View
 Conagra Brands, Inc.	Aircraft #224	Chicago/Prospect Heights/Wheeling, IL	Morristown, NJ	Jun 12, 2018	0 days, 5 hours	View
 Conagra Brands, Inc.	Aircraft #214	Omaha, NE	Omaha, NE	Jun 12, 2018	0 days, 21 hours	View
 Conagra Brands, Inc.	Aircraft #201	Chicago/Prospect Heights/Wheeling, IL	Morristown, NJ	Jun 12, 2018	0 days, 5 hours	View
 Conagra Brands, Inc.	Aircraft #224	Chicago, IL	Chicago/Prospect Heights/Wheeling, IL	Jun 11, 2018	0 days, 13 hours	View
 Conagra Brands, Inc.	Aircraft #214	Chicago, IL	Lincoln, NE	Jun 11, 2018	0 days, 12 hours	View
 Conagra Brands, Inc.	Aircraft #224	Omaha, NE	Chicago, NE	Jun 11, 2018	0 days, <1 hours	View
 Conagra Brands, Inc.	Aircraft #224	Hutchinson, KS	Omaha, NE	Jun 11, 2018	0 days, <1 hours	View

Both aircraft reached the same destination at roughly the same time, and each stayed at that destination for 5 hours. Most interesting, though, is that Conagra took two jets in the first place.

Both Conagra's Aircraft #201 and Aircraft #224 are LearJet 45s, which can accommodate up to 9 passengers. Bringing two jets signals a full deal team for negotiations.

Just 2 weeks later, Conagra's acquisition of Pinnacle was announced. With the acquisition, Conagra becomes the nation's second-largest frozen food company behind

JetTrack Offers Valuable Signals as Mergers and Acquisitions Develop

JetTrack offers a range of valuable insights to investors who are searching for signals of emerging mergers and acquisitions, or even to investors who want confirmation for existing signals.

JetTrack's database includes thousands of aircraft owned and/or operated by publicly traded companies. Using JetTrack, investors and investment firms can see where a company's aircraft are going, as well as how often they visit specific destinations.

The case study outlined above shows that when a company sends two jets on the same trip at the same time, it may signal a larger-than-usual contingent that suggests talks with a company are intensifying. [See other case studies](#) to read more about how JetTrack's database can be used by investors and investment firms.

JetTrack allows sophisticated institutional investors to identify future corporate transactions based on corporate flight activity.

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Sudden Stryker Flights Indicate Possible Boston Scientific Acquisition

A close-up photograph showing a person's hands wearing white nitrile gloves. One hand is holding a clear plastic petri dish containing a red, circular sample, likely bacterial colonies. The background is blurred, suggesting a laboratory or medical setting.

case study

CASE STUDY.

Sudden Stryker Flights Indicate Possible Boston Scientific Acquisition

On June 11, 2018, the [Wall Street Journal reported](#) that Stryker Corp. (SYK) had approached Boston Scientific (BSX) about a possible acquisition. Stryker is a medical technology company based in Kalamazoo, MI, and Boston Scientific is a medical device manufacturer headquartered in Marlborough, MA.

The acquisition would create a medical-device behemoth and represent one of the largest transactions of 2018, not just in the healthcare sector, but also across all industries. On news of the possible acquisition, Boston Scientific's stock jumped 7.4%.

The concept of a Boston Scientific takeover would come as no surprise to anyone who closely follows medical device companies.

- In 2017, Becton Dickinson [bought C.R. Bard](#) for \$24 billion.
- In 2015, Medtronic [acquired Covidien](#) for almost \$50 billion.

In fact, Medtronic (MDT) would be another logical buyer of Boston Scientific, along with Johnson & Johnson (JNJ). An analyst using JetTrack would have additional information in tracking a potential acquisition — and identifying the most likely suitor.



Here's a look at the 2 companies and what JetTrack can share about their Boston Scientific-related activity.

stryker

JetTrack makes it possible to follow corporate flight activity by a wide range of publicly traded companies — Stryker included.

