

# United States

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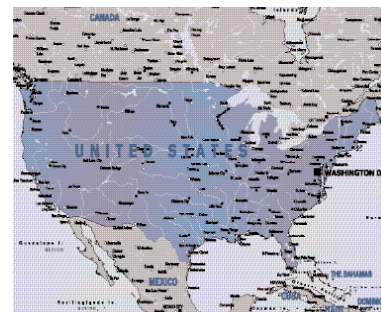
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## The impact of Sarbanes-Oxley on M&A and capital markets transactions in the US

**Meredith M Brown and Peter Loughran**  
**Debevoise & Plimpton**  
**New York**

The Sarbanes-Oxley Act (SOX), the rules that implement it, and the lingering impact of the scandals that gave rise to it, have changed M&A and capital markets transactions in the US – discouraging some transactions, prolonging others. But deal business, being resilient and cyclical, is coming back.

### SOX in a nutshell

After Enron's spectacular collapse, Congress in July 2002 enacted the Sarbanes-Oxley Act. To oversimplify, SOX, coupled with rules adopted in its wake, among other things:

- requires CEOs and CFOs to certify as to a reporting company's financial reports and internal controls;
- increases the role of independent directors, particularly the role of the audit committee; and
- adds many new disclosure requirements.

### Effect on M&A

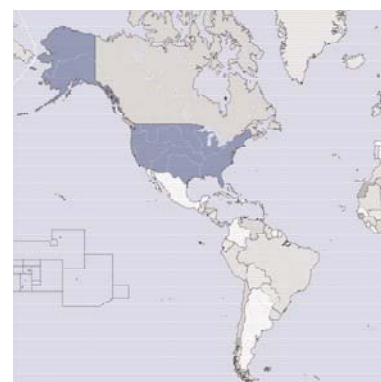
The biggest effects on M&A have come, not from SOX and implementing rules, but from the overall context that gave rise to SOX. The misstatements of financial results at Enron and elsewhere have made directors more skeptical of historical and projected results of proposed merger partners, and less inclined to subscribe without question to their CEO's enthusiasm for possible deals.

Top management also is more cautious. The CEO and the CFO – mindful that they must certify the financial results and internal controls of their company (including any acquired businesses) – are less likely to buy a company without understanding its financial statements and internal controls.

Similarly, the investing public became more skeptical. The market has tended to punish the share price of companies that announced large transactions. For example, Comcast's stock price dropped 12% in three days when Comcast, in February 2004, announced its intention to make a bid for Disney.

These factors, combined with the stock market drop starting in 2000, contributed to the sharp drop in the number and size of M&A deals in recent years. In 2003, there were 7,570 announced US M&A deals, with an aggregate value of \$526 billion – down 30% in number and 71% in value from 2000. Much of that drop occurred in 2001.

Deals now take longer to close, and many die aborning. In part, this results from more due diligence. Gone are the days when a company might not look hard at a merger partner's financial statements, on the theory that the merger partner was a reporting company and the financials were audited. Post-SOX, there is more likely to be inquiry, for exam-



ple, into certification procedures, internal controls, disclosure controls, corporate governance, the work and worries of the audit committee, whistleblower reports and director independence.

There have also been some changes in representations (example – as to internal controls, and that the CEO/CFO certifications in the SEC reports were correct when made).

One predicted result of SOX hasn't yet happened. Despite the increased costs of being a public company – for example, compliance, audit, and D&O insurance costs and directors' fees – we have not yet seen a surge in going-private transactions by small- and mid-cap companies.

#### Effect on capital markets transactions

SOX and the stock market bubble-burst have similarly affected capital markets transactions.

Between 2000 and 2003, US IPOs dropped from 388 to 82 – a 79% drop. Much of the drop was in 2001. Issuers that completed offerings encountered increased due diligence, greater focus on internal controls and corporate governance, and myriad new SEC rules, including ones calling for more disclosure in management's discussion and analysis and for more reconciliation of non-GAAP information to US generally accepted accounting principles.

Far fewer non-US issuers have had US public offerings – deterred in large part by SOX-related costs and exposure. Many of the non-US issuers that already have become US reporting companies have been seeking to get out from under the reporting requirements. Non-US companies are pushing for law changes to make that easier.

Like M&A agreements, underwriting agreements have evolved to include new SOX-based representations.

#### Winter does not last forever

Business activity, like vegetation, is cyclical. We write this as trees in New York, bare all winter, burst into leaf.

We see similar stirrings in the M&A and capital markets. In the first quarter of 2004 there were 2,025 announced US M&A deals, with an aggregate deal price of \$291.9 billion – up 22% and 331% from comparable figures for the first quarter of 2003. During the first quarter of 2004, there were 44 IPOs for US issuers, with aggregate offerings of \$8.5 billion – up 780% and 1221% from the first quarter of 2003. And that was before the world could goggle at the Google offering.

We believe SOX and the new rules will shape, not stifle, M&A and capital markets deals. At least until the next efflorescence of irrational exuberance, due diligence will be more protracted, independent directors more inclined to question proposed deals, non-US companies reluctant to tap US capital markets. But in M&A, strategic buyers will seek deals that make strategic sense, and private equity sponsors will seek to deploy their investors' commitments. Companies will seek access to the US capital markets. Deals are sprouting up – but there will be weeds among the wheat.

## Banking

### Recommended firms

Cravath Swaine & Moore

Davis Polk & Wardwell

Simpson Thacher & Bartlett

Shearman & Sterling

Sullivan & Cromwell

White & Case

Cleary Gottlieb Steen & Hamilton

Milbank Tweed Hadley & McCloy

O'Melveny & Myers

Skadden Arps Slate Meagher & Flom

Bingham McCutchen

Jones Day

Mayer Brown Rowe & Maw

Weil Gotshal & Manges

Baker Botts

Cadwalader Wickersham & Taft

Fried Frank Harris Shriver & Jacobson

Latham & Watkins

Sidley Austin Brown & Wood

### Cravath Swaine & Moore

Cravath Swaine & Moore is acknowledged to be one of the preeminent sources for banking law advice in the US. It may not have the large numbers of lawyers that some of its rivals do, but it certainly has the expertise and some of the most valuable clients around. Cravath has close ties to JP Morgan Chase and Credit Suisse First Boston as one of the banks' primary counsel, and can boast a client list including many other of the world's leading lenders and borrowers.

The firm's banking practice is felt to be equally strong for lenders and borrowers, and takes in a full range of credit transactions, from large syndicated loans and debt restructuring to leveraged buyouts (LBOs) and acquisition financing. On the LBO and acquisitions side, Cravath frequently advises independent private equity funds such as the Carlyle Group and Kohlberg Kravis Roberts, as well as the private equity wings of merchant banks.

Among the firm's roster of deals this year, Cravath advised JP Morgan Chase on the provision of \$2.275 billion-worth

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- Aircraft registration
- Escrow Services (documents and funds)
- Equipment repossession
- Issuing title opinions
- Filing instruments for recording
- Commercial leasing  
(standard, tax leveraged cross border)
- Representing parties at aircraft closings
- Sale and acquisition
- Examining FAA records
- Resolution of citizenship issues
- Cape Town Convention filings
- FAA administrative issues
- In kind exchange transactions
- Aircraft title
- Document Preparation
- Fractional Ownership
- Financing
- FAA compliance issues
- Bankruptcy assistance

of senior secured credit facilities to facilitate the acquisition of DuPont's textiles and interiors business by KoSa, a subsidiary of Koch Industries. The deal required putting together loans in several currencies, borrowers in four countries, and collateral across seven jurisdictions. Cravath also represented JP Morgan Chase on the provision of \$1.625 billion and €93 million (\$114 million) in senior credit facilities to TRW Automotive. It also acted for ABN AMRO on the \$1.1 billion credit facilities for Flextronics International and Flextronics USA. Previously Cravath has advised JP Morgan Chase on a \$1 billion revolving credit facility for teams across the US National Basketball Association.

On the private equity acquisition financing side, Cravath was counsel to JP Morgan Chase on the credit facilities used by JP Morgan Partners and JW Childs Associates to fund the purchases of Aurora Foods and Pinnacle Foods.

#### Key contact partner

Robbins Kiesling

#### Leading lawyers

James Cooper  
Michael Goldman  
Robbins Kiesling  
Allen Parker  
George Zobitz

#### Davis Polk & Wardwell

Davis Polk & Wardwell's banking practice is one of the acknowledged leaders in the US market. The group is part of Davis Polk's broader corporate practice and includes both credit and financial institutions teams, led by partners Peter Levin and Randall Guynn respectively. The firm has close links with several top banks, notably JP Morgan Chase, Bank of America, Citigroup, Morgan Stanley and Credit Suisse First Boston.

Davis Polk's banking team is renowned for its work for both providers and consumers of credit facilities, as well as on acquisitions financing, debt restructuring and complex regulatory matters.

Among its recent deals, the firm advised Morgan Stanley Senior Funding on a \$5 billion bridge term facility and backstop revolving credit facility on behalf of Alcan. Another deal saw Davis Polk help Comcast secure a \$4.5 billion revolving credit facility. On two further deals Davis Polk acted for JP Morgan Chase as the lead arranger of separate \$750 million credit facilities for General Mills and Qwest Services. The firm's resume also includes helping set up an \$8 billion advance revolving credit agreement for AT&T and restructuring the \$7 billion credit Xerox credit facility. Davis Polk also advised a \$12.8 billion credit facility relating to Comcast's acquisition of AT&T Broadband.

#### Key contact partner

Bradley Smith

#### Leading lawyers

Randall Guynn  
Peter Levin  
Bradley Smith

#### Simpson Thacher & Bartlett

Simpson Thacher & Bartlett continues to hold a strong position as one of the leading US firms for advice on syndicated lending and acquisition finance. The firm also does important work in leveraged finance and regulatory advice, including acting as chief regulatory counsel to JP Morgan Chase.

The firm's banking and credit group, helped by the strength of Simpson Thacher's broader corporate and private equity practices, consistently wins good work for a variety of private equity borrowers and leading lenders. JP Morgan Chase, Bear Sterns, Lehman Brothers, UBS Warburg and CIBC are among the firm's top clients.

On the lending side, Simpson Thacher acted for JP Morgan Chase on a \$2.5 billion revolving credit facility for Kraft and a further \$2 billion facility for Altria. In two recent examples of acquisition financing the firm helped raise more than \$7 billion. On the first Simpson Thacher acted for a group of private equity funds – the Blackstone Group, Apollo Management and Goldman Sachs Capital Partners – in connection with the acquisition of Ondeo Nalco from Suez. The deal included a \$1.85 billion senior credit facility. On the second, the firm advised a private equity funds consortium, including Bain Capital and Thomas Lee Partners, on financing the acquisition of Time Warner Music, which involved in part a \$1.4 billion senior credit facility and \$500 million bridge loan.

#### Key contact partner

Francis Huck

#### Leading lawyers

Hylton Hartwell  
Francis Huck  
James Knight  
Gregory Weiss

#### Shearman & Sterling

Shearman & Sterling can lay claim to having one of the international legal market's strongest banking practices. The firm is able to leverage its highly regarded eight-partner US group with teams in London, Paris and Frankfurt, where it has local law capabilities, to take on some of the best clients and work. Not only does Shearman & Sterling focus on syndicated lending, it also has a strong reputation for acquisition finance and restructuring. The firm acts both for lenders and borrowers, and has an impressive client list that includes Citigroup, Merrill Lynch, Morgan Stanley, Bank of America and Wachovia.

Recent deals include helping client Cinram International arrange the \$1.175 billion financing behind its acquisition of Time Warner's CD and DVD copying operations. Shearman & Sterling also acted for Banc of America Securities and Bank of America on the \$880 million leveraged financing behind Thomas H Lee buying Michael Foods. Other deals from the past year have seen the firm advise Citigroup Global Markets, Goldman Sachs Credit Partners and JP Morgan Securities on the \$2.9 billion financing for Halliburton Financings, and a lenders group, including Citibank, on a \$350 million asset-based secured financing for Building Materials Corporation of America.

#### Key contact partner

William Hirschberg

#### Leading lawyers

William Hirschberg

Maura O'Sullivan

William Wiegmann

### Sullivan & Cromwell

Sullivan & Cromwell has 14 partners on its banking team, which falls as part of a broader financial institutions group. The practice is arguably strongest when advising on bank mergers and acquisitions and regulatory matters. It carries a great deal of expertise in advising clients on relations with authorities such as the Office of the Comptroller of the Currency, the Department of Justice and the Federal Reserve System.

Among recent credit and loan deals, Sullivan & Cromwell advised Barclays Capital and ING Capital as leaders of a syndicate that arranged an \$800 million revolving credit facility to Cemex. On the borrower side, the firm acted for Allegheny Energy and subsidiary Allegheny Energy Supply Company on a \$1.55 billion debt refinancing, involving several credit and loan facilities. Sullivan & Cromwell also advised Canadian company Alcan on a \$5 billion bridge financing credit agreement in regards to its 2003 takeover bid for French company Pechiney.

On the M&A side, this year Sullivan & Cromwell represented New York Community Bancorp on its \$1.9 billion acquisition of Roslyn Bancorp, and the Bank of Bermuda as the target of a \$1.3 billion takeover by HSBC Holdings. It also advised the board of directors of JP Morgan Chase on the bank's \$61 billion bid for Banc One.

#### Key contact partner

Rodgin Cohen

#### Leading lawyers

Rodgin Cohen

Erik Lindauer

Mark Welshimer

### White & Case

White & Case has been one of the most proactive US firms internationally, a strategy that has paid dividends for all aspects of its work, including banking. With 38 offices in the US and around the world, and 150 lawyers advising on bank finance, White & Case has diverse and in-depth capabilities. Combining these resources has helped the firm win work for a variety of leading financial institutions and borrowers, which it advises on syndicated lending and acquisition financing. Bank of America, Deutsche Bank, Credit Suisse First Boston, Barclays and BNP Paribas are among the firm's clients. It is also active on asset finance, restructuring and leasing work.

