

M&A Group Of The Year: Cleary Gottlieb

By **Andrew McIntyre**

Law360, New York (January 26, 2015, 5:39 PM ET) -- Thanks to its role in orchestrating the complex and multifaceted megamerger between Family Dollar Stores Inc. and Dollar Tree Inc., as well as its work on countless other high-profile deals across various sectors, Cleary Gottlieb Steen & Hamilton LLP has earned a spot among Law360's Mergers and Acquisitions Groups of the Year.

While Family Dollar's \$8.5 billion sale to Dollar Tree, an all-Fortune 500 deal that Family Dollar shareholders approved last week, wasn't the largest deal Cleary handled last year, it was one of the most complex M&A matters the firm worked on.

Cleary represented Family Dollar in the deal, which became particularly complicated when Dollar General Corp. made an unsolicited offer to buy Family Dollar after Family Dollar had announced its deal with Dollar Tree. Family Dollar had also been the subject of earlier activist shareholder takeover attempts by Carl Icahn, among others.

"It's a great combination of antitrust, M&A ... and work with shareholder activists," said Ethan A. Klingsberg, a Cleary Gottlieb partner in New York. "It was one of the most complex and burdensome antitrust analyses that the FTC has undertaken in a long time."

In addition to working on the deal with Dollar Tree, Cleary advised Family Dollar on the issues that came up as result of Dollar General's unsolicited offer. And the firm earlier helped Family Dollar fight off activist shareholder takeovers bids and deal with the complex antitrust elements of the deal.

"We worked with the board so they could evaluate the antitrust risk," said Klingsberg, adding that Cleary had to help Family Dollar make sense of various "technical rules and big-picture strategies."

While that deal grabbed headlines for obvious reasons, Cleary lawyers said they viewed that transaction as just one of a number of complex deals the firm handled over the past 12 months, ranging in size and crossing many sectors.

The firm also worked on the other side of an unsolicited offer scenario, representing Kindred Healthcare Inc. in its \$1.6 billion unsolicited offer to acquire Gentiva Health Services Inc., an offer Gentiva ultimately accepted. And last year it worked on various technology, pharmaceutical and banking deals and handled its share of cross-border work.

“We had some megadeals ... but we also had some deals that weren’t in the tens of billions of dollars and were quite complicated,” said New York-based partner Christopher E. Austin.

For instance, Cleary represented Whirlpool Corp. as its subsidiary Whirlpool Italia Holdings purchased a 56 percent stake in Indesit Co. and guided Johnson Controls Inc. in its \$1.6 billion purchase of Air Distribution Technologies.

The firm worked on one of the largest banking deals of last year, guiding IMB HoldCo LLC, OneWest Bank NA’s parent company, in its \$3.4 billion sale to CIT Group Inc.

And it represented Japanese food and beverage giant Suntory Holdings Ltd., a longtime client, in its \$16 billion purchase of Deerfield, Illinois-based Beam Inc., one of the largest cross-border deals of last year and Suntory's largest-ever purchase.

Cleary Gottlieb has more than 300 mergers and acquisitions lawyers across the globe. The group has a strong presence in its New York offices, as well as in Paris and London.

Last year, the firm also represented Google Inc. in the company’s \$3 billion sale of Motorola Mobility LLC’s mobile devices division to Lenovo Group Ltd. That deal, which Klingsberg called one of the highlights of the year for the firm, was complex because Cleary had to sort through numerous intellectual property issues, and the deal also involved significant U.S. and European antitrust considerations.

“It was a great opportunity for us to integrate our top-tier intellectual property expertise with our M&A practice to produce really solid results,” Klingsberg said.

Clearly also counted Lenovo as a client last year, working on that company’s \$2.1 billion acquisition of certain of IBM’s server hardware and other maintenance services divisions. And the firm picked up work on other megadeals, representing Medtronic Inc. in its \$42.9 billion purchase of Irish health care company Covidien PLC.

But practice group leaders take pride not only in having guided those large, headline-grabbing transactions, but in having grabbed work across a wide variety of sectors.

“What was really good from our perspective is we were hitting on all cylinders,” Austin said.

--Additional reporting by Karlee Weinmann. Editing by Kat Laskowski.