

M&A Group Of The Year: Shearman & Sterling

By **Matthew Guarnaccia**

Law360 (January 16, 2019, 11:29 AM EST) -- Shearman & Sterling LLP has tackled deals around the globe for major clients, including Novartis, CVS Health Corp. and Unibail-Rodamco SE, and its comprehensive approach to mergers and acquisitions has set it apart from the competition and earned the firm a spot as one of Law360's 2018 Mergers & Acquisitions Groups of the Year.

With approximately 150 attorneys spread across 20 global offices, Shearman & Sterling's vast body of M&A work involves tackling some of the most challenging and complex deals and requires input from the firm's diverse set of skilled practitioners. With an unofficial motto of "any transaction, any jurisdiction, any industry," the group is hyper-focused on operating as an integrated unit, regardless of where the work is being done, who they are representing and what expertise is required.

"Whether it is high-end domestic, or high-end cross-border, we pride ourselves on figuring out solutions in situations where there are no obvious solutions," George Casey, Shearman & Sterling's global managing partner and global mergers & acquisitions practice group leader, said. "That's what excites us."

Counted among Shearman & Sterling's recent accomplishments is its work for Novartis, which in October 2017 submitted a \$3.9 billion tender offer for France-based radiopharmaceutical company Advanced Accelerator Applications. The deal was complicated due to the fact that Novartis, a Swiss company, was dealing with an entity that was listed on the Nasdaq, meaning the firm had to navigate U.S. laws in submitting the offer.

The jurisdictional and regulatory complexities of the case required extensive coordination between Shearman & Sterling's New York, London and Paris offices. The tender offer for AAA closed in January 2018.

Another cross-jurisdictional deal guided by Shearman & Sterling was real estate investment firm Unibail-Rodamco SE's \$25 billion takeover of Australian shopping center owner and operator Westfield Corp. Announced in December 2017, the deal saw France-based Unibail-Rodamco pick up 17 flagship assets in major markets in the U.S. and the U.K. and created an entity with a gross market value of \$72.2 billion.



Shearman & Sterling orchestrated a deal under which Westfield shareholders would receive a unit consisting of Unibail shares and shares in a new Dutch real estate investment trust, which together equaled a single, stapled security. This security represented 65 percent of the consideration for the deal, with the remaining 35 percent coming in the form of cash.

Shearman & Sterling also prides itself on having the ability to tackle big deals in areas where it does not have offices, including Ghana, Peru, Chile and South Africa. One example of the firm's ability to guide deals outside of traditional jurisdictions involves its representation of Cyprus Cooperative Bank Ltd. on a €10.3 billion (\$11.7 billion) sale of certain assets and liabilities to Greece's Hellenic Bank Public Co. Ltd.

The deal involved coordination with counsel in Cyprus and required Shearman & Sterling to advise CCB on European financial regulatory matters and provide assistance on transactional considerations involving English law. The deal was significant for the Republic of Cyprus, the controlling shareholder of CCB, in that it allowed the country to address certain concerns for its financial sector that arose in the aftermath of the 2013 financial crisis.

Shearman & Sterling's work on cross-border matters does not come at the expense of domestic work either.

The firm is involved in one of the most notable cases of the past year — CVS Health Corp's pending \$69 billion takeover of Aetna Inc. While the deal was first unveiled in December 2017, Shearman & Sterling guided CVS on certain financing matters, including a \$40 billion bond offering in March used to fund some of the cash portion of the tie-up.

In addition to being one of the largest deals announced in 2017, CVS' acquisition of Aetna is significant in that it would combine a major pharmacy operator with a health insurance giant.

"Having an understanding of what our clients do, what they want out of deals and what they expect from us, I think that's why they come back," Shearman & Sterling M&A partner Robert Katz said.

Beyond the marquee deals steered by Shearman & Sterling, one of the key factors that sets the firm apart is its hands-on approach to M&A. Shearman & Sterling's attorneys of all seniority levels will work directly with their clients from the genesis of a deal to its completion, ensuring that they will receive counsel from the most experienced practitioners throughout the entire process.

"I think it is very rare to see firms that execute in the way we do where you truly have the most senior folks in the M&A group hands-on from start to finish," Scott Petepiece, Shearman & Sterling's global M&A practice group leader and its Americas M&A team leader, said. "I think it's fair to say our clients find that incredibly attractive, but also incredibly important because we are vested in the outcome."

Shearman & Sterling's success in 2018 also came by way of expansion, as the firm opened up offices in Austin and Houston, in March and May, respectively. Representing the firm's first foray into Texas, the Austin office houses seven M&A partners, while the Houston office is the home base for five.

Shearman & Sterling's M&A group shows no signs of slowing down in 2019 either. The group worked through a busy holiday season, which it hopes will set the stage for success in the coming year and beyond.

"What's important to us and what we have focused on is making sure we have the highest quality team

and that we build the next generation and the generation after that who can actually work with us, work on current deals, and eventually develop their own market profiles and step into our shoes at some point,” Casey said.

--Editing by Alyssa Miller.

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