Recent deals include advising Bank of America and Deutsche Bank as providers of \$1.675 billion in senior credit facilities to DirectTV Holdings. White & Case represented Deutsche Bank on two further credit financings: the first, an \$850 million syndicated refinancing of senior facilities to Silgan Holdings; and the second, \$675 million-worth of senior secured facilities to Yellow Corporation as part of the acquisition finance behind its takeover of Roadway Corporation. White & Case also advised JP Morgan Chase on the restructuring of \$2 billion in loans and letters of credit to Wyndham International.

The firm's banking practice received a boost in February 2004 when it hired five partners from the collapsed Brobeck Phleger and Harrison. Four of the lawyers, including Kevin Fisher, head of Brobeck's financial services group, joined the firm's San Francisco office. The other is based in Los Angeles.

#### Key contact partner

Eric Berg

#### Leading lawyers

Eric Berg

Sean Geary

David Koschik

### Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton has an excellent banking practice that has gained particular recognition for its regulatory advice. In 2002, for example, it helped Bank of America become the first US bank to win permission from the Federal Energy Regulatory Commission to trade electricity. It has in-depth knowledge on advising financial institutions on legislation such as the Gramm-Leach-Bliley Act, the Sarbanes-Oxley Act and the USA Patriot Act.

Cleary Gottlieb also has a respected transaction practice that sees it advise on bank mergers, restructurings and credit facilities. The firm's client list includes Bank of America, HSBC Holdings, Crédit Lyonnais and Credit Suisse First Boston. Among its recent work, the firm was New York counsel to the Pemex Project Funding Master Trust on a \$1.7 billion credit facility provided by a syndicate including

BBVA Securities and Citigroup Capital Markets. Cleary Gottlieb was again special New York counsel to the borrower on a \$400 million revolving credit facility for Mexico's Comisión Federal de Electricidad.

In terms of banking mergers, Cleary Gottlieb advised Bank of America on its \$48 billion merger with FleetBoston, and was counsel to HSBC Holdings on its \$1.3 billion acquisition of Bank of Bermuda.

#### Key contact partner

Robert Tortoriello

#### Leading lawyers

Paul Glotzer

Seth Grosshandler

Robert Tortoriello

### Milbank Tweed Hadley & McCloy

Milbank Tweed Hadley & McCloy takes part in a variety of transactions through its banking and institutional investments group, which includes 18 partners. It is hard to ignore Milbank Tweed's powerful project finance team, but the firm also does a lot of non-project banking work for a range of clients, including investment and commercial banks, institutional investors and corporate borrowers. Syndicated lending, leveraged buyouts, banking mergers and acquisitions all feature heavily. The firm keeps a keen eye on international transactions, particularly in Latin America, although it also has office networks in Europe and Asia.

Among recent stand-out banking transactions, Milbank Tweed has worked for Credit Suisse First Boston and Deutsche Bank Alex Brown in regards to a \$1.25 billion senior secured credit facility to PanAmSat. It was counsel to JP Morgan Securities and Salomon Smith Barney on a \$1.4 billion senior credit facility granted to Mediacom Broadband, and to the same banks on a \$1.8 billion credit facility to Motorola. Milbank is also active on debt restructurings and the provision of bankruptcy-related credit facilities, such as a \$2.25 billion syndicated facility as part of the Global Crossing case.

#### Key contact partner

Trayton Davis

#### Leading lawyers

Warren Cooke

William Mahoney

Frank Puleo

### O'Melveny & Myers

O'Melveny & Myers has a highly respected banking practice that can call on up to 75 lawyers from across the US as well as its offices in London, Hong Kong, Shanghai and Tokyo. The firm is particularly well known for its acquisition finance work, in the course of which it represents lenders,

arrangers and private equity firms. Under the banner of its financial institutions group, O'Melveny & Myers also has a successful practice offering advice on debt restructuring, debtor-in-possession lending and banking regulation. The firm's client list includes Credit Suisse First Boston, BNP Paribas, Bank of America, Deutsche Bank and the Canadian Imperial Bank of Commerce.

In recent work, O'Melveny & Myers advised JP Morgan Chase, CSFB, Deutsche Bank and Citigroup on Adelphia Communications' exit financings, worth about \$3 billion. The firm was also counsel to Bank of America, Bank of Nova Scotia and Deutsche Bank on a \$1.9 billion refinancing of Owens-Illinois' multi-jurisdictional secured credit facility, and acted for BNP Paribas on a \$225 million acquisition financing for Knowledge Learning Corporation.

#### Key contact partner

Matthew Kirby

#### Leading lawyers

Matthew Kirby

Jeffery Norton

### Skadden Arps Slate Meagher & Flom

Skadden Arps Slate Meagher & Flom's banking team is part of the firm's banking and institutional investing group, which includes more than 80 lawyers and also offers high-level advice on project finance, structured finance and restructurings. This year the firm lost a team of three senior lending-focused lawyers, including partner Marc Hanrahan, to Latham & Watkins, but continues to have a highly regarded banking practice featuring more than 20 partners across its New York, Chicago, Los Angeles, Washington DC and London offices. On the banking side, the firm is active on syndicated lending, letters of credit and credit enhancements, leveraged buyouts and other acquisition financings.

This year Skadden Arps advised Credit Suisse First Boston on a \$1.75 billion credit facility to Regal Cinemas. The firm acted for Fisher Scientific International on a \$1.2 billion secured credit facility, which closed simultaneously with the company's acquisition of Apogent Technologies, a high-yield debt offering and debt exchanges. Skadden also advised Edison Mission Energy and its subsidiary, Midwest Generation, on a \$2 billion financing comprising \$1 billion in loans and \$1 billion in bonds. On the distressed asset side, the firm advised Citigroup on a \$525 million debtor-in-possession (DIP) financing for Solutia, and Bank One on a \$490 million DIP deal for Northwestern.

#### Key contact partners

James Douglas

Joseph Halliday

**Leading lawyers**

James Douglas  
Joseph Halliday  
Sarah Ward

**Jones Day**

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Jones Day's lending and structured finance group is on the rise. The team has expanded rapidly over the past few years, and now includes more than 130 lawyers across the firm's global offices. Under team leader Robert Cunningham, the firm does high-level work in acquisition financing, structured finance, restructuring and corporate finance.

Deal highlights include advising International Steel Group on a \$1 billion asset-based credit facility, and representing El Paso Corporation on a \$4.9 billion secured financing, including a \$3 billion revolving credit facility.

**Key contact partner**

Robert Cunningham

**Leading lawyers**

Michael Bassett  
Robert Cunningham  
Robert Graves  
Ronald Gross

**Weil Gotshal & Manges**

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Weil Gotshal & Manges has an eight-partner banking and finance team in the US that is particularly renowned for its work on restructurings and a range of credit and debt transactions. The firm's client list includes important and frequent lenders Lehman Brothers, Goldman Sachs, Credit Suisse First Boston, Citigroup Global Markets and GE Commercial Finance.

Over the past year Weil Gotshal has worked on a \$1.55 billion financing for United Rentals, advised General Electric Capital Corporation on a \$500 million debtor-in-possession financing for Mirant and was counsel to the arrangers Lehman Brothers and Bear Stearns on a \$700 million financing to Dobson Communications. The firm also advised JP Morgan Securities, Goldman Sachs Credit Partners and Citigroup on a \$1.15 billion financing to fund Medco Health's spin-off from Merck & Co.

**Key contact partner**

Daniel Dokos

**Leading lawyers**

Warren Buhle  
Daniel Dokos  
Marsha Simms

**Baker Botts**

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Baker Botts is able to call on its extensive contacts in the US oil and gas industries, as well as its clients in the banking sector, to gather an array of work. The firm has an 11-partner banking team that, among other things, advises lenders and borrowers on syndicated and non-syndicated credit, leveraged and acquisition financings and debtor-in-possession loans. Recent active clients include CenterPoint Energy, Transocean, CIT Group and JP Morgan Chase. In late 2003 Baker Botts advised Halliburton on several working capital facilities, a secured master facility and an unsecured bridge facility totalling \$4.9 billion. It also acted for Equistar and Lyondell on a \$250 million working capital facility and \$450 million securitization, and helped CenterPoint Energy arrange a \$2.35 billion extension of its working capital and term loan financing.

**Key contact partner**

Roderick Goyne

**Leading lawyers**

Alison Boren  
Peter Dewar  
Roderick Goyne

**Cadwalader Wickersham & Taft**

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Cadwalader Wickersham & Taft has a smaller but highly regarded banking group that advises large US and overseas banks, financial institutions such as hedge funds and insurance companies, as well as borrowers from a variety of industries. Cadwalader has a strong practice on syndicated and single-lender credit facilities and is active on acquisition and warehouse finance, asset-based lending and debtor-in-possession financings. The firm also has a high-ranking aircraft and equipment finance operation, that counts Northwest Airlines and Delta among its clients.

**Key contact partner**

Steven Cohen

**Leading lawyers**

Richard Aborn  
Steven Cohen

**Fried Frank Harris Shriver & Jacobson**

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Fried Frank Harris Shriver & Jacobson has a specialist five-partner team to focus expertise on banking finance work, and accesses resources from the firm's New York, London and Paris offices to give it a cross-border reach. Fried Frank is active on senior credit facilities, mezzanine, acquisition and debtor-in-possession financings, and also advises on real estate, leveraged lease and project financings. The team can count TIAA-CREF, Goldman Sachs, Merrill Lynch, Banc

of America Securities and John Hancock Financial Services among its client base.

Recent deals include advising Banc of America Securities on senior secured and high-yield financings totalling \$700 million to help fund Oak Hill Capital Partners' acquisition of Duane Reade. Fried Frank also advised private equity firm Goldman Sachs Capital Partners on a \$100 million mezzanine credit facility to SigmaKalon.

#### Key contact partner

Robert Schwenkel

#### Leading lawyers

Arthur Kaufman

Brian Murphy

Robert Schwenkel

#### Latham & Watkins

Latham & Watkins has a broad banking and leveraged finance group that covers a wide range of credit transactions and regulatory advice, and includes lawyers from across the firm's office network. The firm has a particularly strong reputation for representing lenders on asset-based deals and leveraged finance, and working with middle-market lenders. Recent work includes advising Credit Suisse First Boston on the \$2.7 billion secured exit financing for NRG Energy, and a \$360 million senior secured credit facility granted to private equity firm Apollo Management to fund its leveraged buyout of General Nutrition Companies.

Latham & Watkins had a major success in March 2004 when it poached a team of three partners to its New York office from rival firm Skadden Arps Slate Meagher & Flom. The group includes the highly regarded Marc Hanrahan and brought additional weight to Latham & Watkins' senior lending capabilities, as well as well-established connections to Credit Suisse First Boston, JP Morgan Chase and Goldman Sachs.

#### Key contact partner

Christopher Plaut

#### Leading lawyers

David Crumbaugh

Hendrik de Jong

Christopher Plaut

## Capital markets – debt and equity

### Recommended firms

Cravath Swaine & Moore

Davis Polk & Wardwell

Sullivan & Cromwell

Cleary Gottlieb Steen & Hamilton

Shearman & Sterling

Simpson Thacher & Bartlett

Skadden Arps Slate Meagher & Flom

Cahill Gordon & Reindel

Fried Frank Harris Shriver & Jacobson

Gibson Dunn & Crutcher

Latham & Watkins

Sidley Austin Brown & Wood

Weil Gotshal & Manges

Dewey Ballantine

Mayer Brown Rowe & Maw

Milbank Tweed Hadley & McCloy

O'Melveny & Myers

Baker Botts

Kirkland & Ellis

Pillsbury Winthrop

Vinson & Elkins

Wilson Sonsini Goodrich & Rosati

### Cravath Swaine & Moore

Cravath Swaine & Moore is one of the world's best law firms for capital markets advice, and works on many of the largest and most sought-after deals. The firm is strong on both the equity and debt sides of its practice, and has a leading high-yield team that competes in the US and Europe. Cravath has deep and long-running ties to investment banks such as Citigroup, Credit Suisse First Boston (CSFB), Goldman Sachs, JP Morgan and Merrill Lynch, and also represents a variety of top US and international corporate clients.

On the debt side, this year Cravath advised JP Morgan Chase as underwriter of a \$1.1 billion registered extended note offering from the bank. Reaching into the European

and global markets, Cravath was counsel to CSFB and Merrill Lynch as underwriters on a \$1.4 billion registered bond offering by EI du Pont de Nemours, which listed on the Luxembourg Stock Exchange.

On the equity side, Cravath acted on one of the biggest deals of 2004, the \$456 million flotation of CB Richard Ellis group, on which Cravath was counsel to CSFB and Citigroup. On international deals, the firm acted for Italian company Terna on its \$1.8 billion global stock offering, and was counsel to All-America Latina Logistica on its \$171 million initial public offering (IPO), denominated in Brazilian reals and listed on the Sao Paolo Stock Exchange.

At the time of writing, Cravath is advising DreamWorks Animation on its planned \$650 million IPO.

#### **Key contact partner**

John White

#### **Leading lawyers**

Kris Heinzelman  
William Whelan  
John White

#### **Davis Polk & Wardwell**

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Davis Polk & Wardwell is one of the world's top capital markets law firms. Davis Polk represents some of the world's leading investment banks and US and non-US corporate issuers on debt and equity products, ranging from high-value blockbuster deals to some of the most innovative and complex deals around.

On the debt side, Davis Polk's impressive client list includes underwriters such as JP Morgan Securities, Morgan Stanley, Banc of America Securities and the Royal Bank of Scotland. Recent deals have seen the firm advise the underwriter group on a \$17.6 billion offering of convertible and non-convertible debt securities by General Motors and some of its subsidiaries. The bank team comprised Merrill Lynch, Morgan Stanley, Citigroup, Banc of America Securities, JP Morgan Securities, UBS Securities and Goldman Sachs. Another underwriter mandate saw Davis Polk represent JP Morgan Securities and Citigroup Global on a \$3 billion offering of SEC-registered notes by Wyeth.

