

Five Am Law 100 Firms Handle Three Big PE Deals

Posted by Brian Baxter

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Private equity giants KKR and The Carlyle Group kept a handful of Am Law 100 firms busy this week with acquisitions totaling nearly \$5 billion for an industrial packaging unit owned by Illinois Tool Works, medical device maker Lake Region Medical and optical retailer National Vision.

The deal involving National Vision comes roughly two months after [Reuters reported that KKR and Carlyle were competing in an auction](#) to acquire the company, the nation's fourth-largest eyeglass and contact lens retailer. New York-based KKR, [whose profits more than doubled in the fourth quarter of 2013](#), emerged Friday as the victor in that contest.

Marni Lerner—a veteran M&A partner with Simpson Thacher & Bartlett in New York—is taking the lead for [longtime firm client KKR](#) on its planned acquisition of National Vision from smaller buyout shop Berkshire Partners. While terms of the deal were not disclosed, [Reuters put the purchase price at just over \\$1 billion](#), citing an anonymous source familiar with the matter.

Other Simpson lawyers advising KKR on the matter include finance partner James Cross, executive compensation partner Andrea Wahlquist, tax partner Robert Holo, East Coast IP transactional head Lori Lesser, senior antitrust counsel Michael Naughton, senior environmental counsel Michael Isby and real estate counsel Krista McManus. The associates from the firm working on the deal include Genevieve Dorment, Kenneth Ehrhard, Ellen Frye, Jennifer Gaudette, Julie Lee, Benjamin Schaye, Adam Shapiro, Sophie Staples, Douglas Tang and Eric Wolf.

For its part, Boston-based Berkshire Partners—a buyout shop not affiliated with billionaire Warren Buffett's Berkshire Hathaway—has turned to Weil, Gotshal & Manges for counsel on the National Vision sale. Berkshire spent \$190 million to take its Lawrenceville,



Lake Region Medical

Ga.-based portfolio company private in 2005, [folding in the Consolidated Vision Group for another \\$88 million, according to an SEC filing at the time](#) that indicates Weil advised on that transaction as well.

Weil corporate partners Shayla Harlev in Boston and David Duffell in Providence have taken the lead for Berkshire on the current transaction. Other Weil lawyers working on the deal are finance partner Andrew Yoon, tax partner Mark Schwed, environmental partner Annemargaret Connolly, litigation partner Patrick O'Toole, executive compensation partner Michael Nissan and counsel Vadim Brusser, Arlene Hahn, Steven Margolis, Matthew Morton and John O'Loughlin. [Schwed made partner last month](#).

Also advising on the transaction are Weil associates Benton Bodamer, Joshua Gelfand, Matthew Goulding, Tara Lancaster, Matthew Loecker, Kelly Wagner and Jakub Wronski. Bodamer was [once pictured in a New York Times story about rising associate bonuses](#) back in The Am Law 100's halcyon days. [Sharlyn Heslam](#), a former Boston-based Weil corporate partner, holds the dual titles of managing director and general counsel at Berkshire. [Mitchell Goodman](#) is National Vision's general counsel. The sale of the company to KKR is expected to close by the end of the first quarter.

KKR, which hired former Simpson M&A partner and executive committee member [David Sorkin](#) as its [first-ever general counsel in 2007](#), tapped the firm for another big deal this week.

In the second transaction, Lerner—who did not respond to a request for comment about her latest work for the leveraged buyout giant—and corporate partner Gary Horowitz are advising KKR-backed Accellent on its acquisition of family-owned Lake Region Medical. (Simpson also represented KKR on its [\\$1.27 billion buy of Accellent](#) in 2005.)

Citing sources familiar with the sale, [The Wall Street Journal](#) initially put its value at more than \$1 billion. A subsequent SEC filing by Accellent listed the purchase price at a much more modest \$390 million, although the terms could still improve. Ron Honig serves as general counsel for Wilmington, Mass.-based Accellent.

