



2011 Public M&A Trends and Highlights

PLCWhat's Market



About Practical Law Company



Practical Legal Know-how for
Law Firms • Law Departments • Law Schools

Practical resources covering many practice areas

Overviews, model documents, trend articles and more created by our expert attorneys

Dedicated areas for law firms, law departments and law schools

Practice centers for specialists

What's Market for public & private M&A, IPOs, follow-on equity offerings

Updates on the latest legal and market developments

Practical Law The Journal magazine covering today's transactional and compliance topics



Corporate & Securities Resources

Topics include:

[Bankruptcy](#)

[Business Entities](#)

[Capital Markets](#)

[Corporate Governance and](#)

[Continuous Disclosure](#)

[Mergers and Acquisitions](#)

[Private Equity](#)

PRACTICAL LAW COMPANY®
Logged in as PLCIPNY · My Account · Log out · Feedback · Contact

US Home PLC Law Firm PLC Law Department Search

Corporate & Securities Practice Center

New to PLC? [CLICK HERE FOR A FREE TRIAL!](#)

Topics

- Bankruptcy
- Business Entities
- Capital Markets
- Corporate Governance and Continuous Disclosure
- Mergers and Acquisitions
- Private Equity

Most Popular

- 1 What's Market: Indemnification Provisions in Acquisition Agreements
- 2 Confidentiality Agreement: Mergers and Acquisitions
- 3 Using Finders to Assist in Financings: Understanding the Risks Associated with Unregistered Broker-Dealers
- 4 Asset Purchase Agreement Commentary
- 5 Nominating and Corporate Governance Committee Charter

What Are You Working On?
Let us know what you're working on and we'll help.
[Get Help Now](#)

Are You a Know-It-All?
Find out now.
[Take the Challenge](#)

TAKE THE PRACTICAL LAW COMPANY KNOWLEDGE CHALLENGE

What's New

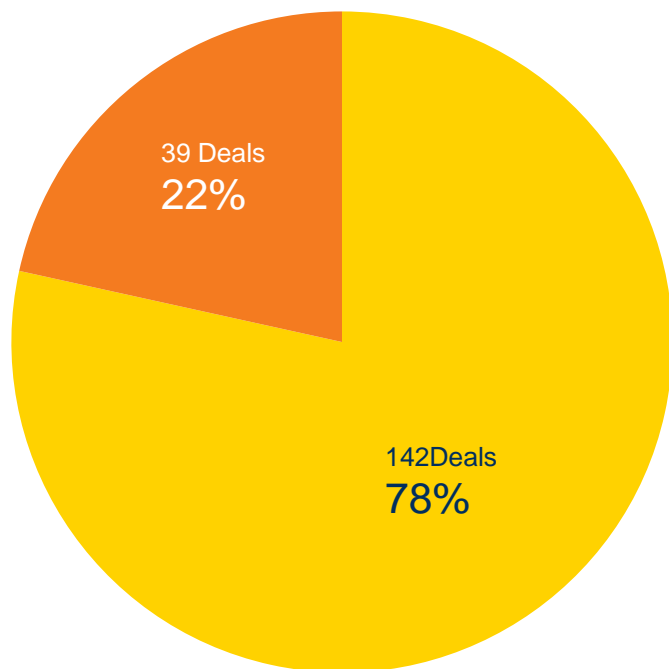
[Resources Published in the Last 12 Months](#)

REQUEST A FREE TRIAL
www.practicallaw.com
E-mail: ustrials@practicallaw.com



Number of Deals

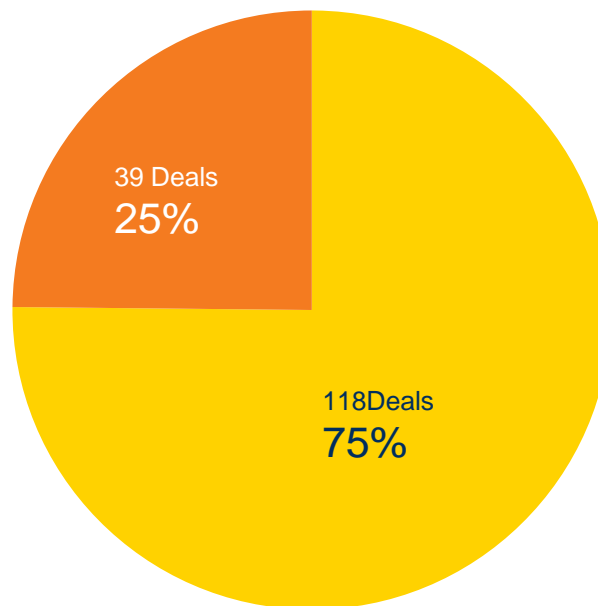
2010



181 Total Deals

48 deals (27%) were structured as front-end tender offers.