Davis Polk also advises issuers of debt securities, including regular market participants such as GE Capital and AT&T, as well as non-US companies. The firm advised Telecom Italia and Telecom Italia Capital, for example, on the latter's \$4 billion Rule 144A and Regulation S offering of guaranteed senior notes. At around the same time the firm was in the process of helping Rabobank Nederland raise \$1.75 billion through an offering of trust preferred securities through its subsidiary Rabobank Capital Funding Trust II. In a recent high-yield debt deal, Davis Polk advised E\*Trade Financial on its offering of 8% senior notes under Rule 144A and Regulation S, raising \$400 million.

On the equity side, Davis Polk also has ties to some of the biggest investment bank underwriters, including Morgan

Stanley, JP Morgan Securities, Citigroup Global Markets, Banc of America Securities and Credit Suisse First Boston. In 2004 Davis Polk's initial public offering (IPO) portfolio included the largest flotation of the year at that time, where it advised Morgan Stanley and Goldman Sachs on the \$2.83 billion flotation of Genworth, the spun-off financial unit of General Electric. Among other deals, the firm represented NPTest on its \$175.2 million Nasdaq listing, and advised JP Morgan on the \$8.8 billion secondary offering of Microsoft stock as part of a stock option transfer plan under which employee stock options and share appreciation rights were transferred to the bank. It was also counsel to JP Morgan Securities, Merrill Lynch and Lehman Brothers on a \$2 billion Rule 144A and Regulation S offering of convertible senior debentures by American Express.

#### **Key contact partner**

Richard Sandler

#### **Leading lawyers**

Sarah Beshar  
Francis Morison  
Richard Sandler  
Jeffrey Small  
Richard Truesdell

#### **Sullivan & Cromwell**

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Sullivan & Cromwell is one of the undisputed leaders for capital markets legal advice, with a highly admired team, clients and resumé of work. On the debt side the firm is known both for its work on high-yield and investment grade issues, and has a powerful sovereign debt practice with strong client ties across Latin America. The firm has worked on sovereign offerings by Argentina, Brazil, Colombia, Panama, Peru, Mexico and Venezuela, most often as adviser to the underwriters, as well as on debt issues by the Central American Bank for Economic Integration. In 2003 Sullivan & Cromwell advised on one of the region's deals of the year, acting for the banks on Telmex's \$1 billion Rule 144A and Regulation S bond offering. It also worked on Venezuela's \$1.5 billion offering under Regulation S and Brady bond exchange.

In addition to working with most of the top investment banks, Sullivan & Cromwell also acts for a wide range of issuers. In late 2003 the firm represented Canada's Alcan, and its US subsidiary Alcan Aluminum, on a series of note offerings that generated a total of \$2.25 billion. It acted for Priceline.com on the company's first debt issue, and helped Royal Bank of Canada access the US debt markets through a \$4 billion SEC-registered shelf programme and \$1 billion takedown of extendable liquidity securities. In the high-yield market it guided EchoStar Communications through one of the largest deals of 2003, under which it issued \$2.5 billion in notes under Rule 144A.

Sullivan & Cromwell has also remained active on some of the larger and more interesting equity and equity-linked

deals. In the past it has been called on to help with blockbuster deals such as the €15 billion (\$18 billion) rights offering from France Télécom. More recent work has included advising JP Morgan and UBS as underwriters to Newmont Mining on an SEC-registered \$1.1 billion share offering, and the underwriters on a \$1 billion offering of convertible debentures under Rule 144A and Regulation S by Bristol-Myers Squibb.

In the domestic initial public offering (IPO) arena, Sullivan & Cromwell has been involved in a number of deals. The firm acted for Goldman Sachs and Credit Suisse First Boston on the \$317 million IPO by Orbitz, represented the same banks as underwriters to Compass Minerals on its \$188.5 million flotation, and was underwriter counsel on Greenhill & Co's IPO.

#### Key contact partners

Robert Buckholz  
Andrew Soussloff

#### Leading lawyers

John Baumgardner  
John Bostelman  
Robert Buckholz  
Andrew Soussloff  
William Williams

### Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton has a strong and diverse capital markets practice with a good reputation for its international work, particularly in emerging markets. The 34-partner team includes high-flying individual lawyers, and boasts a client list incorporating a number of leading investment banks, such as Goldman Sachs, Credit Suisse First Boston (CSFB), Lehman Brothers and Deutsche Bank.

During 2003 Cleary Gottlieb was counsel to Citigroup Global Markets as underwriter of more than \$17 billion in shelf-based offerings from Citigroup. In the same year it helped CSFB raise more than \$2.5 billion through registered shelf offerings in the US, and advised American Express on a \$2 billion Rule 144A convertible debt offering.

Cleary Gottlieb has a strong Latin American practice. Among the year's highlights, it advised Teléfonos de México on its \$1 billion senior notes offering under Regulation S and Rule 144A. Cleary Gottlieb really shines when it comes to sovereign debt work, particularly in Latin America. The firm has a long track record of advising governments on debt and debt restructurings, including widely acclaimed work on Ecuador's refinancing. The firm has been intimately involved in helping develop and promote the use of collective action clauses, designed to help emerging market sovereigns avoid catastrophic defaults. As part of this, it advised the governments of Mexico and Uruguay during 2003 on multibillion dollar bond exchanges, helping Mexico raise \$8 billion.

The firm has also been involved in equities work to emerge from Latin America. In May 2004 it advised UBS and BBVA Bancomer on the flotation of Urbi Desarrollos Urbanos. The deal was the first Mexican initial public offering (IPO) to be sold internationally in five years and the first domestic IPO since October 2003. Cleary Gottlieb also represented CSFB and Citigroup on a Rule 144A and Regulation S offering of American depositary shares in Corpbanca that raised \$115.6 million.

Among its other recent equity work, Cleary Gottlieb represented Lehman Brothers and Merrill Lynch as underwriters to Research In Motion's \$945 million SEC-registered share offer. On the issuer side, it advised The Interpublic Group on a simultaneous offering of \$331.2 million in common shares and \$361.6 million in mandatory convertible preferred stock.

#### Key contact partners

Leslie Silverman  
Allan Sperling

#### Leading lawyers

Lee Buchheit  
William Gorin  
Wanda Olson  
Leslie Silverman  
Allan Sperling

### Shearman & Sterling

Shearman & Sterling's 25-partner capital markets team is one of the strongest in the US. The firm has also taken a more committed and involved approach to expanding its work in the international capital markets than some of its rivals. The result is a number of strong offices in Asia and Europe that both feed themselves and give the firm a strong foothold with non-US issuers trying to tap the US markets and other cross-border deals.

Shearman & Sterling's client list encompasses some of the leading Wall Street debt arranging investment banks, such as Merrill Lynch, Banc of America Securities and JP Morgan Securities. It has also advised many top corporate debt issuers, including Viacom, France Télécom and American Airlines.

At the investment grade level, recent mandates for Shearman & Sterling include advising Citigroup Capital Markets and Banc of America Securities as arrangers to Electronic Data Systems on offerings of senior and convertible notes that raised a combined \$1.7 billion. Salomon Smith Barney (now part of Citigroup) and JP Morgan Securities called on Shearman & Sterling to advise on a \$2 billion bond offering by Cendant. Merrill Lynch also turned to the firm for counsel on Carnival's \$889 million issue of senior convertible debentures. The firm has a proven track record on high-yield debt, including work on deals for Amazon.com and Nextel Communications. Among its recent work, Shearman

advised Case New Holland, a subsidiary part of the Fiat Group, on a high-yield offering that raised \$1.05 billion.

The group also has a strong equity side. Morgan Stanley and Credit Suisse First Boston (CSFB) are among the underwriter clients it services, alongside finance providers such as John Deere Capital Corporation. Shearman & Sterling has advised a large number of domestic and international issuers on initial public offerings (IPOs) as well as secondary and convertible offerings this year. For example, it represented Morgan Stanley as underwriter to a \$1.98 billion offering of Class A stock in Accenture. Among recent IPO mandates, Shearman & Sterling acted for Morgan Stanley and CSFB on the \$113 million iPass flotation, and advised the lead managers on Nexstar's \$140 million launch. Morgan Stanley also hired Shearman & Sterling to advise on the \$272 million Pinnacle Airlines IPO.

The firm has also been involved in the wave of private equity groups planning to turn public in 2004. The firm advised Apollo Management on the \$930 million flotation of its Apollo Investment vehicle, and was mandated to advise bookrunners CSFB and JP Morgan on the proposed launch of KKR BDC by Kohlberg Kravis Roberts, a deal that was pending at the time of writing.

#### Key contact partner

Joel Klaperman

#### Leading lawyers

Robert Evans  
Michael Gruson  
Joel Klaperman  
Andrew Schleider  
Rohan Weerasinghe

#### Simpson Thacher & Bartlett

Simpson Thacher & Bartlett regularly advises underwriters and issuers on a range of debt issues, both in the investment grade market and high-yield markets. On the underwriter side it has ties with JP Morgan, Lehman Brothers, Deutsche Bank and Kreditanstalt für Wiederaufbau, and is active both on US and non-US originating deals. Over the last year, for example, it advised Deutsche Bank as one of the initial purchasers of senior notes and senior subordinated notes issued by circom, which raised €835 million (\$1 billion) and \$250 million. The firm also advised Nalco, which issued senior notes and senior subordinated notes raising €400 million and \$1.13 billion. The firm also represented JP Morgan and Credit Suisse First Boston (CSFB) on a \$1 billion bond offering by Wal-Mart.

In the high-yield sector, Simpson Thacher advised Lehman Brothers and other banks on a series of deals for Cinemark, including a \$577 million offering in March 2004. The firm also advised Celanese on a high-yield through BCP Caylux Holdings Luxembourg, with \$1 billion and €200 million tranches.

Simpson Thacher's 43-partner capital markets team has a highly successful equity practice, which also services US and non-US issuers as well as underwriters. In one of its more recent deals it was assigned the role of underwriters' counsel on the pending initial public offering (IPO) of DreamWorks Animations, which is expected to raise up to \$650 million. As issuer counsel the firm also recently advised the CB Richard Ellis Group on its \$456 million flotation. It also acted as issuer counsel on one of the biggest deals of the year, the launch of Assurant, a carve-out of Fortis's US insurance operations that was worth a little under \$2 billion.

Among its work for non-US issuers, Simpson Thacher advised the underwriter group as Ctrip.com International, a Chinese online travel agent, raised \$75.6 million on Nasdaq, and acted for Chunghwa Telecom on its issue of \$1.35 billion American depositary shares. The firm has been involved in the recent moves among some private equity firms to launch business development companies, advising Kohlberg Kravis Roberts on the pending IPO of KKR BDC, which is slated to raise up to \$750 million.

#### Key contact partner

Vincent Pagano

#### Leading lawyers

Rhett Brandon  
William Hinman  
Lee Meyerson  
Vincent Pagano  
John Tehan  
Edward Tolley

#### Skadden Arps Slate Meagher & Flom

Skadden Arps Slate Meagher & Flom has a widely admired practice for both debt and equity work, and extensive lawyer resources across a network of 21 offices in the US and around the world. Its recent debt work includes acting for Citigroup, UBS Securities and Morgan Stanley on a dual-issue offering of senior unsecured notes by International Paper that generated a total of \$1 billion. Skadden Arps also took part in one of the biggest deals of the year when it acted as counsel to UBS Securities and Lehman Brothers as the bookrunners on the \$6.7 billion offering of first mortgage bonds by Pacific Gas and Electric. The deal was part of the company's refinancing to help it emerge from Chapter 11 proceedings.

Skadden Arps has also worked on a number of bond offerings made under Rule 144A in the past year. In one case, the firm advised Liberty Mutual Group on a twin-tranche offering under Rule 144A and Regulation S that raised \$750 million. It also acted for Sealed Air Corporation on a triple-issue deal that raised a total of \$1.2 billion.

This year Skadden Arps has had been particularly successful in terms of equity work. The firm advises the financial services, real estate investment trust and insurance industries but is also active for issuers and underwriters in other sectors.

Skadden Arps has continued its tradition of advising on some of the largest deals by foreign issuers accessing the US equity capital markets. In late 2003, for example, it completed work on one of the equity deals of the year, the \$3.5 billion China Life initial public offering (IPO). The deal was the largest IPO of 2003 and saw Skadden Arps act as US underwriter counsel to Credit Suisse First Boston, Deutsche Bank, Citigroup Global Markets Asia and China International Capital Corporation. The firm also advised Morgan Stanley as underwriter to one of the biggest equity deals of 2004, the \$2 billion IPO of Assurant, a carve-out of Dutch company Fortis.

Skadden Arps broke ground in the US capital markets this year when it helped launch the first offering of income depositary shares (IDSs), a debt-equity hybrid security based on the highly successful Canadian income trusts. On the deal the firm worked alongside Canadian firm Torys advising CIBC World Markets as Volume Services America Holdings raised \$95.7 million. The firm has also been retained for the pending IDS offering by Iowa Telecommunications, which could raise up to \$725 million, and a similar deal for Kindercare Real Estate, on both deals working as underwriters' counsel.

Traditional domestic IPO work this year has included representing Goldman Sachs on the \$462 million International Steel Group flotation, advising Global Signal on its \$126 million deal, and acting for Cherokee International on its \$97.5 million offering. Skadden also acted for Credit Suisse First Boston and Deutsche Bank on the \$1.8 billion IPO for Semiconductor Manufacturing International, with a dual listing on the New York and Hong Kong stock exchanges.

#### Key contact partner

Matthew Mallow

#### Leading lawyers

Gregory Fernicola  
David Goldschmidt  
Stacy Kanter  
Phyllis Korff  
Nicholas Saggese  
Susan Sutherland

#### Cahill Gordon & Reindel

Cahill Gordon & Reindel is one of the leading firms for high-yield debt work. It also has a fine capital markets practice that handles complex securities offerings and equities work, particularly in the telecommunications and media industries. The firm's corporate group has worked with a number of investment banks, including Goldman Sachs, Merrill Lynch, UBS Warburg and Banc of America Securities. Cahill Gordon does its fair share of international work, backed by a London office, and its track record includes advising on initial public offerings (IPOs) by Canadian, Greek and Russian companies.

