



2014 Practice Group of the Year

Private Equity

From Vista Equity's \$4.2 billion buyout of Tibco Software Inc. to a slew of deals for GTCR LLC, Kirkland & Ellis LLP's private equity practice was the industry's go-to group for nimble deal structuring, earning the firm a place among *Law360's* Practice Groups of the Year.

Kirkland's 500 lawyers practicing primarily in private equity had a banner year last year, advising on about \$90.3 billion worth of transactions through Dec. 19, according to Dealogic data, representing some of the biggest private equity players, from the Carlyle Group LP and Apollo Global Management LLC to Apax Partners and Bain Capital LLC.

"PE is part of our core," Matthew E. Steinmetz, a corporate partner at Kirkland and a member of the firm's global management executive committee said. "As a firm, we've been at it for a long time; we've grown up with the industry itself."

In a slow year for public-to-private transactions, Kirkland dominated the space, advising on four of the five largest such deals of 2014, including Vista Equity Partners' \$4.2 billion acquisition of Tibco Software, a

transaction that stood out its last-minute maneuvering to work in a more favorable financing package for the highly leveraged buyout.

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The law firm helped Vista Equity secure better financing terms in the final hours of the Tibco acquisition process by helping the PE group switch from a traditional equity-plus-debt commitment structure to a 100 percent equity structure to pursue negotiations of the better terms with a new bank.

Meanwhile, the PE group last year also proved its worth in guaranteeing clients a good outcome, even when a deal falls apart.

Early last year, Jos. A Bank came to Golden Gate Capital's Eddie Bauer with an attractive offer in the midst of its hostile back-and-forth takeover dispute with Men's Wearhouse. While attractive, the \$825 million offer carried substantial transaction and litigation risk.

Kirkland stepped up with a solution that allowed Golden Gate and Eddie Bauer to wade into hostile waters with assurance that Eddie Bauer would come out unscathed, no matter the outcome. Eddie Bauer granted Jos A. Bank a termination right for a superior offer in exchange for a \$48 million termination fee, plus reimbursement of a significant portion of Golden Gate's and Eddie Bauer's legal expenses.

But Kirkland doesn't just dominate in work on headline-grabbing and blockbuster deals. It is the go-to firm for a number of big middle-market

players as well, including GTCR LLC, another Chicago-based institution.

“We have a deep core of expertise in middle market as well as on bulge bracket deals,” Jon Ballis, a partner with Kirkland’s corporate practice, said. “We cross-pollinate to bring better solutions to all kinds of deals.”

Kirkland blew away the competition last year in the sheer volume of private equity deals it handled, according to Dealogic data, with work on 231 transactions — over 50 percent more than the runner-up in terms of deal volume.

“We’re unique in that we have a leading position in both middle market and the bulge bracket,” Steinmetz said.

GTCR, while just one of Kirkland’s 400 PE clients globally, enlisted the law firm for more than its share of the firm’s PE workload last year as it wasted no time putting money from its 11th buyout fund to work after reaching a \$3.85 billion close last January.

Kirkland has been a go-to firm for GTCR for more than 30 years, with the GTCR-Kirkland relationship dating back to the infancy of private equity

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when GTCR co-founder Stanley Golder and Kirkland’s Jack S. Levin worked together for years, both in deals and in lobbying to open up private equity to more investors.

And last year was a big year for Kirkland’s PE group in terms of bringing on new big-name clients. With the opening of a new office in Houston, Kirkland was able to win work on a number of deals for two of private equity’s largest players: KKR & Co. Inc. and the Blackstone Group LP.

“We’re not content to just feel good about what we have accomplished,” Ballis said. “We are constantly looking to get better and to bring on new talent.”

In April, Kirkland nabbed Andrew Calder from rival firm Simpson Thacher & Bartlett LLP to head up its

new Houston office. And the office launch seems to have brought in some good business, including from KKR, a longtime Simpson Thacher client, and Blackstone.

And last summer, Kirkland advised KKR in its move to merge its Natural Resources Funds with Riverstone Holdings LLC’s Legend Production Holdings to create one of the largest operators in the Barnett Shale, and in the fall helped the PE giant in forming a partnership with Anadarko Petroleum Corp. for the development of the Eaglebine field.

Meanwhile, the Houston group also advised Blackstone in its August deal alongside Vine Oil & Gas LP to acquire oil and gas assets in Louisiana for \$1.2 billion and a separate \$700 million investment in Windy Cove Energy.

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