2011



157 Total Deals

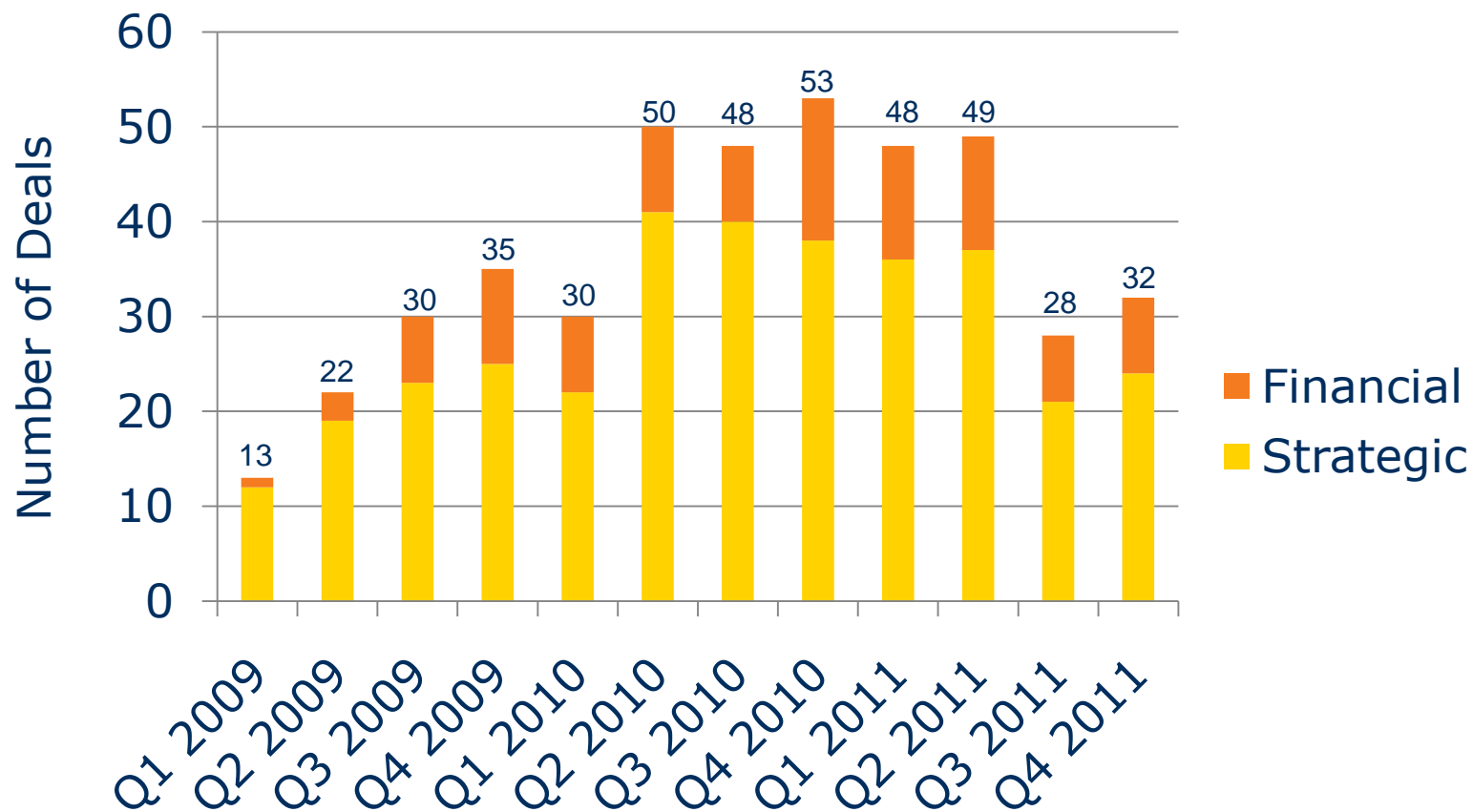
44 deals (28%) were structured as front-end tender offers.