This year Cahill Gordon has been active on a number of equity deals, including advising JP Morgan and Citigroup on the \$339 million IPO by pizza chain Domino's. The firm also acted for Merrill Lynch on the \$65 million flotation of Republic Airways, and was New York counsel to Nelnex on its \$168 million offering. On the high-yield debt side, Cahill Gordon was counsel to Deutsche Bank and Salomon Smith Barney on the \$2.12 billion bond offering by Cork Crown and Seal Company.

#### Key contact partner

Immanuel Kohn

#### Fried Frank Harris Shriver & Jacobson

Fried Frank Harris Shriver & Jacobson's high-yield debt work is particularly well thought of, but the firm is involved on transactions covering a variety of debt securities both on the underwriter and issuer sides. Among its investment banking clients are Merrill Lynch, Banc of America Securities and Goldman Sachs.

On the investment grade side, this year Fried Frank advised Citigroup as underwriter on the \$350 million bond offering from Royal Caribbean Cruises. It also acted for JP Morgan, Goldman Sachs and Merrill Lynch on a \$1.2 billion offering by Proctor & Gamble. Banc of America chose the firm as counsel on Global Cash Access's \$235 million offering, and Merrill Lynch picked Fried Frank to advise on a \$150 million issue by AMF Bowling as part of its acquisition by Code Hennessy & Simmons. The same bank also called on Fried Frank to advise on a \$160 million high-yield issue by National Nephrology Associates. Acquisition finance and leveraged buyout financings are also part of the firm's repertoire. For example, Fried Frank was counsel to Banc of America Securities on the \$700 million senior secured and high-yield financings as part of the financing for the acquisition of Duane Reade by private equity firm Oak Hill Capital Partners.

Fried Frank also has a successful equity practice, which recently represented NTL on the company's \$1.4 billion rights offering. It was involved in a number of initial public offerings (IPOs), such as the \$418 million Citadel Broadcasting launch on which it was issuer counsel. The firm acted for DigitalNet, which raised \$85 million when it went public, and advised JP Morgan Securities and Banc of America on a deal by which Limited Brands looked to repurchase up to \$1 billion of its shares in a modified Dutch auction tender offer.

#### Key contact partner

Valerie Ford Jacob

#### Leading lawyers

Stuart Gelfond  
Valerie Ford Jacob  
Michael Levitt

## Gibson Dunn & Crutcher

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Gibson Dunn & Crutcher offers a wide-ranging capital markets service, primarily renowned for its high-yield debt work, which operates mainly through the firm's New York, Los Angeles and London offices. The group also has a strong track record of work on investment-grade debt deals, medium-term note programmes, commercial paper issues and private placements. It also has a strong regulatory team, including a number of lawyers with senior experience at the Securities and Exchange Commission.

On the debt side, Gibson Dunn can count Banc of America Securities, Lehman Brothers, PanAmSat, Centennial Cellular and Investcorp International among its clients. Recent deal highlights include working with Merrill Lynch on a \$5 billion offering of core notes by Wells Fargo. On two further deals Gibson Dunn advised Deutsche Bank and Bear Stearns on additional bond offerings by Wells Fargo, valued at \$1.5 billion and \$1 billion. The firm also advised Tyco International on a \$1 billion note offering, and represented Fluor on the issuance of \$300 million in senior convertible notes.

Equity work is also very much a part of Gibson Dunn's practice. For example, at the time of writing it is representing Gleacher Investment, a planned private equity off-shoot of Gleacher Partners, on a proposed initial public offering (IPO) that could be worth up to \$500 million. Also in the private equity market, Gibson Dunn is acting for Evercore on the proposed flotation of Evercore Investment as a business development company. The deal may be worth up to \$460 million.

### Key contact partner

Steven Finley

### Leading lawyers

Joerg Esdorn  
Steven Finley  
Richard Russo  
Douglas Smith

## Latham & Watkins

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Latham & Watkins is considered one of the market leaders for its work on high-yield debt offerings, both in the US and in Europe. Latham & Watkins has excellent connections, both among issuers and underwriters, on high-yield and investment grade sides and, according to the firm, advised on more than \$30 billion in high-yield corporate debt in the US during 2003. On the underwriter side Latham & Watkins has ties to Lehman Brothers and Bear Stearns, and also works for Banc of America Securities, Deutsche Bank Securities, Goldman Sachs, Morgan Stanley and UBS. Among its recent debt work, the firm advised Bear Stearns on a \$215 million 7.85% bond offering by American Casino & Entertainment Properties, Credit Suisse First Boston (CSFB) on an 8% \$475 million issue from NRG Energy and Allied Waste North

America on its \$350 million note offering. The firm's high-yield work encompasses complex restructurings, bridge financings and recapitalizations.

The firm's capital markets practice also handles some high-level equity work. Among its client list on the underwriter side are Lehman Brothers, CSFB, Deutsche Bank, UBS Warburg and Merrill Lynch. Latham & Watkins has advised on a number of initial public offerings (IPOs), often by California technology or biotechnology companies. With strong offices in both Los Angeles and New York, Latham has been able to keep a foot in the slowly recovering technology sector and in the country's main financial centre. Yet it was the firm's Chicago office that represented internet travel agency Orbitz on its \$317 million IPO in late 2003. The firm also advised JP Morgan and Merrill Lynch on the \$66 million flotation of Digirad, Morgan Stanley and Banc of America Securities on the \$89.7 million IPO of Cytokinetics, and Piper Jaffray and Thomas Weisel Partners on the \$54 million launch of Corcept Therapeutics.

Latham & Watkins has a strong international practice and regularly advises non-US issuers entering the US. In late 2003, for example, it was counsel to Chinese online travel agent Ctrip.com International as it raised \$75.6 million listing on Nasdaq.

Latham & Watkins is also known for its advice on convertibles. Among its recent deals it advised Mentor Graphics of a \$100 million offering of convertible subordinated debentures, and UBS and Bear Stearns on Invitrogen's \$450 million convertible senior note offering.

### Key contact partner

Kirk Davenport

### Leading lawyers

Kirk Davenport  
Thomas Dobson  
Tracy Edmonson  
Marc Jaffe  
Raymond Lin

## Sidley Austin Brown & Wood

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Sidley Austin Brown & Wood's corporate and securities group is particularly active on investment-grade debt offerings. The group is based in the firm's New York and Chicago offices, but is also able to leverage the resources of its other US offices, as well as those in Europe and Asia. On debt and equity offerings the firm works for investment banks (such as Citigroup, Morgan Stanley and Merrill Lynch), and large corporate issuers across a range of industries, including telecommunications, energy and consumer products.

On recent debt work, Sidley Austin advised Lehman Brothers, Banc of America Securities and Incapital on gaining SEC approval for the first SEC-registered medium-term note programme secured on life insurance funding agreements. It has represented Morgan Stanley on a number of

debt securities this year, both as issuer and underwriter, including its Series C, D and E medium-term note programmes worth a combined \$33 billion.

On the equity side, Sidley Austin was counsel to the underwriters Morgan Stanley, Deutsche Bank and William Blair & Co on the planned initial public offering (IPO) of Morningstar, which could raise up to \$100 million. The firm also represented Keefe Bruyette and Woods on the \$137 million Clifton Savings Bancorp IPO.

#### Key contact partner

Norman Slonaker

#### Leading lawyers

Craig Chapman

Paul Choi

Scott Freeman

Jack Kantrowitz

Norman Slonaker

#### Weil Gotshal & Manges

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Weil Gotshal & Manges' successful capital markets team, which includes 11 partners, is inevitably overshadowed by the firm's barnstorming insolvency practice at times, but gathers a regular stream of work on both debt and equities. For debt work the team benefits by working alongside the bankruptcy group on refinancings and debt restructuring work. It also benefits from having close ties to investment banking clients such as Citigroup Global Markets and Lehman Brothers, as well as Credit Suisse First Boston.

Weil Gotshal is particularly highly regarded for high-yield debt work. In the last 12 months the firm has advised on a series of high-yield offerings to underline its status in the market. Among these, the firm acted for United Rentals on two bond offerings (7.75% senior subordinated notes and 6.5% senior notes) that raised a total of \$1.525 billion. On the underwriter side, Weil Gotshal advised Lehman Brothers, Morgan Stanley and Bear Stearns on a \$650 million 8 7/8% offering by Dobson Communications, acted for Citigroup on a \$300 million issue by AMC Entertainment, and represented Bank of America, Morgan Stanley and JP Morgan on Charter Communications' \$500 million issue of 8.75% notes.

Weil Gotshal also continues to have an active equity practice that this year has been involved in a number of initial public offerings (IPOs) and secondary issues. It advised Genworth Financial, the spun-off insurance unit of General Electric, on its New York Stock Exchange flotation. The deal raised \$2.83 billion, making it the biggest IPO of 2004 to date at the time. Weil Gotshal was counsel to Lehman Brothers on the Tempur-Pedic International \$302 million IPO, and worked with Merrill Lynch on the flotation of Lipman Electronic Engineering, which generated \$125 million. One secondary offering saw the firm advise Bear Stearns on New York Community Bancorp's \$400 million follow-on share issue.

Jeremy Dickens, co-head of Weil Gotshal's global capital markets practice, transferred to London in June 2004 to help expand the firm's European practice.

#### Key contact partner

David Lefkowitz

#### Leading lawyers

Matthew Bloch

David Lefkowitz

#### Dewey Ballantine

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Dewey Ballantine has an active and well-regarded capital markets practice that incorporates high-yield and investment grade debt, convertibles and equity. Among the highlights this year, the firm worked on a \$600 million Rule 144A high-yield deal, advising issuer Triad Hospitals, and acted for General Electric on a \$2.5 billion offering of Libor floating rate bonds. Among Dewey Ballantine's recent equity work, it advised Credit Suisse First Boston, Merrill Lynch and Banc of America Securities on the \$108 million initial public offering (IPO) by Symbion. It also acted for UBS Securities on Immunicon's \$48 million IPO and the underwriters on LTC's flotation.

#### Key contact partner

Frederick Kanner

#### Leading lawyers

Frederick Kanner

Steven Loeshelle

Patti Marks

Peter O'Brien

#### Mayer Brown Rowe & Maw

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Mayer Brown Rowe & Maw's other securities work is perhaps inevitably cast in the shadow of its market-leading securitization practice, but that does not detract from its strong reputation for investment grade and high-yield debt, as well as equity advice. The firm works with investment banks such as Citigroup, Merrill Lynch and Bank of America, and last year was counsel to the state of Illinois on the biggest ever municipal bond offering, which raised \$10 billion.

Recent equity highlights include advising Desarrolladora Homex on the first SEC-registered initial public offering to emerge from Mexico in five years. Mayer Brown also acted for Bermudan insurance company Assured Guaranty on its \$882 million flotation.

#### Key contact partner

Paul Theiss

**Leading lawyers**

Ronald Brody  
Edward Schneidman  
Richard Shepro  
Paul Theiss

**Milbank Tweed Hadley & McCloy**

Milbank Tweed Hadley & McCloy's capital markets practice is able to take advantage of its integration with the firm's international network, and has a particular reputation for complex cross-border debt financings. JP Morgan Securities, Lehman Brothers and Goldman Sachs are among the banks appearing on Milbank Tweed's extensive list of high-yield debt clients, a practice that also encompasses acquisition and mezzanine financings.

This year the practice received a serious boost with the hire of Michael Fitzgerald, former co-head of Sidley Austin Brown & Wood's New York corporate and securities group. The hire was an immediate hit, as Fitzgerald advised on the first Mexican equity offering to reach the international markets in almost five years. Milbank Tweed was counsel to Urbi Desarrollos Urbanos, which sold 60% of its \$180 million initial public offering (IPO) under Rule 144A and Regulation S. The firm went on to advise Citigroup and Merrill Lynch on Desarrolladora Homex's \$160 million New York Stock Exchange (NYSE) listing, the first Mexican company to list on the NYSE since 1999. Milbank Tweed also advised Citigroup Global Markets and Morgan Stanley on the Nasdaq portion of the TOM Online IPO.

**Key contact partner**

Trayton Davis

**Leading lawyer**

Michael Fitzgerald

**Baker Botts**

Baker Botts derives much of its reputation and work from its excellent ties to the Texan and international energy industry. With companies such as Halliburton, CenterPoint Energy and ConocoPhillips on its client list, Baker Botts has a range of opportunities to advise on debt securities issues. It also has links to other industries, boasting corporate clients such as Liberty Media and Lyondell Chemical.

On the debt side the firm recently advised Halliburton on a \$1.05 billion offering of senior notes under Rule 144A, and acted for Electronic Data Systems on two offerings valued at \$1.1 billion and \$690 million. The firm also acted for Halliburton on a \$1.2 billion Rule 144A convertible senior notes issue. Recent equity deals include advising Todco on its \$144 million initial public offering.

**Key contact partner**

David Kirkland

**Leading lawyers**

Andrew Baker  
John Geddes  
Douglass Rayburn

**Wilson Sonsini Goodrich & Rosati**

Wilson Sonsini Goodrich & Rosati continues to represent a range of issuers and investment banks on technology and biotechnology equity offerings, particularly those starting to re-emerge from its native Silicon Valley. At the time of writing the firm was preparing to take long-time client Google public through a groundbreaking auction-style initial public offering (IPO) that is predicted to raise up to \$3 billion. In other recent deals Wilson Sonsini worked for Cytokinetics on its \$89.7 million flotation, Bear Stearns and Merrill Lynch on Blue Nile's \$76.7 million IPO and the underwriters of Sigmatel's \$150 million offering.

