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CDT Roundup: 22 Deals, 13 Firms, 87 Lawyers, \$6.83B

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As volatility marred energy between the Covid-19 pandemic and oil prices going awry last spring, private equity started heading in two directions: larger firms with established funds began to look at more mature infrastructure deals in the billion-dollar range, while middle market firms eyed emerging technologies and energy transition deals focusing on the next-generation energy sources.

The latter – in which we’re typically talking about a smaller deal size ranging from \$50 million to \$100 million – can hold massive upside for firms. Yet there exists some corresponding risk since it typically involves an earlier-stage company.

Until the past few years, it’s traditionally been an underserved area of investment, although a critical one.

And like the slow but necessary integration of blockchain technology within the logistics, shipping and distribution spaces to create marked efficiencies, it’s the development and further improvement of battery storage technology that stands to revolutionize energy transition efforts.

The immediate need for battery storage is symbiotic with the clamoring and rapid rise of renewables in the U.S. Wherever there’s a wind or a solar farm, there’s a need for battery storage that’s better today than it was yesterday.

Shubi Arora, a Houston-based partner in Kirkland & Ellis’ mergers and acquisitions and private equity practice groups, is seeing clients look at companies effectively building battery storage systems based on existing battery chemistry and battery technology in addition to optimizing that battery with their own proprietary battery management systems.

“They’re marrying hardware that exists with their own software to make batteries more efficient and long-lasting – the whole key is how you optimize energy storage and transmission,” he said.

Arora noted that, since it’s not on the generation side, battery storage doesn’t get as much attention – although that certainly doesn’t undermine its critical role and overwhelming potential.

“The interesting thing about battery storage is that it’s not just related to the wider adoption of energy transition,” he said.

“When you have things happening in the world – like we had that freeze in Texas – when you have your additional infrastructure wearing down, when you have weather patterns that are becoming more unpredictable, when you have pressures on the traditional energy grid that happen more frequently, you probably have to invest more capital into improving it.”

Arora advised on a deal in the space featured as part of this week’s Corporate Deal Tracker, counseling Cleanhill Partners on its strategic partnership with Kore Power.

This week’s roundup saw 16 M&A or funding deals with reported values of more than \$3.76 billion and six capital markets transaction at over \$3 billion. The transactions were handled by 87 Texas-based lawyers from 13 firms.

Last week, eight M&A and funding deals of about \$3.84 billion were reported, along with two capital markets transactions of more than \$1.14 billion. Eighty-three lawyers based in Texas from seven firms took part in the deals. Year-over-year, deal count – at 10 – was lower while the value of the reported deals was higher, at about \$8.88 billion from 98 Texas lawyers at eight firms.

Note: Texas Lawbook corporate transactions editor Claire Poole contributed to this article.

M&A/FUNDING

ExxonMobil to Carve out Elastomers Units

Dallas-based Celanese plans to acquire the elastomer business of Irving-based ExxonMobil.

Celanese, a chemical and speciality materials giant, will pay about \$1.15 billion for Exxon’s Santoprene, Dytron and Geolast trademarks and product portfolios.

For further details on the transaction, [click here](#).

Celanese selected Kirkland & Ellis as legal

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counsel, while Goldman Sachs & Co. advised on financial matters.

Adam Shulman, vice president and deputy general counsel for the company's acetyl chain and business, strategy and development, is leading the in-house efforts for Celanese. Shulman previously served as counsel at Globe Speciality Metals and as an associate in Willkie Farr & Gallagher's New York office.

New York corporate partners David Feirstein and Romain Dambre led Kirkland's team.

Morgan Stanley & Co. provided financial advice to ExxonMobil Chemical with managing director Lily Mahdavi leading the efforts.

White & Case counseled Exxon on legal matters with a team led by Houston partners Morgan U. Hollins and Steven P. Otilar with assistance from associates Luisa Muskus, Janny Gandhi, Yuxi Wang and Carlos Moran.

Houston partner Taylor Pullins advised on environmental matters while Houston partner Chad McCormick and associate Neil Clausen counseled on tax matters.

Texas Instruments to Buy Utah Facility

Texas Instruments announced on June 30 that it has agreed to purchase a fab facility located in Lehi, Utah.

The Dallas chipmaker will acquire the facility for \$900 million from Micron, which is also selling select tools and other assets for about \$600 million.