■ Strategic

■ Financial

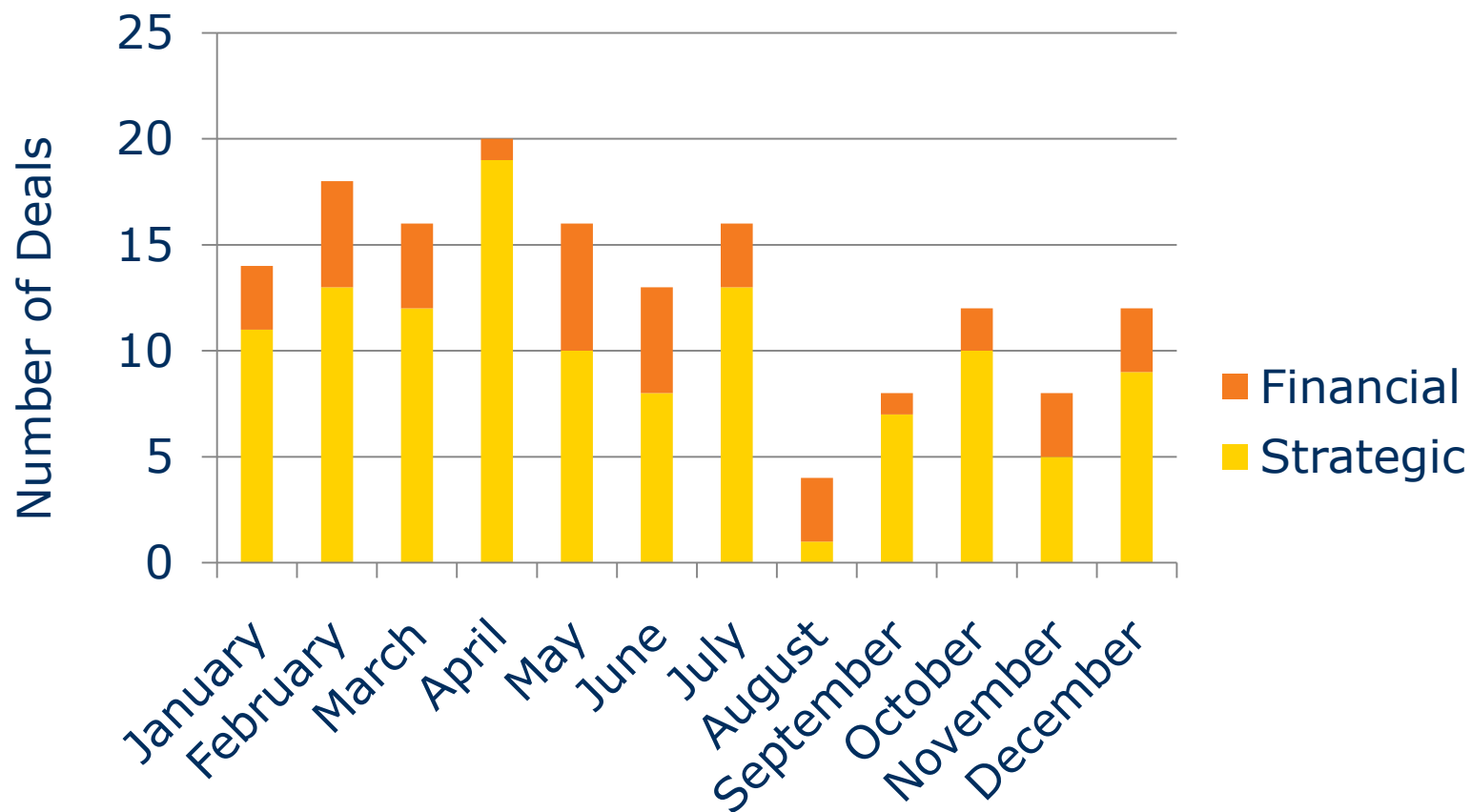


Deal Volume per Quarter from Q1 2009





Deal Volume per Month in 2011





Largest Strategic Deals

Deal Parties / Signing Date	Industry Sector	Deal Value	Consideration
Kinder Morgan, Inc. and El Paso Corporation merger (October 16, 2011)	Oil and gas	\$37.8 billion (including \$16.7 billion assumed debt)	Cash, stock or cash/stock
Express Scripts, Inc. and Medco Health Solutions, Inc. merger (July 20, 2011)	Medical devices and healthcare	\$29.1 billion	For acquiror stockholders: stock For target stockholders: cash and stock
Duke Energy Corporation and Progress Energy, Inc. merger (January 8, 2011)	Utilities	\$25.9 billion (including \$12.2 assumed debt)	All stock
Sanofi-Aventis tender offer for Genzyme Corporation (February 16, 2011)	Pharmaceuticals and biotechnology	\$20.1 billion (excluding contingent value rights)	Cash and CVRs
United Technologies Corporation and Goodrich Corporation merger (September 21, 2011)	Aerospace and defense	\$18.4 billion (including \$1.9 billion assumed debt)	All cash



Largest Financial/PE Deals

Deal Parties / Signing Date	Industry Sector	Deal Value	Consideration
Berkshire Hathaway Inc. and The Lubrizol Corporation merger (<i>March 13, 2011</i>)	Chemicals	\$9.7 billion (including the assumption of \$700 million of debt)	All cash
Apax Partners/CPPIB/PSPIB and Kinetic Concepts, Inc. merger (<i>July 12, 2011</i>)*	Medical devices and healthcare	\$6.3 billion (including outstanding debt)	All cash
The Carlyle Group/Hellman & Friedman and Pharmaceutical Product Development, Inc. merger (<i>October 2, 2011</i>) *	Pharmaceuticals and biotechnology	\$3.9 billion	All cash
Alleghany Corporation and Transatlantic Holdings, Inc. merger (<i>November 20, 2011</i>)	Insurance	\$3.4 billion	Cash or stock
Access Industries, Inc. and Warner Music Group Corp. merger (<i>May 6, 2011</i>)	Media and entertainment	\$3.3 billion (including approximately \$2 billion in cash and assumed debt)	All cash

* Denotes a “club deal.”