**Key contact partner**

Larry Sonsini

**Leading lawyers**

Mark Bertelsen  
Jeffrey Saper  
Larry Sonsini

**Capital markets – structured finance****Recommended firms**

Orrick Herrington & Sutcliffe

Sidley Austin Brown & Wood

Cadwalader Wickersham & Taft

Mayer Brown Rowe & Maw

Skadden Arps Slate Meagher & Flom

Cleary Gottlieb Steen & Hamilton

Dewey Ballantine

McKee Nelson

Simpson Thacher & Bartlett

Thacher Proffitt & Wood

Weil Gotshal & Manges

Cravath Swaine &amp; Moore

Latham &amp; Watkins

Morgan Lewis

Stroock &amp; Stroock &amp; Lavan

Jones Day

Kirkland &amp; Ellis

Milbank Tweed Hadley &amp; McCloy

O'Melveny &amp; Myers

Shearman &amp; Sterling

### Orrick Herrington & Sutcliffe

Structured finance is a diverse industry, but Orrick Herrington & Sutcliffe has become one of the world's preeminent law firms for advice on many of its fields. The firm handles a high volume of credit card and mortgage-backed deals, and advises on some of the most innovative and complex deals around. Orrick's 28-partner US structured finance team also has strength across asset-backed conduits, collateralized debt, loan and bond obligations and receivables deals.

In November 2003 the firm was securitization counsel on Citigroup's acquisition of Sears, Roebuck & Co's credit card receivables portfolio for a reported \$31.8 billion. Orrick's other recent deal highlights include advising GMAC Commercial Asset Corporation on a \$175 million transaction involving mortgage pass-through certificates. The firm acted for MBNA America Bank on a \$331.2 million note issuance by MBNA Credit Card Master Note Trust, which also featured a currency and interest rate swap. On another deal Orrick advised Credit Suisse First Boston in regards to a ¥1.5 billion (\$14 million) fixed rate secured notes and ¥8.5 billion floating rate notes issuance by CABS Limited, backed by a portfolio of revolving consumer loan receivables in Japan.

The firm has securitization lawyers in its London, Paris and Tokyo offices, and this year opened a Rome office with three partners from Studio Legale e Tributario who specialize in structured finance. Orrick has an enviable list of clients from across the financial services industry that includes issuers and arrangers such as Bank of America, Citigroup, JP Morgan, MBNA America Bank, American Express and Capital One.

#### Key contact partners

Katharine Crost  
Joshua Raff

#### Leading lawyers

Cameron Cowan  
Katharine Crost  
Mark Levie  
Joshua Raff

### Sidley Austin Brown & Wood

Sidley Austin Brown & Wood's structured finance group is one of the world's best, with a largely unrivalled depth of resources and expertise across most areas of securitization. With more than 150 lawyers in the group across New York, Chicago, Washington DC, Los Angeles, San Francisco and internationally in London, Tokyo, Hong Kong and Singapore, Sidley Austin is usually found at or near the top of volume league tables, and frequently wins awards for its advice on complex and innovative deals. The firm is consistently strong across the major assets classes such as credit card receivables, residential and commercial mortgages, automobile loans and consumer finance, both in the US and increasingly in Europe, where the mortgage sector is expanding to catch up. Sidley Austin also advises on collateralized debt obligations, collateralized loan obligations and collateralized bond obligations, as well as exotic products such as synthetic and structured derivatives and more specialized assets classes.

Among the firm's recent work, it advised Fleet Securities on a \$1.5 billion receivables-backed facility on behalf of 19 US Major League Baseball clubs, comprising a \$500 million securitization and \$1 billion revolving conduit facility. Sidley Austin was also counsel to real estate investment fund Fortress Investment Group on a groundbreaking \$418 million securitization of wireless communications towers liens. On another highlight deal the firm represented Deutsche Bank on its cross-border Craft CLO 2004-1 \$1.5 billion synthetic collateralized loan obligation deal. The securitization, which involved a transfer of first-loss exposure to investors and Cheyne Capital management and investors in the UK, included a number of new features, such as a financed shadow equity compensation to the portfolio manager.

#### Key contact partners

Thomas Albrecht  
Renwick Martin

#### Leading lawyers

Thomas Albrecht  
Thomas Brown  
Adam Glass  
Cathy Kaplan  
Renwick Martin

### Cadwalader Wickersham & Taft

Cadwalader Wickersham & Taft is recognized as one of the best securitization law firms in the US. Commercial mortgage-backed securities (CMBS) deals remain Cadwalader's particular forte, where it consumes a significant slice of the market and is reaching into the growing European commercial and residential mortgage industry. With 19 partners and more than 100 associates in its group, Cadwalader also has the resources to handle non-mortgage work. The firm has

worked on deals involving a broad range of asset classes, from automobile leases and government receivables to taxi medallions and annuity contracts, and is active on products such as collateralized bond, loan and debt obligations and asset-backed commercial paper issues. Among its clients are Bear Stearns, Goldman Sachs, Deutsche Bank, Morgan Stanley, Lehman Brothers, JP Morgan Securities and Wells Fargo Asset Management.

Cadwalader recently advised Citibank on a \$4.8 billion securitization of the bank's private label credit cards, and worked with Global Signal on the \$418 million securitization by its Global Signal Trust of commercial mortgages on wireless communications signal towers. It represented GMAC Commercial Mortgage Corporation on its securitization, through issuer GMAC Commercial Mortgage Securities, of a loan backed by a portfolio of golf courses and other properties. Cadwalader also advised Ambac Assurance, Ambac Capital Finance and the issuer Catalyst Capital on a \$500 million offering of insurance premium-backed notes.

#### **Key contact partner**

Robert Link

#### **Leading lawyers**

Michael Gambro  
Anna Glick  
Richard Schetman  
Jordan Schwartz

### **Mayer Brown Rowe & Maw**

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Mayer Brown Rowe & Maw has one of the strongest structured finance teams in the global market, with more than 100 lawyers in a team that spans several US offices and international branches in London, Paris and Frankfurt. Mayer Brown ranks among the top few firms for its volume of work in a number of key areas, including credit card and mortgage-backed deals, as well as collateralized debt, loans and bonds, of which it did one of the first deals in the late 1980s. The firm also has a particularly high standing in the asset-backed commercial paper (ABCP) sector. Clients include any number of the leading commercial and investment banks, issuers, trustees, servicers, agents and credit enhancers.

This year Mayer Brown advised ABN AMRO on its North Sea Funding arbitrage conduit, which can raise up to €10 billion (\$12.2 billion) through the issuance of products including ABCP, extendible ABCP, medium-term notes, repos and senior notes in both the US and Europe. Mayer Brown was counsel to Banc of America's sports finance advisory team on the innovative \$330 million deal to finance a new stadium for the St Louis Cardinals baseball team through a groundbreaking securitization/project finance hybrid structure, and worked for Lehman Brothers as the adviser and agent to Rabobank on the formation of its Monument Gardens Funding programme, which can raise up to \$10 billion through a combination of mortgage- and

asset-backed securities, collateralized debt obligations and other products. Mayer Brown was also counsel to JP Morgan Chase, Credit Suisse First Boston and Deutsche Bank on a \$300 million cross-border trade receivables securitization as part of the complex financing for KoSa's purchase of Invista. The deal was one of the first under a new securitization law in Luxembourg, and used an innovative structure using three special purpose vehicles.

#### **Key contact partner**

Jason Kravitt

#### **Leading lawyers**

Diane Citron  
Jason Kravitt

### **Skadden Arps Slate Meagher & Flom**

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Skadden Arps Slate Meagher & Flom is widely held to be one of the best law firms for structured finance advice, and is successful on large volumes of high-quality work. It has devoted resources to covering the more established areas of the industry, such as credit cards, on which its clients include Chase Manhattan Bank, MBNA and NationsBank, and automobile leases. And it also uses its expertise to win roles on many of the more complex and innovative products that continue to emerge, such as catastrophe bonds and weather derivatives. In between, the firm has carved out considerable market presence on a range of financings from commercial loan securitizations, collateralized bond obligations and the securitization of assets such as student loans, franchise contracts and television contracts, as well as repackagings. In all of these areas Skadden is able to count on a strong list of investment banking and issuer clients, such as Credit Suisse First Boston, Goldman Sachs, JP Morgan Securities, Ford Motor Credit and Sumitomo Bank.

Skadden Arps' recent work includes advising iStar Financial on the securitization of commercial loans and the issuance of \$738 million in collateralized mortgage bonds through 19 different classes. The deal included innovative features to allow iStar to relevel mortgages securitized in previous deals more easily than its competitors. Skadden helped JP Morgan Chase restructure one of the bank's asset-backed commercial paper vehicles, during which it sold a subordinated class of securities enabling it to deconsolidate \$5 billion in assets and liabilities from the bank's balance sheet. Skadden Arps also worked for Goldman Sachs and affiliates Power Receivables Finance and J Aron & Co on the purchase and monetization in the Rule 144A securities market of a contract with the California Department of Water to supply electricity.

#### **Key contact partner**

Thomas Kunz

**Leading lawyers**

Susan Curtis  
Richard Kadlick  
Thomas Kunz  
David Midvidy  
James Stringfellow

**Cleary Gottlieb Steen & Hamilton**

Cleary Gottlieb Steen & Hamilton is recognized across several practice areas for its commitment and ability to advise on larger, more complex transactions, often with an international or cross-border focus. The same is true in structured finance, where Cleary Gottlieb has developed a practice that is particularly strong on mortgage-backed offerings and collateralized debt obligation (CDO) products. According to the firm, in 2002 alone it advised on more than \$300 billion in offerings from the triumvirate of Freddie Mac, Fannie Mae and Ginnie Mae, with whom it helped develop collateralized mortgage obligations, now known as real estate mortgage investment conduit transactions. Its underwriter client list includes GE Capital, Citigroup Global Markets, Deutsche Bank and Goldman Sachs.

Cleary Gottlieb is respected for its work in Latin America and other emerging markets, where it has effectively cornered the market for advising sovereigns on their debt and debt restructuring. The firm also advised on many of the securitizations of restructured emerging market sovereign debt, and has been involved in nascent corporate securitization markets, particularly in Latin America. Cleary Gottlieb is also active on European deals and more traditional asset-backed deals involving credit cards, trade and energy receivables.

In recent work, Cleary Gottlieb advised Mexico's BBVA Bancomer on a \$300 million credit card securitization. The firm represented Citigroup Global Markets and Citibank on the Silver Creek Funding synthetic arbitrage CDO and worked with Goldman Sachs and the GS Mortgage Securities Corporation II vehicle on a \$1.105 billion commercial mortgage-backed securities offering.

**Key contact partner**

Andrea Podolsky

**Leading lawyers**

Raymond Check  
Andrea Podolsky  
David Sugerman  
Michael Weinberger

**Dewey Ballantine**

Dewey Ballantine has a respected practice that covers all the bases of structured finance, from standard asset-backed securitizations and mortgage-backed deals to collateralized debt obligations, future-flow deals, commercial paper and real estate mortgage investment conduit transactions. The group includes more than 20 lawyers, most of them in New York but also in

Washington DC, Los Angeles and abroad in London and Warsaw. Dewey Ballantine advises both issuers and arrangers of structured finance, including UBS, Merrill Lynch, Nomura International, JP Morgan Securities, Ford Credit, AmeriCredit and Ameriquest. The firm has an active cross-border practice, which is particularly strong in Latin America.

Dewey Ballantine recently advised Banco Cuscatlán and its Cuscatlán Remittance Master Trust on a \$125 million securitization of Swift remittances to the bank's operations in Guatemala, Costa Rica and El Salvador from banks in the US. The firm also worked for Merrill Lynch as underwriter on the \$500 million Visanet securitization of Visa merchant voucher receivables in Brazil.

This year Dewey Ballantine advised Promontory Asset Finance Company on its Freedom Park \$2 billion multi-seller asset-backed commercial paper programme, which was the first conduit of its kind not to have a traditional bank liquidity facility. It also advised MBIA on a \$300 million synthetic reinsurance transaction.

**Key contact partner**

Christopher Di Angelo

**Leading lawyers**

Emil Arca  
Eileen Bannon  
Christopher Di Angelo

**McKee Nelson**

After a mere five years in existence, McKee Nelson has managed to pull itself into the top reaches of the structured finance market, having made astute lateral hires and stuck to a largely boutique approach. In 2003 the firm brought on board a number of high-profile partners, including Edward De Sear from Orrick Herrington & Sutcliffe and Larry Isaacson from Fried Frank Harris Shriver & Jacobson. This year it has formed an alliance with UK firm Ashurst to coordinate structured finance advice between the US, Europe and Asia.

With a 65-lawyer team in New York and Washington DC, McKee Nelson now takes on a substantial proportion of the legal advisory mandates in a variety of asset- and mortgage-backed securities offerings. The firm has experience in collateralized debt obligations (CDOs) work, including working on the first CDO of CDOs (a so-called CDO-squared), and newer asset classes, as well as more vanilla products such as residential mortgages. Among the firm's work highlights this year, it advised Sallie Mae on its \$3 billion multiple currency Student Loan Trust 2003-10 transaction, the largest student loan-backed deal ever. It advised Lehman Brothers on the innovative \$500 million IndyMac Home Equity Loan Asset-Backed Notes, Series 2004-1 transaction. McKee Nelson also recently advised Lehman Brothers on a \$159 million securitization of lawyers' litigation fees owed by five tobacco companies.

**Key contact partner**

William Nelson

**Leading lawyers**

John Arnholz  
 Reed Auerbach  
 Edward De Sear  
 Robert Wiperman

**Simpson Thacher & Bartlett**

Simpson Thacher & Bartlett may not have the biggest structured finance team but it still packs a punch and is recognized for its specialist knowledge and experience of both complex asset-backed deals and exotic financings. The structured finance group numbers 10 partners, of whom four work on securitization, the others primarily project finance. In common with Simpson Thacher's other capital markets practices, it does a lot of work for certain leading investment banks, notably Lehman Brothers and JP Morgan Chase. On the issuer side the firm regularly represents players in the entertainment and private equity industries such as Vivendi Universal and Blackstone Mezzanine Group.

