

## M&A Practice Group Of The Year: Cravath

By Karlee Weinmann

*Law360, New York (January 02, 2014, 3:22 PM ET)* -- Attorneys at Cravath Swaine & Moore LLP tapped into long-standing client relationships to seal some of the past year's most notable and transformative deals, including over a dozen worth more than \$1 billion, outpacing rivals and landing among Law360's M&A Practice Groups of the Year.

The firm represents clients in a range of industries and covers several well-established companies that have repeatedly relied on it to steer complex and weighty transactions, including the Washington Post Co. and Crown Castle International Corp. — both companies that emerged as M&A focal points in 2013.

Companies that keep coming back to the firm for advice on deals, particularly ones that will reshape their business or redefine their standing in the market, are the crux of the firm's M&A practice, Cravath M&A group co-head Faiza Saeed said. In addition to a vote of confidence in the firm, long-standing clients also provide a deeper familiarity that offers a distinct edge.

"Where issues come up, it helps to be able to talk to a client in a way that they are naturally going to trust the advice because there is built-up credibility and [a] relationship," Saeed said. "It helps in the negotiation process as well, in terms of having a very clear sense of what the hot buttons are going to be for your client, even before you talk with the other side."

The firm evidently proved its muster enough to nail down beverage titan Grupo Modelo, the company at the center of one of last year's marquee cross-border deals. Two months after steering Mexican brewer Direccion de Fabricas SAB de CV to a \$945 million merger with Grupo Modelo, Cravath attorneys helped finalize the combined company's blockbuster \$20.1 billion sale to Anheuser-Busch InBev, giving rise to a new global powerhouse.

Crown Castle, a wireless infrastructure company eager to seize on a booming telecom market, called on the firm twice in 12 months. First, Cravath helped it acquire the rights to more than 7,000 wireless towers for \$2.4 billion, followed up by its \$4.8 billion pickup of nearly 10,000 more towers.

A series of eight IBM Corp. deals inked in the same span — led by the \$1.3 billion purchase of recruiting servicer Kenexa — underscore an emphasis on client loyalty.

"That's one of the things we take pride in and one of the things we aim to do — have good, long-term relationships," said Richard Hall, head of Cravath's M&A practice for Europe, the Middle East and Africa.

Both Saeed and Hall highlighted another of the firm's deals as a showpiece, though its \$250 million price tag fell far below Cravath's heftiest transactions of the year. Still, the attorneys said they know the transaction carried a different kind of weight when the Washington Post Co. approached them about selling its namesake newspaper business to Amazon.com Inc. founder Jeff Bezos.

Working on a tight time frame and within the constraints of a particularly challenged industry, the attorneys scrambled to put together a transaction that was one of the most fervently covered deals of the year, despite its relatively low selling price.

While Cravath has proven its muster on behalf of well-known corporate clients, it has shied away from signing major private equity funds onto its roster — a careful move that has given the firm a leg up in a marketplace increasingly driven by private equity players.

“We tend not to represent the largest private equity funds, and that's a conscious choice on our part,” Hall said. “We're becoming one of a very small number of firms that is a go-to firm for boards or special committees that are looking to sell themselves, when there is a meaningful prospect of private equity interest.”

Without ties to big-name private equity firms, Cravath attorneys can altogether avoid conflicts of interest when a company-client proves an attractive target to investment firms. Last year, it guided JDA Software Group Inc. in its \$1.9 billion sale to affiliates of New Mountain Capital LLC, and showed Dreamworks Animation SKG Inc. the way to a joint venture alongside China Media Capital.

The diversity of Cravath's client base and the range of deals the firm handles demands a wide understanding of the ins and outs of dealmaking — by client, by industry and in the context of the general marketplace.

Most of the M&A partners have worked their way around related practice areas, including financing and capital markets, giving them a wider perspective on the issues that could come up in the financing or securities aspects of a given transaction, Hall said.

With that broader knowledge base, attorneys are able to more easily head off issues or keep their impact to a minimum. In addition, it helps foster a sense of cooperation that Saeed said is central to the firm's business.

“The firm is a true partnership in every respect,” she said. “We're lockstep, we're a very consensus-driven organization and we all, for the most part, have grown up practicing together. Everybody knows exactly what is needed in a particular transaction and how to work together to deliver the best result.”

--Editing by Andrew Park.

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**Cravath, Swaine & Moore LLP**