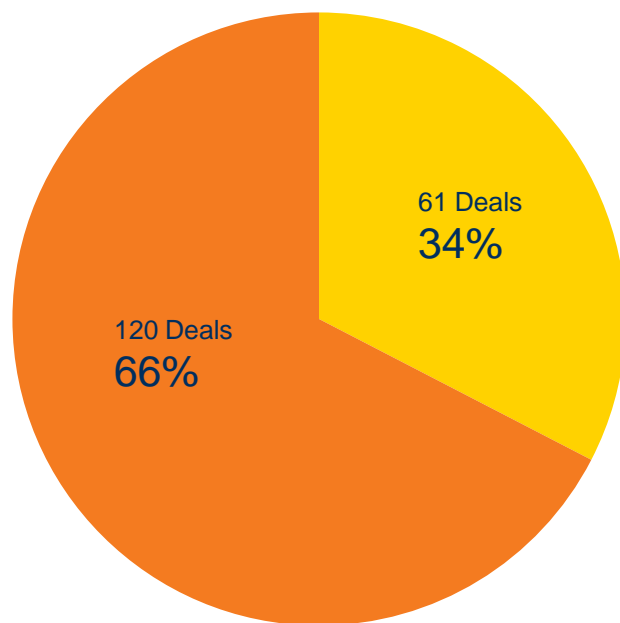
Other “Club Deals” from 2011

Deal Parties / Signing Date	Industry Sector	Deal Value	Consideration
Leonard Green & Partners/CVC Capital Partners and BJ's Wholesale Club, Inc. merger <i>(June 28, 2011)</i>	Retailers	\$2.8 billion	All cash
Thoma Bravo/Ontario Teachers' Pension Plan and Blue Coat Systems, Inc. merger <i>(December 8, 2011)</i>	Computer and electronic equipment	\$1.3 billion	All cash
Siris Capital Group, LLC/ComVest Group/GSO Capital Partners/Sankaty Advisors/Zelnic Media and Tekelec merger <i>(November 6, 2011)</i>	Telecommunications	\$780 million	All cash
Ares Management LLC/Canada Pension Plan Investment Board and 99 Cents Only Stores merger <i>(October 11, 2011)</i>	Retailers	\$1.6 billion	All cash