Among the firm's recent work, Simpson Thacher advised Vivendi Universal on a \$1 billion commercial paper conduit securitization of film rights. On the private equity side the firm represented Blackstone Debt Advisors as the manager of a \$1 billion collateralized debt obligation fund known as Monument Park CDO. The firm also worked for Lehman Brothers on two car fleet-backed deals. The first, valued at \$850 million, involved a restructuring and Rule 144A note offering by a special purpose vehicle to fund the acquisition of certain assets from ANC Rental Corporation. The second was a \$377 million securitization of preferred equity interests in Chesapeake Funding, itself a special purpose vehicle for the financing of car fleets.

**Key contact partner**

David Eisenberg

**Leading lawyers**

David Eisenberg  
 Michael Nathan  
 Laura Palma

**Thacher Proffitt & Wood**

Thacher Proffitt & Wood has one of the largest and longest-standing structured finance groups, with a good record for work on a variety of transaction types. With more than 70 lawyers in the team, Thacher Proffitt services a high volume of often-large deals. It is particularly focused on the mortgage-backed securities markets, both residential and commercial, and has been involved in several important legislative reforms that underpin these sectors. The firm is active on asset-backed deals involving classes ranging from automobile leases and student loans to credit cards, trade receivables and healthcare. Thacher Proffitt's team is based primarily in New York, Washington DC and Mexico City. This network has enabled the firm to both compete in the US and to take a

leading role in the emerging Latin American securitization markets, having worked on some of the first deals in Mexico, Brazil and El Salvador. Thacher Proffitt represents underwriters, investors and agents, including Greenwich Capital, Citigroup, Deutsche Bank and Bear Stearns.

Examples of the firm's recent work include advising: Ameriquest Mortgage Company on two mortgage-backed offerings of pass-through certificates, valued at \$2.5 billion and \$1.9 billion; New Century Mortgage Corporation on its \$1.5 billion New Century Home Equity Loan Trust Series 2003-4 deal; and Residential Funding Corporation on the \$1.8 billion Residential Assets Mortgage Products offering.

**Key contact partner**

Steven Kudenholt

**Leading lawyers**

Steven Kudenholt  
 Richard Simonds  
 Stephen Whelan

**Weil Gotshal & Manges**

Weil Gotshal & Manges has a growing team, and a growing reputation for its structured finance work. In the US the firm has eight partners and more than 20 associates focused on securitization as part of its broader structured finance and derivatives group. Weil Gotshal has built a strong stand-alone UK securitization practice, and also has resources in Frankfurt. The firm tends to advise on the higher value and more complex deals, including a focus on automobile-backed transactions. It is active on deals involving the securitization of credit cards, music royalties and other intellectual property rights, trade receivables, student loans, insurance receivables and commercial and residential mortgages. Weil Gotshal also advises on products such as cash and synthetic collateralized debt obligations, equity swaps and asset-backed commercial paper conduits. Its clients include insurers such as MBIA and XL Capital Assurance, issuers such as Vanguard Car Rental, and investment banks such as Morgan Stanley.

Among its recent work, Weil Gotshal represented car manufacturer BMW on the BMW Floorplan Master Owner Trust, which raised \$519.6 million in its latest incarnation. The firm advised Morgan Stanley on the CDO Repackaging Trust Securities deal, which involved the private static synthetic securitization of investment-grade corporate credits. It also acted for Vanguard Car Rental on an \$850 million car rental securitization through its ARG Funding Corporation special purpose entity.

**Key contact partner**

Frank Nocco

**Leading lawyers**

John Dedyo  
 Frank Nocco  
 Eric Peterman

## Insolvency and restructuring

### Recommended firms

Skadden Arps Slate Meagher & Flom

Weil Gotshal & Manges

Davis Polk & Wardwell

Jones Day

Milbank Tweed Hadley & McCloy

Willkie Farr & Gallagher

Fried Frank Harris Shriver & Jacobson

Kirkland & Ellis

Latham & Watkins

Shearman & Sterling

Wachtell Lipton Rosen & Katz

White & Case

Akin Gump Strauss Hauer & Feld

Bingham McCutchen

Cadwalader Wickersham & Taft

Paul Weiss Rifkind Wharton & Garrison

Stroock & Stroock & Lavan

Wilmer Cutler Pickering Hale and Dorr

Debevoise & Plimpton

Gibson Dunn & Crutcher

Morgan Lewis

Simpson Thacher & Bartlett

### Skadden Arps Slate Meagher & Flom

Skadden Arps Slate Meagher & Flom is acknowledged to be one of the best insolvency and restructuring law firms in the US. With almost 120 lawyers devoted to the practice, including 19 partners, the firm has deep resources and is also home to some of the best individual partners in the market. Skadden Arps works for some of the biggest corporate debtors, as well as creditor groups, acquirors and investors. The firm is frequently engaged in court-based proceedings as well as non-judicial debt restructurings, and works both with companies in distress and healthy firms looking to improve their debt profile.

Skadden Arps is frequently involved in some of the most high-profile insolvency matters and this has continued over

the past year. The firm is representing HealthSouth as the company's main outside restructuring counsel. It is also advising RCN Corporation, which is undergoing Chapter 11 debt restructuring over \$3.5 billion in debt.

These deals join a list of previous mandates for Skadden Arps. In 2003 the firm helped Kmart emerge from Chapter 11 proceedings, in what was the largest bankruptcy of a US retailer and which included a \$2 billion debtor-in-possession (DIP) financing. It also helped US Airways emerge from its \$7.8 billion Chapter 11 proceedings in one of the fastest ever such restructurings to be completed without a pre-arranged plan. Skadden has also advised on DIP financings, exit financings and other matters to such high-profile companies as Enron, Global Crossing and National Steel.

### Key contact partners

John Wm Butler Jr

J Gregory Milmo

### Leading lawyers

D Jan Baker

John Wm Butler Jr

Jay Goffman

J Gregory Milmo

### Weil Gotshal & Manges

Weil Gotshal & Manges is an undisputed leader among US law firms for insolvency and restructuring work. Its team comprises 24 partners and more than 80 associates, and has a resumé of debtor representations including many of the biggest corporate insolvency cases in US history. In July 2004, for example, the firm gained court approval for Enron's Chapter 11 plan, which restructures more than \$130 billion in debt being sought by 177 debtors through more than 34,000 claims. The approval was reached at the end of a three-week trial, the culmination of two-and-a-half years of work and 18 government investigations, during which the firm faced more than 100 objections from government bodies and creditors. The restructuring will keep Weil Gotshal busy for a while yet as the firm oversees hundreds of litigation cases across the US.

The Enron case, the second biggest in US corporate history, came not long after Weil Gotshal helped WorldCom emerge from Chapter 11 as MCI last year – the biggest bankruptcy ever. The firm was also recruited to advise Republic Engineered and Loral Space & Communications on their respective Chapter 11 restructurings. Previous headline-grabbing debtor mandates include Global Crossing and Adelphia Business Solutions. Weil Gotshal is also widely admired for its creditor-side work, for example advising GE on United Airlines and US Airways Chapter 11 proceedings.

### Key contact partners

Martin Bienenstock

Marcia Goldstein

**Leading lawyers**

Paul Basta  
 Martin Bienenstock  
 Marcia Goldstein  
 Stephen Karotkin  
 John Rapisardi  
 Michael Walsh

**Davis Polk & Wardwell**

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Davis Polk & Wardwell is highly regarded for its advice on bankruptcy and restructuring. As with its banking and capital markets practices, Davis Polk has excellent relations with a number of top investment banks, through which it conducts a variety of creditor-side work. The firm can count JP Morgan Chase, Citibank and Bank of America among its clients, and has some of the largest Chapter 11 cases on its scorecard.

In the Enron case, Davis Polk advised JP Morgan Chase as administrative agent on a \$1.5 billion debtor-in-possession (DIP) financing. On the Adelphia Communications Chapter 11 restructuring, the firm represented the banks on a \$1.5 billion DIP financing and worked with JP Morgan Chase, Credit Suisse First Boston, Citicorp and Deutsche Bank as the arrangers on a proposed \$8.8 billion exit financing. Davis Polk was counsel to Bank of America as the agent to lender groups owed \$975 million, successfully fighting a number of litigations on the Loral Space & Communications Chapter 11 matter. It also advised Bank of America on behalf of creditors owed \$2 billion as part of the Conesco Chapter 11 proceedings, the third largest in US history. In addition to its creditors' practice, Davis Polk also represents debtor companies, and complements its work with a strong litigation team.

**Key contact partner**

Donald Bernstein

**Leading lawyers**

Donald Bernstein  
 Stephen Case  
 Karen Wagner

**Jones Day**

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Jones Day has one of the country's leading bankruptcy and restructuring practices. With 15 partners and 40 other lawyers, the group works with debtors and creditors on some of the larger Chapter 11 and out-of-court restructurings, both in the US and internationally.

On the debtor side Jones Day advised National Century Financial Enterprises on its Chapter 11 plan surrounding \$4 billion in debt, LTV on its \$5 billion restructuring, Laidlaw on its \$4.8 billion prearranged Chapter 11 reorganization and Ogelbay Norton and 32 of its affiliates on its Delaware-based Chapter 11 workouts. The firm was also hired to advise Teleglobe in relation to insolvency proceedings in Canada and a Chapter 11 proceeding in the US, affecting \$2.8 billion in debt.

On the creditor side, Jones Day acted for the financial institutions committee on Kmart's \$13 billion restructuring and for the bondholder committee in respect of Mattress Discounters.

**Key contact partner**

David Heiman

**Leading lawyers**

Corinne Ball  
 Paul Harner  
 David Heiman

**Milbank Tweed Hadley & McCloy**

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Milbank Tweed Hadley & McCloy's financial restructuring team has a strong reputation for its work on large, complex and often cross-border insolvencies. The firm has 11 partners devoted to restructuring work, based in its New York and Los Angeles offices, and can call on the resources of its international offices. The firm is known for its work both on the creditor side, where it represents ad hoc and official creditor committees and banks, and also on the borrower side.

Over the last year Milbank Tweed's London and New York offices have completed work for the ad hoc committee of bondholders on the complex restructuring of £1.3 billion (\$2.4 billion) in debt of the UK's Drax power station. Milbank Tweed has a strong Latin American practice and this year has been involved in two large restructurings in the telecommunications sector. On one deal, the firm advised a syndicate of bank lenders on the restructuring of \$1.2 billion in debt owed by BCP, a company jointly owned by BellSouth and Brazil's Safra Group. On the second, Milbank Tweed acted for the debtor, Mexico's Alestra, on its restructuring, which included an exchange offer for \$570 million in outstanding high-yield bonds.

In earlier work, Milbank was counsel to the official committee of unsecured creditors on the Enron and Power Gas & Electric insolvencies, and acted for the agent of the secured lenders on Global Crossing and Adelphia Communications.

**Key contact partners**

Paul Aronzon  
 Luc Despins

**Leading lawyers**

Paul Aronzon  
 Luc Despins  
 Dennis Dunne

**Willkie Farr & Gallagher**

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Willkie Farr & Gallagher stands alongside the best firms in the market, having advised on some of the largest and most demanding bankruptcies. Using resources based in New York but also in London and Paris, the firm is active on both

debtor and creditor mandates, and helps distressed companies through both Chapter 11 and out-of-court restructurings.

Earlier this year, Willkie Farr advised Adelphia Communications on its insolvency, which culminated in a reorganization plan involving an \$8.8 billion exit financing. It is also involved on the debtor side on the Air Canada restructuring. In late 2003 Willkie Farr client Petroleum Geo-Services secured approval for its plan of reorganization, that would see the company cut its debt from \$2.5 billion to \$1.3 billion.

The firm has previously worked for debtors on Chapter 11 proceedings and restructuring matters involving Harvard Industries, Orion Pictures, APS Holdings and Days Inn. On the creditor committee side it worked on the Marvel Entertainment, Lone Star Industries and Smith Corona Chapter 11 cases.

#### **Key contact partner**

Marc Abrams

#### **Leading lawyers**

Marc Abrams

Shelley Chapman

Matthew Feldman

Michael Kelly

Myron Trepper

### **Fried Frank Harris Shriver & Jacobson**

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Fried Frank Harris Shriver & Jacobson's restructuring and insolvency group leverages its expertise in related areas such as complex financings and litigation to provide one of the most highly regarded services for debtors, creditors and institutional bondholders. The team includes eight full-time partners who work regularly with a further 20 partners from across the firm, and is experienced in both court-based and out-of-court restructurings.

Among its latest deals, Fried Frank completed work for the unofficial bondholder committee and the recently formed Delaware holding company Telewest Global on the £5.8 billion (\$10.6 billion) restructuring of Telewest Communications of the UK. In previous matters, the firm was legal adviser to unsecured creditors committees on the restructurings of HealthSouth and Sirius Satellite.

#### **Key contact partner**

Brad Eric Scheler

#### **Leading lawyers**

Vivek Melwani

Alan Resnick

Brad Eric Scheler

### **Kirkland & Ellis**

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Kirkland & Ellis has developed a highly rated bankruptcy and restructuring practice. Deploying the group's 23 partners

across its main bases in Chicago, Los Angeles, New York and London, Kirkland has gained an excellent reputation for debtor, creditor and litigation advice.

The firm was hired as debtor counsel on two of the biggest Chapter 11 cases to emerge in 2003, NRG Energy (valued at about \$11 billion) and Fleming Companies (valued at about \$4 billion). Kirkland & Ellis' other recent work includes guiding Conseco through the third largest Chapter 11 proceedings in US corporate history, as part of which Kirkland gained court approval for a sale of financial assets for \$1 billion in cash. The company emerged from Chapter 11 in September 2003. The firm was also recruited to advise United Airlines on its Chapter 11 case, which involved more than \$20 billion and a \$1.5 billion debtor-in-possession financing.