A look at the Stryker on JetTrack indicates that Stryker's aircraft never flew within 25 miles of Boston Scientific's headquarters between November 8, 2017 and March 5, 2018. But then, starting on March 5, something changed. Stryker's corporate aircraft stopped near Boston Scientific's Marlborough headquarters 4 times in a short period (including twice by the CEO's plane):

Departure Location	Within	Arrival Location	Within	From	To	
Enter departure location		10 miles	25 miles	January 1, 2017	June 11, 2018	x
7						
 Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay	
 Stryker Corporation	Aircraft #49	Kalamazoo, MI	Norwood, MA	Jun 11, 2018	0 days, 13 hours	View
 Stryker Corporation	Aircraft #49	Kalamazoo, MI	Bedford, MA	May 2, 2018	0 days, 2 hours	View
 Stryker Corporation	Aircraft #49	Kankakee, IL	Bedford, MA	Apr 15, 2018	0 days, <1 hours	View
 Stryker Corporation	Aircraft #58	Teterboro, NJ	Bedford, MA	Mar 29, 2018	0 days, 1 hours	View
 Stryker Corporation	Aircraft #43	Kalamazoo, MI	Norwood, MA	Mar 5, 2018	0 days, <1 hours	View
 Stryker Corporation	Aircraft #43	Cleveland, OH	Norwood, MA	Nov 8, 2017	1 days, 2 hours	View
 Stryker Corporation	Aircraft #43	New York, NY	Bedford, MA	May 3, 2017	0 days, <1 hours	View
Stryker Corporation	Aircraft #43	Cleveland, OH	Norwood, MA	Nov 8, 2017	1 days, 2 hours	View
Stryker Corporation	Aircraft #43	New York, NY	Bedford, MA	May 3, 2017	0 days, <1 hours	View

For reference, Boston Scientific's headquarters in Marlborough are about 30 miles due west of Boston itself. Bedford is just northeast of Marlborough, and Norwood is just southeast of Marlborough.

How is this information relevant? JetTrack is useful in identifying when certain corporate aircraft visit specific destinations, but it's perhaps most useful in showing how rarely those aircraft visit those specific destinations.

If Stryker aircraft had been visiting the Boston area on a regular basis, it would be hard to glean insights from these recent flights. But there's incredibly helpful (and perhaps actionable) information to be gained through the sudden change in frequency of flights to the Boston area during a time when mergers and acquisitions in the medical device space might be expected.



As mentioned, Stryker isn't Boston Scientific's only possible buyer, which is why it's important to compare flight information from other suitors. Like Stryker, Johnson & Johnson hadn't sent any of its aircraft to within 25 of miles Boston Scientific's headquarters in some time — since April 26, 2017. Then things changed.

Johnson & Johnson aircraft visited the Boston area twice in the first half of 2018, including a trip on the exact same date as Stryker's first 2018 visit to the Boston area — March 5. Here's a look at Johnson & Johnson's 2 trips to destinations near Boston Scientific headquarters:

Departure Location	Within	Arrival Location	Within	From	To
<input type="text" value="Enter departure location"/>	10 miles <input type="button" value="▼"/>	Marlborough, MA, <input type="button" value="x"/>	25 miles <input type="button" value="▼"/>	<input type="button" value="From"/> January 1, 2017 <input type="button" value="x"/>	<input type="button" value="To"/> June 11, 2018 <input type="button" value="x"/>
3 fl					
<input type="checkbox"/> Company	Aircraft	Departure Location	Arrival Location	Arrival Date	Duration of Stay
<input type="checkbox"/> Johnson & Johnson	Aircraft #661	Philadelphia, PA	Norwood, MA	Jun 6, 2018	0 days, 13 hours
<input type="checkbox"/> Johnson & Johnson	Aircraft #677	Trenton, NJ	Norwood, MA	Mar 5, 2018	0 days, 5 hours
<input type="checkbox"/> Johnson & Johnson	Aircraft #661	Trenton, NJ	Bedford, MA	Apr 26, 2017	0 days, 1 hours
Johnson & Johnson	Aircraft #677	Trenton, NJ	Norwood, MA	Mar 5, 2018	0 days, 5 hours
Johnson & Johnson	Aircraft #661	Trenton, NJ	Bedford, MA	Apr 26, 2017	0 days, 1 hours

Again, it's always interesting when companies start visiting specific destinations regularly after long periods with no visits to that same destination.

How JetTrack Provides a Competitive Advantage

Analysts have an array of methods for finding signals and anticipating M&A deals. JetTrack offers a tool for finding unusual flight behavior and/or confirming existing signals by looking at executive travel. That is, when others are still trying to sort through readily available information like news stories and earnings calls, JetTrack can provide a competitive advantage that allows investors to move early and confidently.

The payoff could be immense, too. Boston Scientific's market value is close to \$50 billion, and an acquisition by Stryker would create a company that achieves more than \$20 billion in annual sales. With JetTrack as a key research tool, investors would be able to know of a potential acquisition before others, putting them in position to achieve an enviable return by leveraging flight information

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