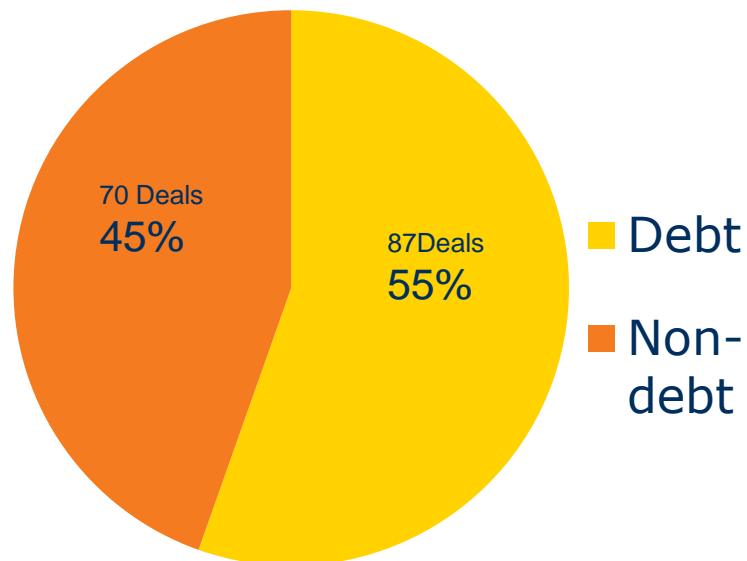
Debt vs. Non-debt Financed Transactions

2010



181 Total Deals

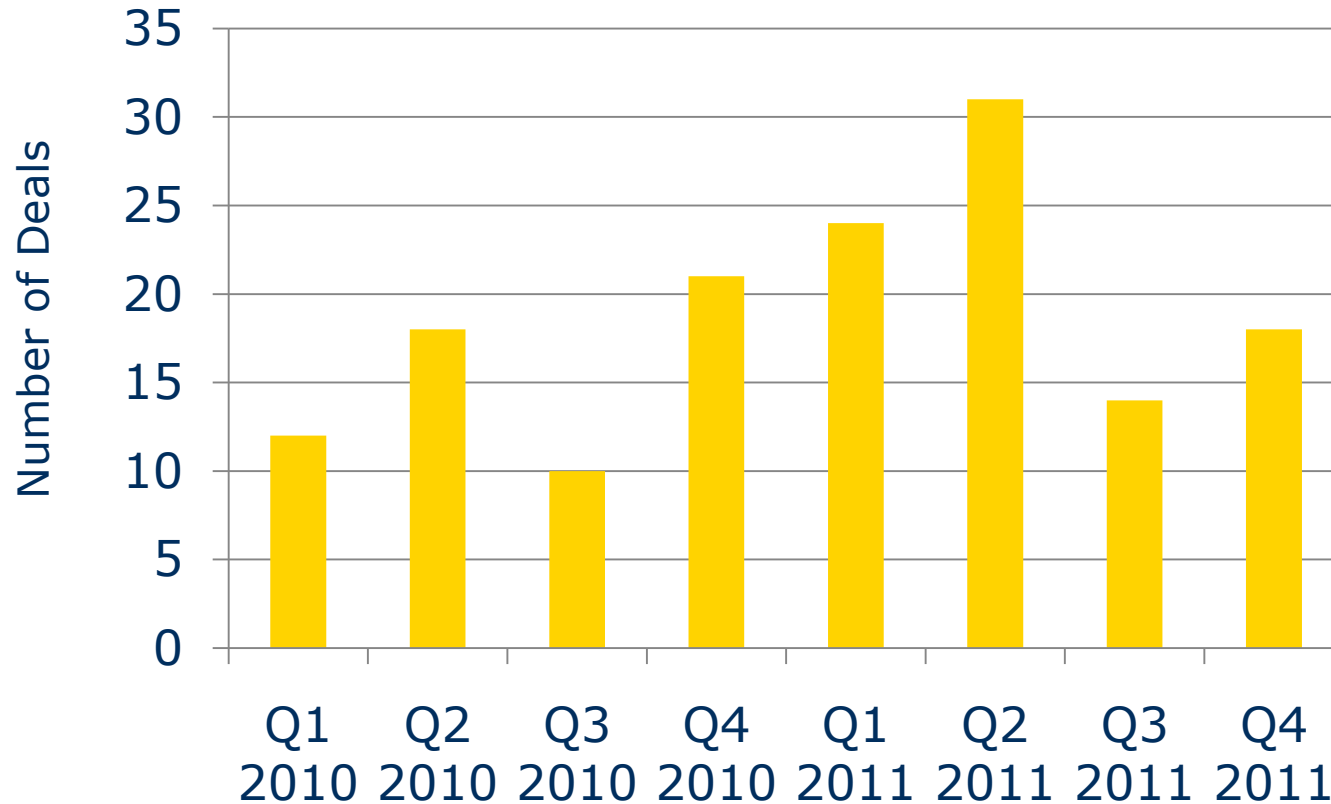
2011



157 Total Deals

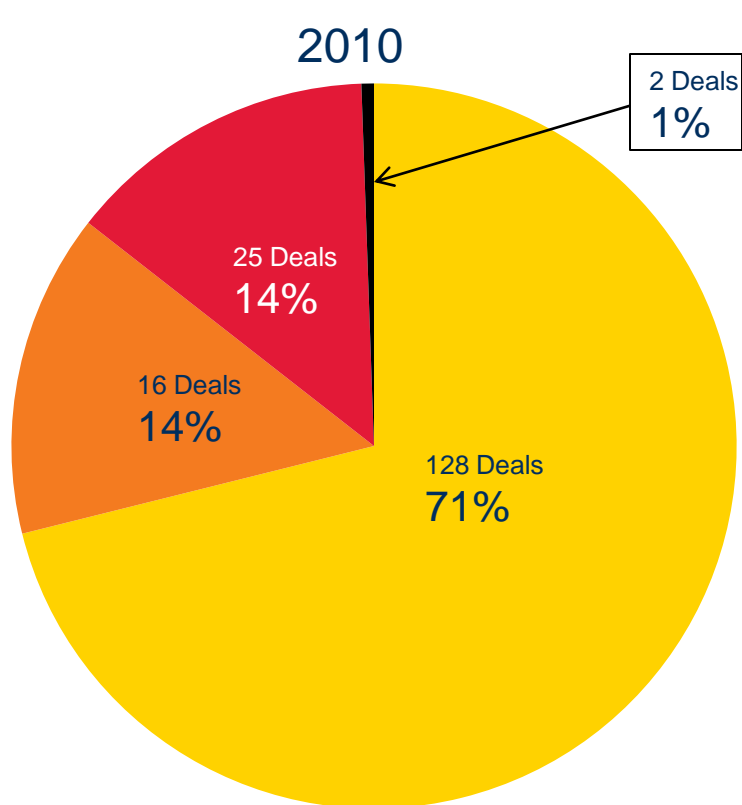


Debt-financed Deals per Quarter

