



# 2014 Practice Group of the Year

## Capital Markets

Thanks to its work last year on myriad initial public offerings and debt deals, handling a number of highly complex IPOs and various mega debt offerings, Kirkland & Ellis LLP's capital markets practice has earned a spot among *Law360*'s Capital Markets Groups of the Year.

While Kirkland advised on a number of debt deals north of \$1 billion in 2014, the firm had a banner year helping to take companies public. Thanks in part to last year's frothy market for IPOs and to Kirkland's deep roots in the space, the firm grabbed a significant amount of IPO work.

"I worked on twice as many IPOs last year as I have in any other year in my career," said Joshua N. Korff, a New York-based partner in Kirkland's capital markets group.

"From my perspective, this has been a year that has seen continued strength in the high-yield market. ... There was exceptional strength in the equity markets," Korff added.

One such deal was Ladder Capital Corp.'s \$259 million offering. Kirkland helped Ladder arrive at the decision to structure as a so-called Up-C, wherein the public company has a controlling interest in a partnership

partially owned by pre-existing investors.

"For various reasons, we ended up structuring this as an Up-C structure, where many of the existing investors own through a partnership that is a tax pass-through," Korff said. "There were a lot of mechanics that we put in place."

Among the other IPO matters the firm handled last year was GrubHub Inc.'s \$192 million offering and Travelport Worldwide Ltd.'s \$480 million offering. For Travelport, it was the company's third try at going public.

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spokesman told *Law360*. Of those lawyers, more than 80 — roughly half of whom are partners — practice specifically in capital markets.

The firm has a large capital markets presence in New York, Chicago and Hong Kong, and a growing presence in London, particularly in the high-yield bond space. Kirkland's London office didn't have a securities practice just a few years ago, and the practice there has grown significantly in recent years.

Kirkland last year also worked on TerraForm Power Inc.'s \$501.63 million IPO, one of several yield cos to go public over the last couple years. More and more companies are considering the yield co structure, wherein a company — SunEdison Inc., in this case — spins off a division that ends up holding certain revenue-generating assets.

"The TerraForm offering really sparked a fair amount of interest,"

said Dennis M. Myers, a Kirkland capital markets partner who practices out of the firm's Chicago office. "Most energy companies, developers, are looking at and evaluating those structures for their portfolios and plants."

Over the last four years, Kirkland's group of lawyers practicing specifically in capital markets has more than doubled, from 40 lawyers in 2010 to more than 80 now. And Kirkland recently hired a capital markets lawyer in its new Houston office.

While the firm was kept busy last year with the rush of IPOs, Kirkland also handled its share of large debt deals. It represented Zebra Technologies Corp. on its \$1.05 billion notes offering, proceeds from which Zebra used to finance its \$3.45 billion purchase of Motorola Solutions Inc.'s enterprise business — a deal Kirkland also handled.

While Motorola is a household name, Zebra is nearly as big as Motorola's enterprise business, which created challenges.

"That was complicated because of the relative sizes of the two businesses," Myers said. "Motorola Solutions' business was about the same size as Zebra's."

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Kirkland also worked on Burger King Worldwide Inc.'s \$2.25 billion debt deal, proceeds from which Burger King used to help finance its megamerger with Tim Hortons Inc.

The firm also represented Community Health Systems Inc. on its \$4 billion notes offering. The company used the proceeds of that deal to finance its purchase of Health Management Associates Inc., which Kirkland also worked on.

"This deal was very complex because of the capital structures of our client and target. There were multiple issues of debt," Korff said. "At one point I had 19 debt documents on my desk that needed to be analyzed."

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