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Local firms do well in deal charts

M&A surveys offer various rankings for first half of 2012

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Kirkland & Ellis LLP demonstrated a strong showing in the rankings of legal advisers for mergers and acquisitions in the first half of 2012, and began the second half with \$10 billion in deals in a week.

Kirkland ranked well in both the number of its deals worldwide and in the size of those deals.

In the Thomson Reuters report, Kirkland ranked third and sixth for the number of its completed and announced deals; and Kirkland ranked 17th and 15th in the value of its completed and announced deals respectively for the first half.

Also among Chicago-based firms, DLA Piper did well, ranked second and fourth, respectively, for the number of worldwide completed and announced deals in the Thomson Reuters report for the first half of the year.

Baker & McKenzie LLP and Mayer, Brown LLP, both based in Chicago, ranked among the top 25 law firms for first half deals globally.

Among firms based elsewhere that run large Chicago offices, Skadden, Arps, Slate, Meagher & Flom LLP; Jones, Day and

Latham & Watkins LLP, all three traditional leaders; as well as Greenberg, Traurig LLP; Paul, Hastings LLP; and Bryan, Cave LLP, ranked in the top 25 for worldwide deals in one or more charts.

Jones, Day continues its usual top rank for number of deals worldwide.

Dewey & LeBoeuf LLP, which endured chaos for months, declared bankruptcy in May and wasn't open for business in June, ranked seventh for worldwide completed deals in the first half of the year in the Thomson Reuters report.

"We had a great M&A group," said Morton Pierce, the former head of that group at Dewey, who is now with White & Case LLP in New York. "And a large portion of that has moved over to White & Case."

"I think it's also frankly a testament to the professionalism of the people in the group" at Dewey, Pierce said. "People stayed focused on the clients."

Meanwhile, the value of worldwide deals went down from 22 to 28 percent in the first half of 2012, compared to the first half of 2011, depending on the report.

David Fox in the New York office of Kirkland & Ellis said he was enthusiastic about the pace of deal work at his law firm.

"We're doing great," he said. "In fact, just in the last week, we have done six deals with a total value of more than \$10 billion."

Fox said in those deals, Kirkland is advising: Bristol-Myers Squibb in its



David Fox

acquisition of Amylin Pharmaceuticals Inc. for \$7 billion; Bolthouse Farms in its purchase by Campbell Soup Co. for \$1.5 billion; FX Alliance Inc. in its purchase by Thomson Reuters for \$700 million; Swiss Re Private Equity Partners in its acquisition by BlackRock Inc. for an undisclosed price; Sunoco Inc. in a joint venture with the Carlyle Group to operate a refinery in Philadelphia, the amount undisclosed; and Corporate Executive Board Co. in its acquisition of SHL Group Ltd. for \$660 million.

In mergermarket's report, Kirkland & Ellis was fifth for number of worldwide deals and eighth for value of worldwide deals.

"The most significant thing from my perspective in the mergermarket statistics," Fox said, was the report on U.S. M&A deals.

"We're No. 2 for value" in the U.S., he said.

The value of U.S. deals that Kirkland advised on was up 18 percent for the first half of the year — even though the total value of U.S. deals handled by all law firms was down 40 percent compared to 2011.

In the number of U.S. deals, Kirkland & Ellis was also ranked No. 2 in mergermarket.

"Being No. 2 for both categories is unique," Fox said. "It shows we are handling both a large number of deals and also some of the largest and most complex deals."

Worldwide M&A value was \$1.1 trillion in the first half of the year, Thomson Reuters said, down 22 percent compared to last year. Bloomberg also said M&A activity was down 22 percent.

Mergermarket said deals were "on course to be the lowest yearly total since 2009."

A decline in deals is hard on law firms, said law firm consultant Joel F. Henning of Joel Henning & Associates.

"M&A has always been a very profitable business for law firms," Henning said. "Not only do the deals tend to be big in a good economy, but law firms can throw an awful lot of lawyers at these deals because there's so much that has to be done. ... It's always been a very highly-prized practice."

Recently, however, clients are asking that some more routine aspects of deal work be outsourced to offshore lawyers, he said.