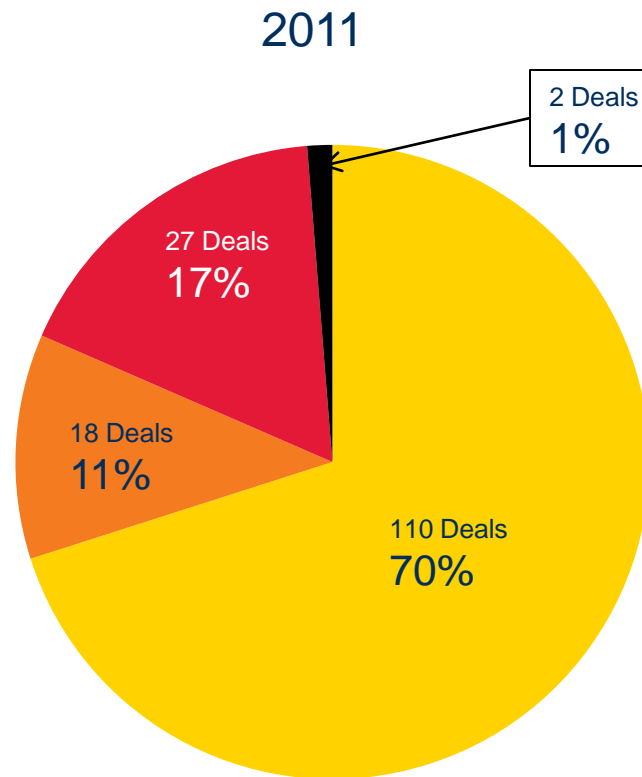




Type of Consideration



181 Total Deals

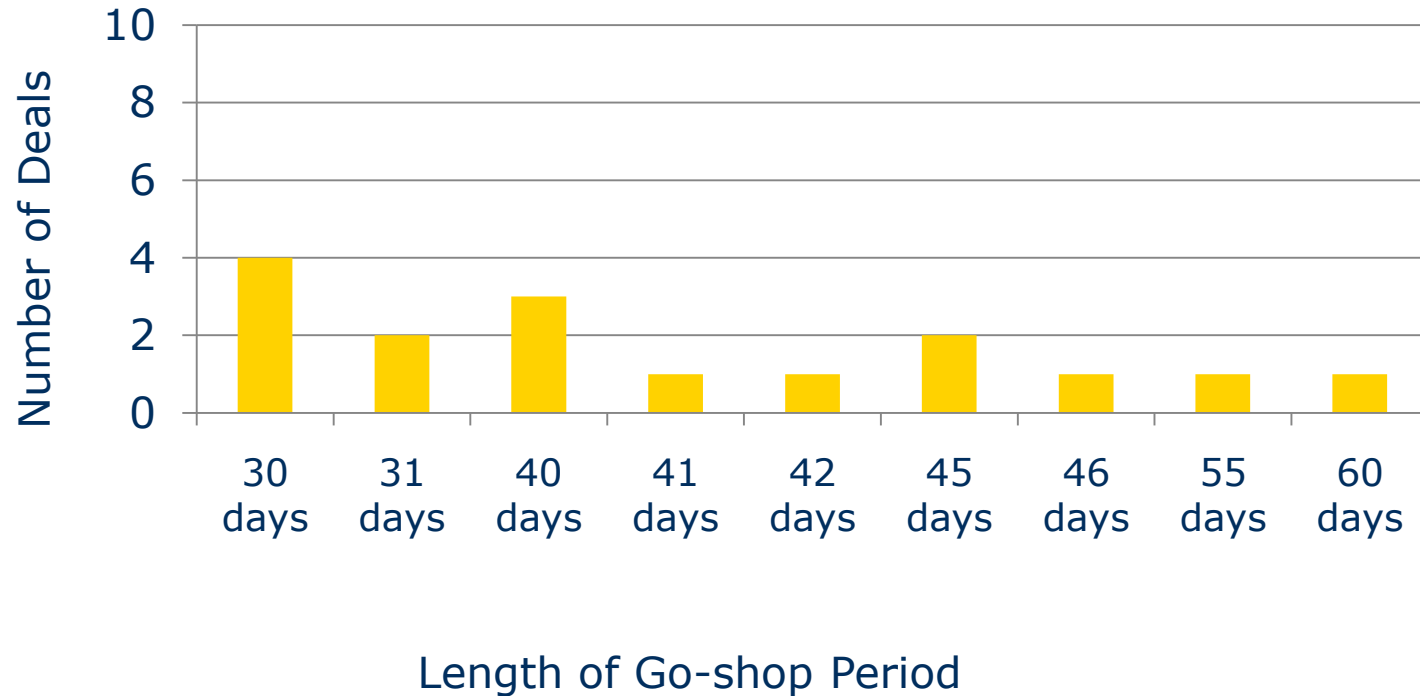


157 Total Deals

- All Cash
- All Stock
- Cash and/or Stock
- Cash, Stock and/or CVRs



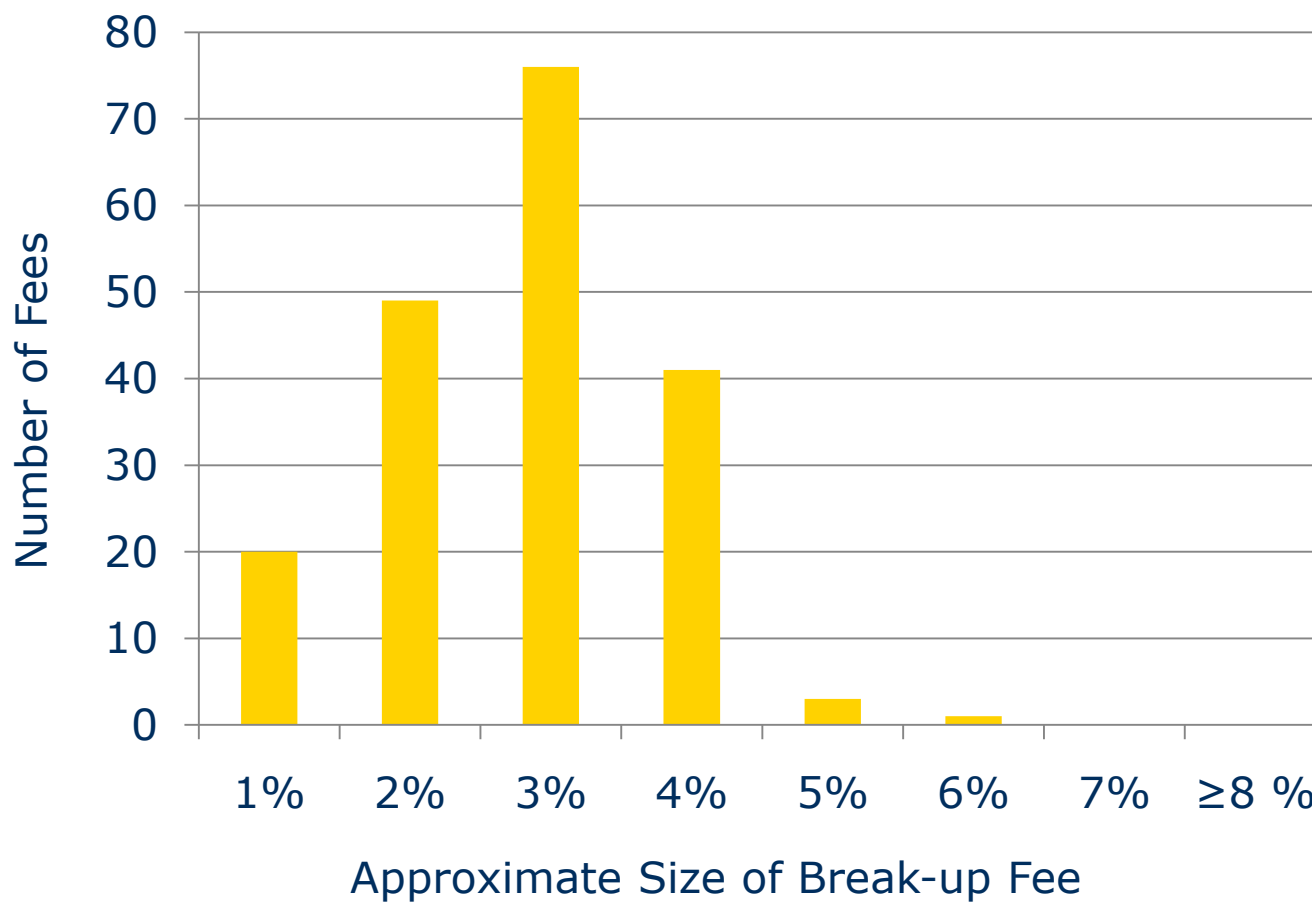