TI plans to shift the operations at the Utah facility to bolster production as semiconductor shortages continue to create pressure worldwide.

Shearman & Sterling represented TI on the transaction with a team that included Dallas partners Scott Cohen, Bobby Cardone and Ryan Bray and associates Michael Walraven, John Kurtz and Sara Prendergast. Other members of the team are based in New York and Washington, D.C.

Cynthia Hoff Trochu serves as TI's senior vice president, secretary and general counsel, legal.

Weil, Gotshal & Manges advised Micron on legal matters with a team led by Silicon Valley partner Craig Adas while Macquarie Semiconductor and Technology served as its transaction advisor.

The deal is expected to close later this year.

StonePeak-backed Deal to Create Oncology Giant

Outpatient radiology services provider Akumin has entered into an agreement to acquire Alliance HealthCare Services.

An affiliate of alternate investment firm StonePeak plans to provide debt and equity financing to Akumin tied to the deal, which had an enterprise value of \$820 million.

The addition of Alliance will help Akumin add to its geographic reach and growth within hospitals, health systems and physicians groups.

Stikeman Elliott and McDermott Will & Emery acted as legal advisors to Akumin while PricewaterhouseCoopers advised on financial matters.

Alliance opted for Citigroup Global Markets and SVB Leerink as financial advisors and Ropes & Gray and Osler, Hoskin & Harcourt as legal counsel.

Sidley Austin and McCarthy Tétrault advised Stonepeak on legal matters.

Dallas partner Ryan Scofield led the Sidley team with additional Texas-based assistance from partners Cliff Vrielink, Tim Chandler and Zackary Pullin and associates Samantha Seley, Quan Lu, Tanner Groce, Sarah O'Brien and Brian DiFilippo, all of Houston.

The deal is expected to close in the third quarter, pending closing conditions.

Northern Genesis 2 Embarks on IPO With Target In-mind

Autonomous vehicle software-as-a-service provider Embark Trucks will go public in a special purpose acquisition company merger with Northern Genesis Acquisition Corp. II.

Northern Genesis 2 is looking to scale and grow Embark's focus exclusively on the U.S. trucking market, bringing \$614 million in gross proceeds.

Of the gross proceeds, \$200 million are tied to private investment in public equity funding from well-known investors such as Sequoia Capital and Tiger Global Management.

Embark selected Latham & Watkins as legal advisor and Citi as financial advisor.

New York partner Justin Hamill, Washington, D.C., partner Marc Granger and Los Angeles partner David Ajalat led the charge for Latham.

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Husch Blackwell, led by Kansas City partner Jim Goettsch, represented Northern Genesis 2 as lead legal counsel while J.P. Morgan Securities acted as financial and capital markets advisor.

Winston & Strawn advised the joint placement agents – J.P. Morgan Securities, Citi and BMO Capital Markets – in the PIPE transaction with a team led by partners Michael Blankenship of Houston and Pejam Sharifi of New York with assistance from associates Alec Tanner of Houston and Aaron Walker of Dallas.

DD3's Second SPAC Geared Toward Gaming

A new blank check company is eyeing the creation of the first publicly traded gaming operator in Latin America.

Should the special purpose acquisition company merger close, Codere Online Luxembourg, Servicios de Juego Online and its affiliates and Codere Newco would become publicly traded after merging with DD3 Acquisition Corp. II.

DD3 II, the second SPAC from Mexico City's DD3 Capital Partners, has \$125 million of cash in-trust for the merger and \$67 million in private investment in public equity funding from Baron Funds, MG Capital, LarrainVial and DD3 Capital Partners.

Codere Online selected Stifel as financial and capital markets advisor, Deloitte as accounting advisor, Davis Polk & Wardwell as U.S. legal advisor and Clifford Chance as Luxembourg legal advisor.

For DD3, EarlyBirdCapital worked as financial and capital markets advisor and placement agent while Greenberg Traurig, Pérez-Llorca and Stibbe represented the company on legal matters.

Willkie Farr & Gallagher represented PIPE backer MG Partners Multi-Strategy Fund on the transaction led by partners Angela Olivarez of Houston and Eric Halperin of New York.

The combination is expected to close in the fourth quarter.

Enlight Picks up 90% Stake in Clēnera

A U.S. subsidiary of renewables power producer and developer Enlight Renewable Energy plans to purchase 90% of Clēnera's shares for \$158 million in upfront payments and future performance-based payments from Solis and Parasol Renewable Energy.