Other debtor-side bankruptcy highlights of the past few years include Trans World Airlines, AmeriServe Food Distributors and Zenith Electronics. Creditor mandates include Barings Bank and Williams Communications. The firm has also represented Credit Suisse First Boston and Bank of America on a number of distressed high-yield debt matters.

#### **Key contact partner**

James Sprayregen

#### **Leading lawyers**

Matthew Kleiman

James Sprayregen

Richard Wynne

### **Latham & Watkins**

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The insolvency and restructuring practice at Latham & Watkins has grown in stature over recent years, and is particularly strong when it comes to bankruptcy lending. The firm represents creditors, debtors, lenders and acquirors on domestic and international cases, on which it is able to make use of developed teams in Europe and Asia, particularly London. Latham & Watkins also has considerable experience in the high-yield and leveraged finance markets to complement its restructuring practice.

Recent creditor work includes advising Lehman Brothers as the secured creditor to Conseco Finance regarding Conseco's \$61 billion Chapter 11 proceedings, the third largest in US corporate history. Latham & Watkins also worked with Wells Fargo Bank Minnesota as chair of the creditors committee on the Enron bankruptcy. The firm was counsel to Leap Wireless, its operating subsidiary Cricket Communications, and 64 affiliates, on its Chapter 11 proceedings, under which it restructured \$2.5 billion in debt. Latham & Watkins also advised Consolidated Freightways on its \$1.4 billion Chapter 11 filing, related litigation and ultimately its plan of liquidation, which was filed in July 2004.

The firm's insolvency team was hit by the defection of highly regarded partner Martin Flics to UK firm Linklaters in September 2003, but has since recruited partner Mitchell Seider from Kraner Levin Nafalis & Frankel.

**Key contact partner**

Robert Rosenberg

**Leading lawyers**

Michael Lurey

Robert Rosenberg

**Shearman & Sterling**

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With a team of 30 lawyers in the US devoted to bankruptcy and restructuring, and with extensive contacts in the investment banking industry, Shearman & Sterling has carved out a highly regarded practice. The group, which includes seven partners, is best placed to take advantage of creditor-side work but it does do varied work for debtors. The firm's network of offices is, as always, of great benefit in supporting Shearman & Sterling's international insolvency work.

In recent highlights, Shearman & Sterling acted for a bank group led by JP Morgan Chase in respect of \$3 billion in bank debt relating to Genuity's Chapter 11 proceedings, which closed in February 2004. The firm is also representing Credit Suisse First Boston and Citibank as agents to a bank group on Mirant's Chapter 11 case. Recent debtor work includes advising Insilco Technologies on its \$500 million proceedings, and Spiegel on its \$1.3 billion Chapter 11 filing.

**Key contact partner**

Douglas Bartner

**Leading lawyers**

Douglas Bartner

Fredric Sosnick

**Wachtell Lipton Rosen & Katz**

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Wachtell Lipton Rosen & Katz's insolvency and restructuring practice focuses almost exclusively on creditors' rights representation, and has become one of the country's top firms in that field. Wachtell's nine-partner team advises creditor groups and potential investors in distressed companies, banks, investment funds, derivatives dealers and insurance companies on insolvencies and restructurings both in the US and internationally. The firm's deal resumé includes representations of creditors on Chapter 11 proceedings and related litigation involving Enron, Fruit of the Loom, Nextel, Adelphia and Pacific Gas & Electric.

**Key contact partner**

Harold Novikoff

**Leading lawyers**

Richard Feintuch

Richard Mason

Harold Novikoff

**White & Case**

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White & Case's bankruptcy and restructuring team numbers almost 150 lawyers across its extensive international network of offices, and includes 23 US-based partners. The firm is also highly regarded for its general finance and banking work, and as a consequence has both a domestic and international, cross-border flavour to its practice. White & Case has a strong project finance practice and has particular expertise in the energy and power sector, as well as financial services, although recent insolvency mandates have covered a range of industries.

White & Case is the main bankruptcy counsel to energy company Mirant Corporation, the largest US insolvency to emerge in 2003, helping the company restructure more than \$10 billion in debt. The firm guided United Pan-Europe Communications to a successful emergence from contested Chapter 11 proceedings, which involved approximately \$10 billion and required the resolution of complex matters under US, English and Dutch law.

On the creditor side, White & Case is advising some of the major creditors to United Airlines, and represented Bank of America as agent for the Century Cable lenders in litigation arising from the Adelphia Communications case.

**Key contact partners**

Howard Beltzer

Thomas Lauria

**Leading lawyers**

Howard Beltzer

Andrew DeNatale

Kevin Fisher

Thomas Lauria

**Akin Gump Strauss Hauer & Feld**

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Akin Gump Strauss Hauer & Feld's bankruptcy practice has a particularly strong focus on representing creditor and bondholder committees. Among its previous cases, Akin Gump advised the official creditors' committee on WorldCom, the biggest bankruptcy in history. Other official creditor committee representations include the insolvencies of Magellan Health Care, Allegiance TeleCom, Kaiser Aluminum and Burlington Industries. Akin Gump has also been hired to represent informal bondholders committees in regards to Adelphia Business Solutions and American Banknote Corporation. The firm has more than 50 lawyers focused on the insolvency and restructuring practice across its New York, Washington DC, Los Angeles, Dallas, Houston and London offices.

**Key contact partner**

Fred Hodara

**Leading lawyers**

Daniel Golden

Fred Hodara

### Cadwalader Wickersham & Taft

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Cadwalader Wickersham & Taft's restructuring group is a natural adjunct to the firm's strong banking and finance capabilities. The group comprises 55 lawyers, including 11 partners, four of whom are in Cadwalader's London office. Based on the firm's strong investment banking links it is frequently involved as a creditor representative, often in respect of companies in the energy industry. For example, it was counsel to Barclays Capital and Barclays Bank as lender, arranger and agent in respect of Reliant Resources' \$6.2 billion senior debt restructuring. It also acted for the official committee of unsecured creditors on the Mirant Americas Generation insolvency.

On the debtor side Cadwalader acted for Enron as special counsel in relation to its energy trading operations. As an example of its international work, the firm is the lead counsel to institutional bondholders and the joint provisional liquidators in regards to Cayman Island insolvency proceedings for three Parmalat subsidiaries. The mandate involves coordinating work in the US, UK, Cayman Islands, Italy, Malta and Brazil.

#### Key contact partner

Bruce Zirinsky

#### Leading lawyers

Adam Rogoff  
Bruce Zirinsky

### Paul Weiss Rifkind Wharton & Garrison

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Paul Weiss Rifkind Wharton & Garrison has a highly respected practice that covers many aspects of the insolvency and restructuring market. The group's six partners, and a further 17 lawyers, advise on litigation and out-of-court work for debtors, creditors and investors.

Among its recent high-profile work, Paul Weiss acted for the Californian Public Utilities Commission in regards to Pacific Gas & Electric's (PG&E) Chapter 11 proceedings, the largest bankruptcy filing by a US public utility. PG&E emerged from Chapter 11 in April 2004, settling more than \$8 billion in claims. In other debtor representations, Paul Weiss advised the Penn Traffic Company, Cone Mills and Top Flite Golf Company on their Chapter 11 proceedings. It also advised a committee of noteholders of American Cellular Corporation on its out-of-court restructuring.

In 2004 the group recruited partner Kelley Cornish from Sidley Austin Brown & Wood.

#### Key contact partner

Alan Kornberg

#### Leading lawyers

Alan Kornberg  
Stephen Shimshak

### Debevoise & Plimpton

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Debevoise & Plimpton's seven-partner bankruptcy and restructuring group works with the firm's wide circle of investment banking and corporate clients on a variety of cases, both in and out of court. This client list includes financial services firms such as John Hancock Life Insurance, TIAA-CREF, Principal Life Insurance and Oaktree Capital Management, meaning that Debevoise often acts for lenders as part of its workout and prepackaged bankruptcies practice. It also represents other types of creditors, debtors and investors.

Debevoise has a solidly international focus, which is reflected in mandates such as advising bondholders in Parmalat's Canadian subsidiary, and acting for the bondholder steering committee in Laidlaw's simultaneous US and Canadian insolvency proceedings. On another creditor-side role, Debevoise acted for the official committee of unsecured creditors in Aurora Foods. Recent debtor-side highlights, meanwhile, include advising TV Globo, the Brazilian media company, on its out-of-court restructuring, Pillowtex on its Chapter 11 proceedings, and Drax Power in the UK.

#### Key contact partner

Steven Gross

#### Leading lawyers

Peter Borowitz  
Steven Gross

### Gibson Dunn & Crutcher

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Gibson Dunn & Crutcher has a growing reputation for insolvency work. In April 2003 the firm boosted its capabilities in the area as it swooped for Jones Day's practice head Richard Cieri – and since then the team has not looked back. Cieri now leads a 15-partner group that has picked up some high-profile insolvency work over the last year. Gibson Dunn was selected to advise Solutia and its affiliates on their Chapter 11 proceedings, worth over \$3.3 billion in debt. The firm is also counsel to Xcel Energy, the parent company of NRG Energy, on NRG's \$11 billion contested and prepackaged Chapter 11 proceedings in Minnesota and New York. Gibson Dunn also represented Infront Sports & Media as one of the two largest creditors of DirecTV Latin America, resulting in a consensual restructuring and resolution of a \$230 million claim.

#### Key contact partner

Richard Cieri

#### Leading lawyers

Richard Cieri  
Conor Reilly

## Simpson Thacher & Bartlett

Simpson Thacher & Bartlett is able to leverage its top-flight banking and finance groups to focus its bankruptcy practice on advising creditors and senior lenders on court-based and out-of-court restructurings. Clients include ABN AMRO, Credit Suisse First Boston (CSFB), Deutsche Bank, GE Capital and Lehman Brothers. On the \$19 billion Mirant case, the largest of 2003, Simpson Thacher is advising the official committee of unsecured creditors. The firm was also retained by the global steering committee of banks, including CSFB, ABN AMRO and JP Morgan, regarding approximately \$4 billion-worth of NRG Energy debt as part of the company's Chapter 11 case, the second largest of 2003.

### Key contact partner

Peter Pantaleo

### Leading lawyers

Peter Pantaleo

## Mergers and acquisitions

### Recommended firms

Cravath Swaine & Moore

Simpson Thacher & Bartlett

Skadden Arps Slate Meagher & Flom

Wachtell Lipton Rosen & Katz

Davis Polk & Wardwell

Shearman & Sterling

Sullivan & Cromwell

Cleary Gottlieb Steen & Hamilton

Fried Frank Harris Shriver & Jacobson

Gibson Dunn & Crutcher

Latham & Watkins

Weil Gotshal & Manges

Cadwalader Wickersham & Taft

Debevoise & Plimpton

Dewey Ballantine

Jones Day

Paul Weiss Rifkind Wharton & Garrison

Baker Botts

Kirkland & Ellis

Mayer Brown Rowe & Maw

Vinson & Elkins

Willkie Farr & Gallagher

Wilson Sonsini Goodrich & Rosati

## Cravath Swaine & Moore

Cravath Swaine & Moore has one of the preeminent US mergers and acquisitions practices, regularly advising its stable of acquisitive blue-chip company clients and new recruits, both as principal and target counsel. The firm has been among those at the forefront of developments in hostile takeovers. As the M&A market has returned to life this year, Cravath has been called into action on a series of multibillion dollar deals, and retains an active cross-border advisory side. Its strength is achieved despite having just two offices (in New York and London) – in contrast to some of its more expansive rivals.

This year, Cravath worked for Brazilian company AmBev on its merger with the UK's Interbrew, an \$11 billion merger that created the world's largest brewing company. On the principal side, Cravath advised drinks company Bacardi on its acquisition of the Grey Goose vodka brand from Sidney Frank for a reported \$2 billion.

Cravath has been more active, however, on the target side. For example, the firm was counsel to British American Tobacco and its US subsidiary Brown & Williamson Tobacco on the sale of the unit to RJ Reynolds for \$2.6 billion. The firm acted for casino operator Mandalay Resort Group on its \$4.8 billion takeover by MGM Mirage, and for King Pharmaceuticals on its acquisition by Mylan Laboratories for \$4 billion.

### Key contact partner

Richard Hall

### Leading lawyers

Scott Barshay

Allen Finkelson

Richard Hall

Alan Stephenson

## Simpson Thacher & Bartlett

Simpson Thacher & Bartlett has built on an already impressive mergers and acquisitions track record to post an excellent year's work that once again justifies its perennial top-tier status. Simpson Thacher arguably does not have quite the same global reach as some of its nearest rivals, having only a London office as an outpost in Europe, but the firm does important cross-border work and, with 29 M&A partners based in the US, it has strength in local depth.

This year has seen a revival in big-ticket M&A work after its recent slump, and Simpson Thacher has been one of the firms to benefit most, in part through its excellent corporate and banking client connections. The firm started 2004 with a bang, having been selected by JP Morgan Chase to advise on its \$58 billion acquisition of Banc One. Consolidation has been much in evidence in the North American financial services market this year, and Simpson Thacher also advised Canadian firm Manulife Financial on its acquisition of Boston-based John Hancock Financial Services, the biggest Canadian M&A deal ever. Closer to home, the firm represented Independence Community Bank on its acquisition of Staten Island Bancorp, in the healthcare industry it advised WellPoint Health Networks on its move to buy Anthem for \$16.4 billion, and it was counsel to Travelers Property Casualty on its \$16 billion merger with The St Paul Companies.

Simpson Thacher has traditionally been well known for its work on leveraged buyouts on behalf of private equity firms such as Kohlberg Kravis Roberts (KKR) and the Blackstone Group. In July 2004 it emerged that Simpson Thacher is advising KKR on a complex deal under which the fund will buy, recapitalize and combine three companies owned by rival fund DLJ Merchant Banking Partners to create a specialist printing and marketing operation. At \$2.2 billion, the deal is one of the largest deals involving the sale of companies by one private equity fund to another. Simpson Thacher is also part of a three-firm legal team advising a consortium of Blackstone, KKR, Texas Pacific Group and Hellman & Friedman on the \$3.65 billion purchase of Texas Genco Holdings. On the international front, Simpson Thacher is advising KKR regarding the intended acquisition by one of its controlled entities for Dutch company Koninklijke Vendex KBB, in a deal valued at €2.4 billion (\$2.9 billion).