Go-shops



16 deals in 2011 (10%) contained a go-shop provision (down from 15% of deals in 2010).



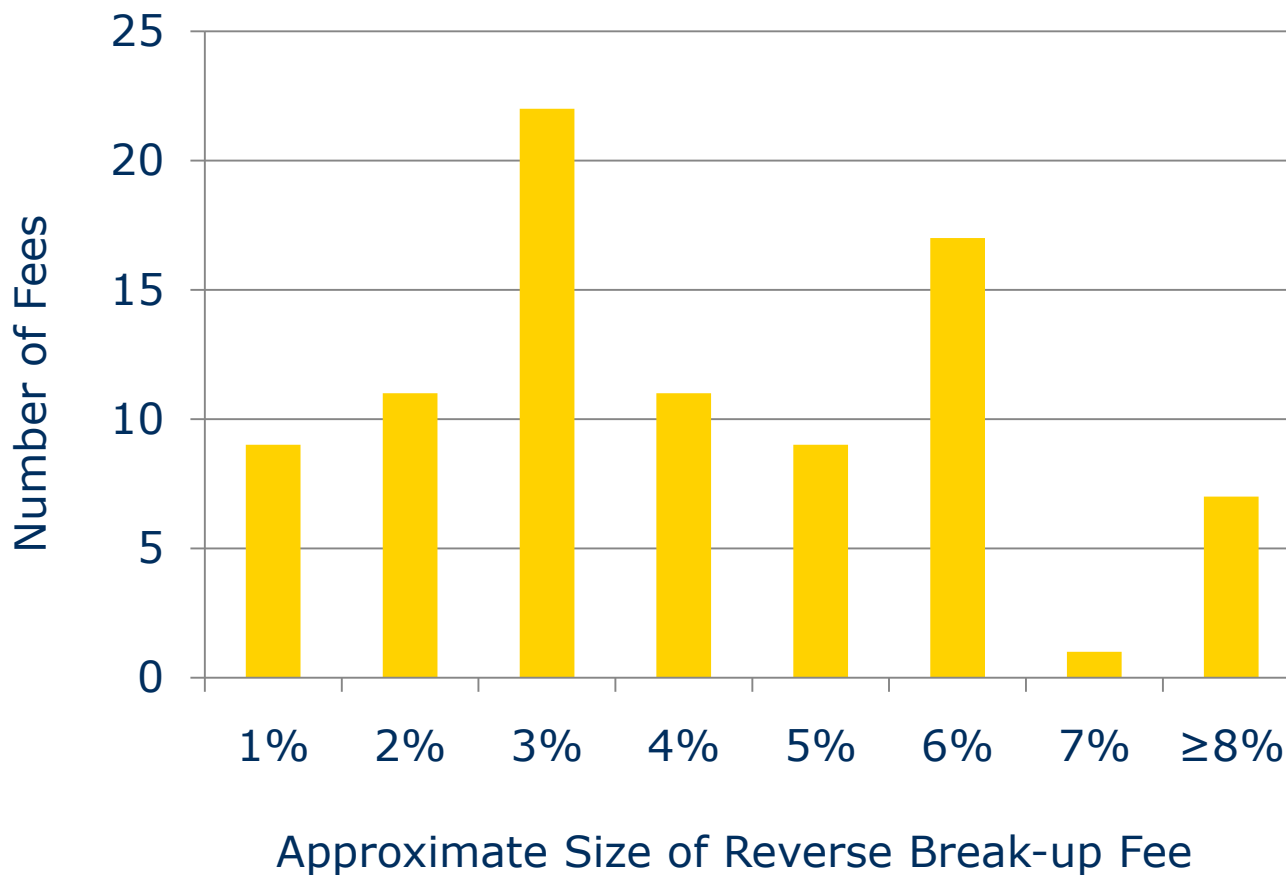
Approximate Size of Break-up Fees



153 deals (97.5%) contained a break-up fee in 2011.

