

Private Equity Group Of The Year: Dechert

By **Matthew Guarnaccia**

Law360 (February 4, 2019, 12:01 PM EST) -- Dechert LLP's private equity practice is consistently on the cutting edge of the industry, guiding important deals for major names like Singaporean sovereign wealth fund GIC Private Ltd. and Sun Capital Partners to earn a place as one of Law360's 2018 Practice Groups of the Year.

With 250 lawyers across 18 offices in the U.S., Europe, Asia and the Middle East, Dechert's private equity team makes up around a quarter of the firm's attorney headcount. Private equity is a cornerstone of the Dechert brand, evidenced by the fact that the firm's current and immediate past CEO, and immediate past chairman, all practice in the private equity space.

"Private equity is deep in our DNA," said partner Mark Thierfelder, head of Dechert's global corporate and private equity teams. "As the firm has been built out over the past 30 plus years, that's been a very important part of how we've built it."

Dechert continued to demonstrate its commitment to private equity in 2018, steering big-money deals for some of its 200 private equity and private investment clients.

Among these transactions was the partnership deal between Singapore sovereign wealth fund GIC, The Blackstone Group LP and the Canada Pension Plan Investment Board to buy a majority stake in Thomson Reuters' Financial & Risk business. Dechert represented GIC in the Blackstone-led consortium's January 2018 deal, which valued the business at \$20 billion.

In addition to being the second largest private equity-backed acquisition in the past three years, the deal was multijurisdictional and required extensive coordination between a number of highly sophisticated parties.



“Being able to represent clients on a global basis and to both anticipate and help solve issues as they come up in course of transaction, is incredibly important,” Thierfelder said.

Another key deal for one of Dechert’s private equity clients was Court Square Capital Partners’ sale of a majority stake in Rocket Software to Bain Capital Private Equity.

The \$2 billion deal not only highlighted the long-standing relationship between Court Square and Dechert, it exemplified the amount of work the firm does for its clients over the life of a portfolio investment. Dechert initially guided Court Square’s acquisition of Rocket in 2009 and steered the software company on 15 bolt-on acquisitions, all of which ultimately contributed to the successful October 2018 exit.

Court Square’s nine-year hold period for Rocket allowed Dechert to be uniquely positioned to understand the ins and outs of the business, including its intellectual property and a partnership with IBM dating back more than 20 years. This gave Dechert an inside track on the intricacies of Rocket, and helped assuage any concerns raised by Bain as an outside party.

“Being able to speak to those details helped make it so people didn’t get caught up on inefficiencies of that information asymmetry,” said Ken Young, one of the Dechert partners who led the Rocket deal.

European private equity firms have also benefited from Dechert’s capabilities and global reach, especially Sun European Partners, as well as its sponsor, U.S.-based Sun Capital Partners.

One of the deals guided by Dechert for Sun European was its sale of Albéa, a provider of cosmetics packaging to France’s PAI Partners, for a reported price of \$1.5 billion. Sun European had initially acquired the company in a carve-out deal with mining giant Rio Tinto PLC and built up the Albéa brand, which now makes products for companies including L’Oreal and LVMH.

Sun European’s exit of Albéa required Dechert to navigate a complex regulatory landscape, as the company possessed manufacturing and distribution facilities all across Europe. An added consideration to the negotiations was Albéa’s recently refinanced debt and a so-called portability provision, which meant a sale to a “pre-approved” buyer would not trigger a change of control prepayment.

Another deal in the European market involving Sun European was the sale of Coveris Holdings SA’s rigid packaging operations to New York private equity firm Lindsay Goldberg LLC. First announced in late April, the €700 million (\$800 million) carve-out deal involved 15 jurisdictions, including France and the Netherlands, which require negotiations with employee representatives as part of a required “works council” process.

The Coveris deal was also complicated by the fact that the company dealt its U.S. division in a separate carve-out earlier that month. While Dechert was not involved in the U.S. deal, the interconnected nature of Coveris’ business lines meant the parties needed to engage in three-way discussions to ensure the deals would be successful.

“It was all the bits of Albéa and more because of [the] carve-out nature of the transaction,” said Chris Field, Dechert partner and lead on both Sun European deals.

Following its success in 2018, Dechert is looking to have an even bigger impact this year, in what will be its 35th in the private equity space. A key aspect of this improvement will be relying on the building blocks that got the firm this far in the first place.

“We’ve had record growth in our corporate practice and in private equity in particular over the past couple years,” Young said. “The goal is to continue to make sure our institutional knowledge, the belief in our market-leading practice, and our external brand, continue to align.”

--Editing by Alyssa Miller.