**DuPont Selling Most of Mobility and Materials Segment to Celanese for $11 Billion**

DuPont is a chemistry company that is based on science and innovation whereas Celanese is global technology and specialty materials company, including businesses in various geographical places.

**People:**

Based on the article, executives from both companies and different types of stakeholders have been involved to accomplish the deal agreement. They are:

* Ed Breen - Executive Chairman and CEO of DuPont
* Lori Ryerkerk- Executive Chairman and CEO of Celanese.
* Scott Richardson- Celanese Chief Financial Officer and Executive Vice President
* Stakeholders: customers, shareholders, and employees.

**Opportunity:**

According to Ed Breen, the deal will give the opportunity to establish a market-leading portfolio serving the automotive, consumer, and modern markets with a unique scale, manufacturing capability, and technical expertise (Industrial Distribution, 2022). Mr. Breen also claimed that the agreement will give the opportunity to generate a significant value for DuPont’s stakeholders (Industrial Distribution, 2022). Referring to the quote of Scott Richardson, for Celanese, the deal will give the chance to double total free cash flow within the next five years (Feuer, 2022).

**Context:**

In reference to Ed Breen’s statement, in the future DuPont con be defined as a market leader in the areas of electronics, water, and industrial technology, protection, and next-generation automotive through the transformation as a leading multi-industrial company upon building the acquisition of Laird Performance Materials and intend acquisition of Rogers Corporation (Industrial Distribution, 2022). Accordingly, the transaction with Celanese can help DuPont to acquire Rogers Corporation.

**Deal:**

* On the 18th of February,2022 DuPont announced that it has entered into a definitive agreement with Celanese Corporation to divest a majority of the Mobility and Materials segment, Engineering Polymers business line, and selecting product lines within in Performance Resins and Advanced solutions business lines for $11 billion in cash. (Industrial Distribution, 2022). This represents an enterprise value 14 times more than operating earnings before interest, tax, depreciation, and amortization of 2021 (Feuer, 2022).
* The anticipated cash tax rate on the sale to Celanese is in the mid to high-sing digits (Industrial Distribution, 2022). Celanese is fully committed to financing in connection with the transaction whilst the expectation of transaction closure is the end of the year, based on customary closing conditions and regulatory approvals (Industrial Distribution, 2022).

All in all, based on the article and my further research, I could claim that this deal is fair as both sides a getting equal benefits.

**References:**

*DuPont Selling Most of Mobility & Materials Segment to Celanese for $11B*. (2022, February 21). Industrial Distribution. Retrieved February 22, 2022, from <https://www.inddist.com/mergers-acquisitions/news/22068693/dupont-selling-most-of-mobility-materials-segment-to-celanese-for-11b>

Feuer, W. (2022, February 18). *Celanese to Buy Most of DuPont’s Mobility and Materials Unit for $11 Billion*. WSJ. [https://www.wsj.com/articles/celanese-to-buy-most-of-duponts-mobility-and-materials-unit-for-11-billion 1645186007?mod=Searchre sults\_pos1&pag e =1](https://www.wsj.com/articles/celanese-to-buy-most-of-duponts-mobility-and-materials-unit-for-11-billion%201645186007?mod=Searchre%20sults_pos1&pag%20e%20=1)