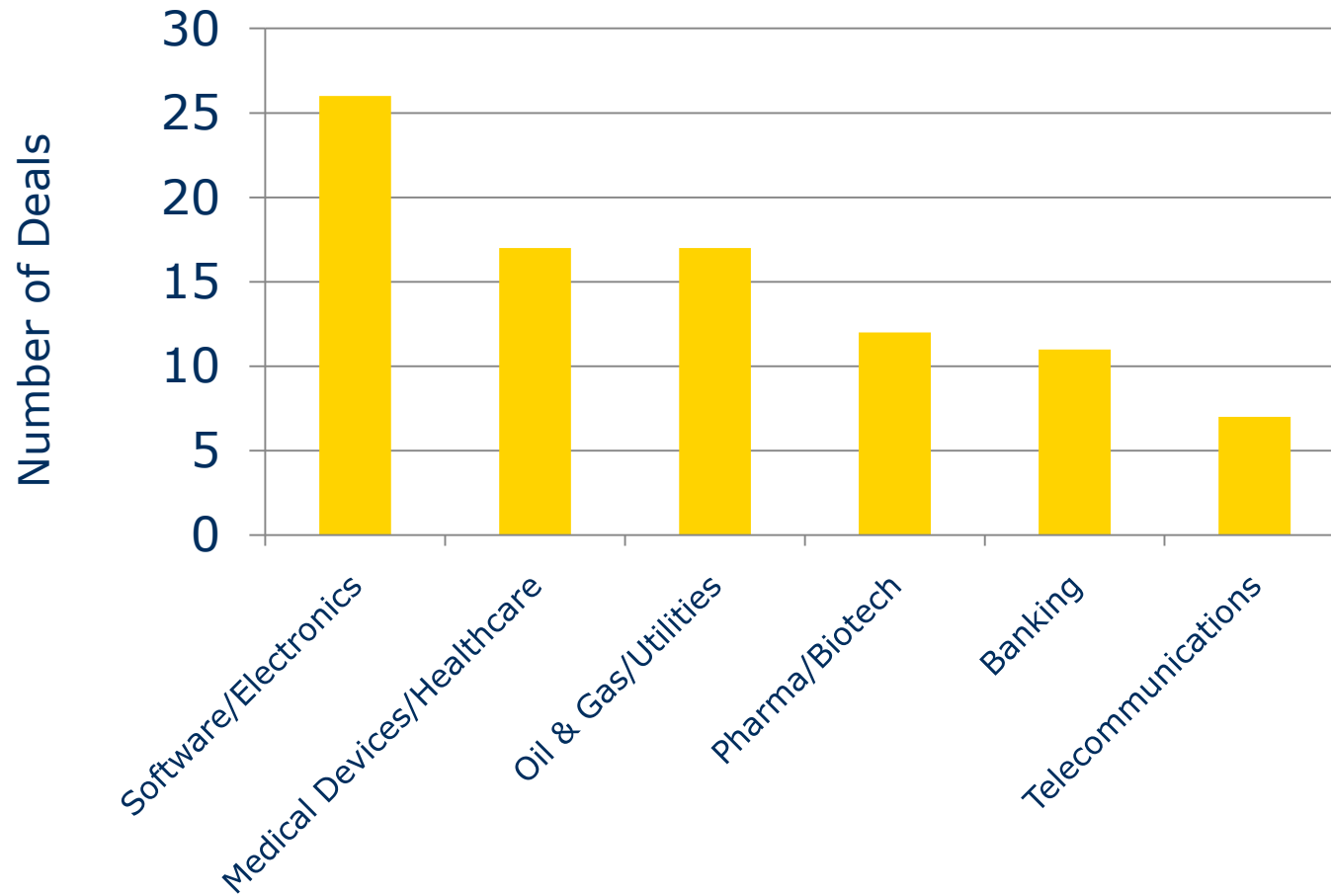


Approximate Size of Reverse Break-up Fees





Active Industry Sectors





Impactful M&A Litigation

- *Air Products and Chemicals, Inc. v. Airgas, Inc.*
- *In re Smurfit Stone Container Corp. Shareholder Litigation*
- *In re Southern Peru Copper Corp. Shareholder Derivative Litigation*
- Del Monte



Questions?

Type your questions in the
“**Ask a Question**” box, click “**Submit**”



Related Resources at www.practicallaw.com

- ✓ Merger Agreement (Pro-Buyer)
- ✓ Drafting and Negotiating Reverse Break-up Fee and Specific Performance Provisions
- ✓ What's Market: Tender Offers
- ✓ Poison Pills: Defending Against Takeovers and Protecting NOLs
- ✓ No-shops and Their Exceptions



Request a Free Trial

www.practicallaw.com

E-mail: USTrials@practicallaw.com



@PLCCorpSecUS