The founders of Clēnera, Jason Ellsworth and Adam Pishl, will retain the remaining 10% of the company as Enlight looks to grow in the U.S. energy storage space.

Clēnera, which has previously developed and constructed 1.6 gigawatts, direct current of utility-scale solar, is currently developing 12 gigawatts, direct current of solar and 5.5 gigawatt-hours of energy storage in the U.S.

DLA Piper advised Solis and Parasol in the transaction with a team led by Houston partner Drew Baldinger and associate Emma Jiang. Other Texas-based assistance included Houston partner Glenn Reitman, Dallas counsel Michael Massiatte and Houston associates Jeffrey Bourdon and Tyler Davis.

For Enlight Renewable Energy, Nomura Greentech acted as financial advisor and Orrick Herrington & Sutcliffe served as legal counsel.

Nikola to Invest \$50M in Midwest Push

Wabash Valley Resources announced it is letting go of a 20% equity interest in a clean hydrogen project in exchange for \$50 million in backing from Nikola Corp.

Wabash, which calls Phibro its largest shareholder, is looking to develop one of the largest carbon capture and clean hydrogen production projects in Indiana with the infusion from Nikola.

The investment is expected to complement Nikola's push into the Midwest with the creation of capacity for additional stations to support clean transportation fuels for trucking operations.

Reed Smith and Benesch, Friedlander, Coplan & Arnoff advised Nikola on legal matters.

Hunton Andrews Kurth represented Wabash on the transaction with a Houston-based team led by partner Phil Haines with assistance from partner Allison Mantor and special counsel Doris Rodriguez.

Cleanhill Bets on Batteries

Private equity firm Cleanhill Partners entered into a strategic partnership with Kore Power Inc., a developer of battery cell technology tied to energy storage and electric transportation.

The push behind the partnership is to further expand the design and manufacturing of

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lithium-ion battery cells.

Cleanhill, which seeks out investments related to decarbonization efforts and has offices in New York and Houston, selected Kirkland & Ellis to advise on legal matters with a team that included Houston corporate partners Shubi Arora and Jhett Nelson, in addition to associate Zach Savrick.

Kore Power selected Evercore as financial advisor.

Financial terms were not disclosed.

Warburg to Buy Auto Finance Firm

An investor group led by Warburg Pincus announced last week plans to buy indirect auto finance company Exeter Finance from Blackstone.

Blackstone funds have steered Exeter, which is based in Irving, since 2011.

More details about the transaction – which had an undisclosed financial value – can be found here.

Exeter Finance and Blackstone selected Citi to lead as financial advisor with additional representation from Barclays, Deutsche Bank and Wells Fargo.

Skadden, Arps, Slate, Meagher & Flom represented Exeter Finance and Blackstone on legal matters with a New York-based M&A team led by partners Allison Schneirov and Christopher Barlow, counsel Matthew Nemeroff and associate Justin Top.

Walt Evans serves as general counsel at Exeter Finance. He formerly worked at ACE Cash Express and Hollywood Casino Corp. with associate-level ties at Akin, Gump, Strauss, Hauer & Feld and Hughes & Luce, now K&L Gates.

Wachtell, Lipton, Rosen & Katz served as legal advisor to the acquiring investor group, while J.P. Morgan acted as financial counsel.

New York-based partners Edward D. Herlihy, Mark F. Veblen and Jenna E. Levine led the Wachtell team.

Simpli.fi Gets Growth Equity from Blackstone

Private equity powerhouse Blackstone will invest in a Fort Worth-based digital advertising firm.

For more details on the growth equity investment into Simpli.fi, which values the company at \$750 million, [click here](#).

Terms of the transaction were not disclosed.

Simpson Thacher & Bartlett advised Blackstone on the investment with a team led by New York-based M&A partners Anthony Vernace and William Allen and associates Jeff Levine, Ben Kloss and Alisha Tupchong with Texas-based assistance from associate Whitney Bosworth, who advised on financing matters from Houston.

Kirkland & Ellis advised both Simpli.fi and GTCR on legal matters while Evercore and Luma Partners counseled the two on financial dealings.

Chicago corporate partners Christopher Thomas and Ryan Harris led the Kirkland efforts.