Chaska, Minn.-based Lake Region, a provider of manufacturing and engineering services to the medical device industry, has turned to [Faegre Baker Daniels](#) for counsel on the transaction. [Bruce Engler](#), a partner in Faegre's Minneapolis office and one of the top M&A lawyers in Minnesota, is leading a team from the firm that includes associates [Brian Jacobson](#), [Brandon Mason](#) and [Kate Sherburne](#). [Mark Dittrich](#) is Lake Region's general counsel.

Meanwhile, Paul Hastings leveraged finance partners Mike Michetti, Joel Simon and Jeffrey Pellegrino are representing a trio of banks arranging [\\$1.1 billion in financing](#) for the deal, which is expected to close by the end of the first quarter. The other Paul Hastings lawyers working on the matter include associates Sung Ho “Danny” Choi, Katherine Forer, Steven Jean, Shekhar Kumar, Sergey Milyukov, Andrew Roop and Valerie Silverman.

As for Carlyle, which lost out to KKR in its bid for National Vision, the Washington, D.C.-based investment firm did finalize a big buyout of its own before week's end. Late Thursday, Reuters reports that Carlyle prevailed over Toronto-based investment firm Onex Corp. and the Canada Pension Plan Investment Board with a [\\$3.2 billion bid for a unit being carved out](#) of conglomerate Illinois Tool Works.

Latham & Watkins corporate partners Bradley Faris and Timothy FitzSimons in Chicago are working with global M&A chair Mark Gerstein in representing Glenview, Ill.-based ITW on the divestiture of its industrial packaging

business. (The three Latham lawyers advised Koch Industries last year on its [\\$7.2 billion buy of electronic manufacturer Molex](#), with Gerstein snagging [Am Law Daily Dealmaker of the Week](#) honors in the process.) Other Latham attorneys advising ITW in connection with the deal include tax partner Diana Doyle, employee benefits partner Robin Struve, technology transactions chair Jeffrey Tochner and associate Jason Morelli.

The deal is a rare instances in which Latham is on the other side of the negotiating table from longtime client Carlyle. The firm counseled the private equity giant in January on its [\\$4.15 billion buy of a blood-testing unit from Johnson & Johnson](#), as well as its [nearly \\$1.4 billion sale late last year of commercial flight systems company Arinc](#) to defense contractor Rockwell Collins for nearly \$1.4 billion. Former Latham associate [Jeffrey Ferguson](#) is Carlyle's general counsel, while ex-partner and executive committee member [Bruce Rosenblum](#) is now a Carlyle managing director.

With Latham counseling ITW, Carlyle turned to Kirkland & Ellis corporate partners William Sorabella, Christopher Torrente and Daniel Michaels for legal advice, along with debt finance partner Jason Kanner and associates Adele Maloney Thomas and Michael Miller. (Kirkland, whose roots are in Chicago, has also done work in the past for ITW.) The deal is expected to close by midyear.

[Bronx-born Maria Green](#) serves as general counsel for ITW, which was founded in 1912 by the late Byron Smith. His descendants make up one of Chicago's wealthiest families and have a rich history of Windy City business interests. In December 2009, [David Smith Jr.](#), a former SEC lawyer and [great-great-grandson of Byron Smith](#), was elected to ITW's board of directors. [Pamela Strobel](#), who has worked as an in-house attorney, also serves on the company's board.

Both Carlyle and KKR also boast legal bona fides at the top of their respective corporate hierarchies. Carlyle co-CEO [David Rubenstein](#) once worked at Paul, Weiss, Rifkind, Wharton & Garrison and a predecessor firm of Pillsbury Winthrop Shaw Pittman. And though he never formally practiced, KKR co-CEO and cochair [George Roberts](#) earned a degree from the University of California, Hastings College of Law.

[The Am Law Daily](#) reported last year that Roberts and Rubenstein are among the nation's wealthiest individuals to have attended law school.