Clearlake's PrimeSource to Add Supplier

PrimeSource Brands announced that it entered into a definitive agreement to acquire Wolf Home Products from Tenex Capital Management.

Wolf is a supplier of kitchen cabinets and building products that include decking, deck rails, trim boards and PVC siding – all key components of the hot residential construction boom.

Financial terms of the deal were not disclosed.

PrimeSource, which is backed by Clearlake, selected Kirkland & Ellis as legal counsel.

Corporate partners Luke Guerra of Los Angeles and Aisha Lavinier of Chicago led the Kirkland team along with associates Angela Oldham of Chicago and Darin Huggins of Houston.

Deutsche Bank Securities provided PrimeSource with its credit facility for the acquisition as a supplement to a new equity investment from Clearlake, which has offices in Dallas and Santa Monica.

For Wolf and Tenex, Fidus Partners acted as lead financial advisor.

Winston Advises in Bagel Boy Buy

Crown Baking Cos., backed by private equity firm Arbor Investments and coming off a fresh recapitalization in late 2019, will add Bagel Boy to its arsenal of bread, baked foods and frozen dough products.

Bagel Boy, as its name suggests, focuses primarily on the manufacturing of bagels in the Northeast. Arbor is betting that Bagel Boy's stable of breakfast products, which already includes croissants, biscuits and English muffins, will bolster performance in the fast-

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growing sector.

Winston & Strawn counseled both Arbor and Crown in the transaction.

The Winston team included Dallas partner Andrew Betaque, who advised on tax structuring matters.

The acquisition of Bagel Boy marks the fourth add-on for Crown in a little more than a year.

Schoox Receives Growth Investment From Vista

Learning and development platform Schoox received an investment from the Endeavor Fund belonging to Austin's Vista Equity Partners. Financial terms were not disclosed.

With the strategic growth infusion, Schoox plans to further scale its platform, building out its product offerings and expanding its team.

Vista's Endeavor Fund is earmarked for high-growth enterprise software, data and technology-enabled businesses with an eye towards impact.

Shearman & Sterling advised Schoox with a team that included partners Alan Bickerstaff of Austin, Gillian Emmett Moldowan of New York, Ryan Bray of Dallas, Austin counsel Cassandra Cuellar and Michelle Kwan and Austin associate Ashley Smith.

Kirkland & Ellis advised Vista in the transaction. Bay Area partner Vlad Kroll led the efforts for Kirkland.

Two Solar Companies Merge

Two solar companies, 1366 Technologies and Hunt Perovskite Technologies, have merged, the pair announced last week.

The combined company began operating under the name CubicPV and continues to have offices in Bedford, Massachusetts, and Dallas.

Along with the merger, CubicPV received \$25 million fresh backing from Breakthrough Energy Ventures, First Solar, Hunt Energy Enterprises, North Bridge Venture Partners and Polaris Partners.

The combined entity will gear its focus toward developing single junction devices from perovskite materials that would absorb sunlight and then convert it into electricity.

Wilmer Hale served as legal counsel to 1366 Technologies.

Baker Botts represented HEE in legal matters with a corporate team led by Dallas partner Jon Platt with assistance from Austin senior associate Michael Portillo and Dallas associates Jacqueline Scioli and Rusty Shellhorn.

Houston special counsel Bradley Bowling and senior associate Michael Silliman counseled on intellectual property matters; Dallas partner Stephen Marcus and senior associate Jordan Hahn on tax; and Dallas partner Jason Loden on employee benefits and executive compensation.

Harvest, Investcorp Sell Pro Unlimited

On June 28, EQT Private Equity announced plans to acquire workforce management platform Pro Unlimited for an undisclosed sum.

EQT, through its EQT IX fund, will become the majority shareholder in the company, purchasing its stake from funds managed by Harvest Partners and its affiliates and Investcorp.

EQT Private Equity selected Sidley Austin as legal advisor and received financial advice from BofA Securities, McKinsey & Co. and Alvarez & Marsal.

For Sidley, private equity partners Brien Wassner of New York and Vijay Sekhon of San Francisco led the deal team with additional Texas-based assistance from Dallas M&A associate Kathryn Betts.

William Blair advised Pro Unlimited, Harvest Partners and Investcorp on financial matters while White & Case counseled on legal matters.

Starwood Energy Picks up ConEd Portfolio

Starwood Energy, a Connecticut investment firm focused on energy infrastructure, closed on the purchase of a 252 megawatt portfolio from Consolidated Edison Development Inc. that includes Coram Wind wind farm in California, Crane Solar's 150 megawatt solar project in Texas and an adjacent 25 megawatt battery development.

Financial terms were not disclosed, although two separate bank loans financed the transaction led by MUFJ, CIT Bank and Nomura Securities International.

Skadden, Arp, Slate, Meagher & Flom counseled Starwood on legal matters with a team that included energy and infrastructure projects associate Mark Schlackman of Houston. Paul Hastings advised the lenders.

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Con Edison Development is a wholly owned subsidiary of Con Edison Clean Energy Businesses Inc., which is part of Consolidated Edison Inc.

CAPITAL MARKETS

ITT Arranges Offering, Loan and Credit Facilities

ITT Holdings issued an offering of \$1.22 billion of 6.5% senior notes due 2029 that paired with the arrangement of a \$650 million senior secured term loan facility and a \$300 million senior secured revolving credit facility.

The offering and credit facilities are expected to close July 8.

ITT plans to use the gross proceeds from the notes, along with the credit facilities borrowings, to redeem outstanding private placement notes; redeem tax-exempt bonds; repay certain indebtedness, such as outstanding borrowing under its term loan credit facility at RS Ivy Holdco Inc.; pay interest on indebtedness, fees and expenses; and to fund an equity-owner distribution.

Jefferies Finance acted as underwriter in the offering and the loan and credit facilities.

Kirkland & Ellis counseled Jefferies in the transactions with a team led by Houston debt finance partners Will Bos, Andy Veit and Chad Davis and associates Mahalia Doughty, Keegan Bobholz and Graham Owen.

Houston partners Michael Rigdon and Julian Seiguer and associates Justin Bosworth of Dallas and Samantha Siegler of Houston advised on the capital markets side.

PPL Electric Issues Bonds

PPL Electric Utilities Corp. issued \$650 million in first mortgage floating-rate bonds due 2024 as part of a public offering.

The floating rate interest is based on the Secured Overnight Financing Rate, published by the Federal Reserve Bank of New York.

Bracewell counseled PPL Electric on legal matters with a team that included partners Catherine Hood and Rebecca Keep of New York and partner Don J. Lonczak of Washington, D.C.; Dallas counsel Ian R. Brown; and Houston associates Kathy Witty Medford, Caroline E. Ellis, and Shannon Baldwin.

Hunton Andrews Kurth advised the underwriters, which included PNC Capital Markets, BofA Securities, Citigroup Global Markets and Mizuho Securities USA.

The HuntonAK team was led out of New York by Adam O'Brien and Peter O'Brien and associates S. Ashley Jaber and Patrick C. Jamieson with Texas-based assistance by way of Houston partner Robert McNamara.

Macondray Seeks \$250M in SPAC IPO

Special purpose acquisition company Macondray Capital Acquisition Corp. I unveiled the pricing of its initial public offering. The blank-check company plans to raise \$250 million on the Nasdaq.

The Gibson Dunn corporate team included partners Gerry Spedale of Houston and Evan D'Amico of Washington, D.C., and Houston associates Robbie Hopkins and William Bald.

B. Riley Securities Inc. acted as the sole book-running manager for the offering.

Macondray, led by Lance Conn and Grady Burnett, plans to find a target with an enterprise value of \$1.5 billion or more with ties to the software, data and technology, media and telecom industries.

Oasis Midstream Releases LP Interests

Oasis Midstream Partners, a Houston-based master limited partnership formed by Oasis Petroleum Inc., announced on June 24 an offering of 3.6 million common units representing limited partnership interests.

The offering includes a 30-day option for the underwriter to purchase 543,478 additional common units.

Vinson & Elkins represented Oasis with a team led by Houston partner David Oelman and senior associate Andrew Schulte along with Houston associates David Lassetter, Matt Fiorillo and Taylor Kim.

Further Houston-based assistance came from partner Ryan Carney and associate Curt Wimberly, who advised on tax matters.

Nickolas J. Lorentzatos serves as executive vice president, general counsel and corporate secretary for the company.

Morgan Stanley is acting as the underwriter for the offering.

Proceeds will be used to redeem from Oasis Petroleum common units equal to the number of common units sold in the offering and the option, according to a regulatory filing.