#### **Key contact partner**

Charles Cogut

#### **Leading lawyers**

Richard Beattie  
Charles Cogut  
William Dougherty  
Alan Klein  
Lee Meyerson  
David Sorkin

#### **Skadden Arps Slate Meagher & Flom**

Skadden Arps Slate Meagher & Flom frequently tops charts for its mergers and acquisitions work, both in the US and internationally. With nine US offices and 12 internationally, as well as a huge team comprising 90 US partners (119 worldwide), Skadden Arps has the kind of resources and expertise that makes it a stand-out US law firm for large, public M&A deals. As the firm develops its international capacity, so its strength on cross-border deals grows.

Every year Skadden Arps is called in on some of the biggest mergers around, and this has continued over the past 12 months. Skadden Arps has been one of the firms to benefit from the resurgence in bank merger activity. In November 2003, for example, the firm completed work for Citigroup on its acquisition of Sears Roebuck & Co's credit card receivables portfolio for a reported \$31.8 billion. In 2004 it went on to advise SunTrust Bank on its \$7 billion acquisition of National Commercial Financial. It was also counsel to North Fork Bancorporation, which bought New York bank GreenPoint Financial for \$6.3 billion.

Skadden Arps is successful in representing targets and acquirors, though often the latter, across a wide range of industries. Away from the banking sector, Skadden Arps represented AdvancePCS on the \$12 billion merger with Caremark Rx and The May Department Stores Company on its agreed purchase of a portfolio of stores including 62 Marshall Field's outlets. The firm was acquiror counsel again as it worked with UnitedHealth Group to buy Oxford Health Plans for approximately \$4.9 billion. Skadden was mandated by Mylan Laboratories to guide it through the acquisition of King Pharmaceuticals for \$4.2 billion, and represented Biogen on a \$7 billion merger with IDEC Pharmaceuticals.

As target counsel, the firm helped AMC Entertainment on its purchase by Marquee Holdings, a private equity vehicle formed by JP Morgan Partners and Apollo Management. Among its cross-border deals this year, Skadden advised French technology company Business Objects as it bought Californian software firm Crystal Decisions for \$820 million through a reverse triangular merger structure.

#### **Key contact partner**

Franklin Gittes

#### **Leading lawyers**

Roger Aaron  
Peter Atkins  
Kenneth Bialkin  
Eric Cochran  
Joseph Flom  
Thomas Kennedy  
Kenton King  
Lou Kling  
Morris Kramer  
Charles Mulaney

#### **Wachtell Lipton Rosen & Katz**

In a field dominated by some of the biggest firms, Wachtell Lipton Rosen & Katz continues to show that international office networks and 1,000 lawyer operations are not always necessary to win a large slice of the pie. From inventing the poison pill tactic on hostile takeovers, to advising on some of the latest blockbuster mergers, Wachtell Lipton has one of the most renowned M&A practices in the US.

While the firm covers a wide range of domestic and cross-border mergers, takeovers and divestitures, it is in banking M&A that it arguably leads the pack. In 2004 Wachtell advised Bank One on its \$58 billion acquisition by JP Morgan Chase, a deal creating the second largest US bank. That deal followed close on the heels of Bank of America's \$47 billion bid to buy FleetBoston Financial, on which Wachtell again played target counsel on one of the biggest mergers ever to hit the US banking industry. Wachtell represented National Commerce Financial as the \$7 billion target of SunTrust Bank, and advised New York bank GreenPoint Financial on its acquisition by North Fork Bancorporation for \$6.3 billion. Not all of the recent banking mergers have been domestic, however; Wachtell acted for Charter One Financial, for example, which The Royal Bank of Scotland bought for \$10.5 billion.

Away from the banking sector, Wachtell was counsel to AT&T Wireless, which was subject to a \$41 billion takeover bid from Cingular Wireless, and is acting for Ameren on its \$2.3 billion bid to acquire Dynegy, a subsidiary of the Illinois Power Company. Wachtell also used its considerable experience in hostile takeovers as US securities law counsel to French drug company Sanofi-Synthélabo during its sometimes acrimonious battle to buy rival Aventis. The deal, one of the largest hostile bids in Europe, was ultimately consummated after three months for €54 billion (\$65 billion).

On the target side, Wachtell successfully defended Dana Corporation against a hostile bid from ArvinMeritor, and helped Taubman Centers beat a hostile bid from Simon Property and Westfield.

#### Key contact partner

Patricia Vlahakis

#### Leading lawyers

Edward Herlihy  
Richard Katcher  
David Katz  
Martin Lipton  
Daniel Neff  
Andrew Nussbaum  
Pamela Seymon  
Craig Wasserman

#### Davis Polk & Wardwell

Davis Polk & Wardwell has one of the strongest M&A practices in the US, which is complemented by a strong overseas presence. With offices in New York, Washington DC and Menlo Park, and a strong cast of leading individual lawyers, Davis Polk has worked on some of the largest domestic and international mergers of the last few years, such as Comcast's \$72 billion purchase of AT&T Broadband.

Having strong offices in London, Paris, Frankfurt, Madrid, Hong Kong and Tokyo has also helped the firm reach out to European and Asian buyers and targets, in addition to its Latin American client base. Over the last

year, for example, Davis Polk gave US regulatory advice to the companies on the \$28.6 billion Telecom Italia/Olivetti merger. The New York office of Davis Polk is also advising Spain's Banco Santander Central Hispano on its proposed \$15.6 billion acquisition of the UK's Abbey National. On another cross-border deal, the firm was counsel to The Royal Bank of Scotland, and its US subsidiary Citizens Financial, as the UK bank bought Charter One Financial for about \$10.5 billion.

On the domestic front, Davis Polk advised The St Paul Companies in respect of its \$26 billion merger with Travelers Property Casualty. In the retail sector, the firm helped FedEx buy Kinko's in a deal worth \$2.4 billion, and advised CVS on its \$2.15 billion purchase of 1,260 Eckerd drugstores from JC Penney.

Davis Polk has an excellent reputation for both defending and bidding on hostile takeovers. At the time of writing it was advising Oracle on its pending \$9.4 billion hostile bid for PeopleSoft, and worked on the ultimately cancelled \$66 billion bid by Comcast for the Walt Disney Company.

#### Key contact partner

George Bason Jr

#### Leading lawyers

George Bason Jr  
Peter Douglas  
Dennis Hersch  
Diane Kerr  
Philip Mills  
Joseph Rinaldi  
Carole Schiffman

#### Shearman & Sterling

Shearman & Sterling has embraced the globalization of legal advice, and among US firms has one of the strongest networks of international offices. Shearman has particularly strong operations in France, the UK and Germany that, combined with its 12-partner US team, enable it to work on complex and large-scale cross-border deals. The firm benefits from its close ties to the investment banking world, where its client list includes Credit Suisse First Boston, Merrill Lynch and Deutsche Bank.

Among Shearman & Sterling's recent domestic M&A appearances, the firm advised Cinram International on its acquisition of the DVD and CD production and distribution operations from AOL Time Warner for \$1.05 billion. The firm also advised Citigroup and CitiFinancial Credit Company on the acquisition of Washington Mutual Finance Corporation for \$1.25 billion.

On cross-border deals, Shearman & Sterling was US counsel to Singapore's ST Assembly Test Services, which was bought by California technology company ChipPAC for approximately \$1.6 billion. The firm was also counsel to German company Celanese, which was acquired by US private equity fund The Blackstone Group. Shearman & Sterling also advised French company Groupe Danone, and

its subsidiary Danone Waters of North America, on the joint venture with Suntory and its subsidiary, Suntory Water Group.

#### Key contact partner

Peter Lyon

#### Leading lawyers

Creighton Condon  
Peter Lyons  
John Madden  
John Marzulli  
Clare O'Brien

#### Sullivan & Cromwell

Sullivan & Cromwell's mergers and acquisitions practice is one of the world's finest, and continues to impress clients and competitors with a range of work. Year on year the firm lands many of the biggest deals in the market both in the US and globally, using both its domestic offices in New York, Washington DC, Los Angeles and Palo Alto, and a number of foreign outposts in Europe and Asia.

Over the last 12 months Sullivan & Cromwell has acted for SBC Communications, one of the two parent companies of Cingular Wireless, which was involved in one of the largest mergers of the year when it bought AT&T Wireless for \$41 billion. In two highlights from the healthcare industry, the firm represented Anthem on its \$16.4 billion acquisition of WellPoint Health Networks, and acted for Oxford Health Plans as the target of a \$4.7 billion takeover by UnitedHealth Group.

Sullivan & Cromwell's practice is based in part on a successful banking M&A practice, and on its work for banks as financial advisers on deals. Recently the firm acted for the financial adviser to Spain's Banco Santander Central Hispano on its proposed \$15.6 billion bid for Abbey National of the UK. The firm was also counsel to Lehman Brothers as financial adviser to Riggs Bank, which was the subject of a \$779 million bid by PNC Financial Services Group.

In a more direct advisory role, Sullivan & Cromwell advised Wachovia on its bid to acquire SouthTrust for \$14.3 billion. The firm was counsel to Boston-based John Hancock Financial Services, which was the subject of an \$11 billion takeover by Canada's Manulife Financial, the biggest acquisition ever involving a Canadian company. In another cross-border deal between the US and its northern neighbour, Sullivan & Cromwell was US counsel to Moore Wallace on its acquisition by Chicago company RR Donnelly for \$2.8 billion.

Sullivan & Cromwell also has a strong Latin American practice. Over the past year, for example, it advised Interbrew on its \$11 billion merger with Brazilian drinks company AmBev to create the world's biggest brewer. In Europe, Sullivan & Cromwell helped guide French pharmaceutical company Aventis through a contentious three-month negotiation period following a hostile bid from rival

Sanofi-Synthelabo, as a result of which Aventis finally accepted an improved offer of €54 billion (\$65 billion).

#### Key contact partner

James Morphy

#### Leading lawyers

Francis Aquila  
Rodgin Cohen  
Joseph Frumkin  
James Morphy  
Benjamin Stapleton

#### Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton has a highly regarded and varied mergers and acquisitions practice. On the domestic front, Cleary Gottlieb has strong links to the banking, financial services and private equity industries, and regularly works on transactions involving the technology, pharmaceutical and other industries. But it is on complex international and cross-border M&A work that Cleary Gottlieb takes the most plaudits. The firm has the depth and breadth of resources to offer local advice abroad, making the most of its eight European and two Asian offices, as well as its extensive contacts in Latin America. Cleary Gottlieb also benefits from its strong links to some of the world's top investment banks, including HSBC and Bank of America, which often use its counsel on their US and international acquisitions and divestitures.

Recent highlight deals for Cleary Gottlieb include advising HSBC Holdings on one of the biggest cross-border takeovers of 2003, the \$15 billion acquisition of Household International. In 2004 the firm represented Bank of America on its \$47 billion bid for FleetBoston. Cleary Gottlieb has experience in hostile takeovers and at the time of writing was acting for PeopleSoft in its defence against the unsolicited \$9.4 billion bid by Oracle. In other deals, Cleary Gottlieb was international and antitrust counsel to EMC on its \$1.3 billion takeover of Legato Systems, and acted for DuPont on the \$4.4 billion sale of its textiles and interiors business to Koch Industries.

Recent work in the private equity sector includes advising investment partnership Texas Pacific Group (TPG) on its \$2.4 billion acquisition of Portland General Electric from Enron. Cleary Gottlieb also advised TPG on its purchase of German company Grohe for €455 million (\$549 million), and acted for Dutch company New Skies Satellites on its acquisition by affiliated entities of The Blackstone Group.

#### Key contact partner

Victor Lewkow

#### Leading lawyers

Ethan Klingsberg  
Victor Lewkow  
Paul Shim  
Daniel Sternberg

## Fried Frank Harris Shriver & Jacobson

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Fried Frank Harris Shriver & Jacobson continues to enjoy a good standing in the market for its mergers and acquisitions work. Although the firm does not distinguish its M&A lawyers formally from the rest of the corporate department, it does have teams active on a variety of principal, target and financial adviser representations in all of its offices both in the US – New York, Los Angeles and Washington DC – and abroad – London, Frankfurt and Paris. Fried Frank wins roles on many interesting domestic and cross-border deals from a combination of acquisitive corporate clients such as Merck and Proctor & Gamble, as well from its investment banking clients, who provide financial advice on takeovers and mergers, notably Goldman Sachs and Merrill Lynch.

In recent highlights, Fried Frank was counsel to BellSouth which, with SBC Communications, is one of the two parents of Cingular Wireless, on Cingular's \$41 billion takeover of AT&T. Existing client MGM Mirage turned to Fried Frank for advice on its bid to buy fellow casino and resort operator Mandalay Resort Group, in a deal totalling \$7.9 billion. The firm advised client Merck on the spin-off of its Medco Health Solutions unit, which was valued at \$7 billion. On cross-border deals this year Fried Frank was US counsel to Proctor & Gamble on its acquisition of Germany's Wella for \$5 billion. Through its Paris office, the firm was also French counsel to Lyondell Chemical Company on its \$2.3 billion takeover of US company Millennium Chemicals.

Representing the financial advisers on M&A deals can be a source of good work for law firms, and Fried Frank has a great deal of experience in this field, particularly through its work for Goldman Sachs. This year, for example, the firm was counsel to Goldman Sachs and Merrill Lynch as the financial advisers to The St Paul Companies on the \$16 billion merger with Travelers Property Casualty, and acted for Goldman as adviser to ManuLife on its \$11 billion acquisition of John Hancock Financial Services. It also advised Goldman Sachs as financial adviser to King Pharmaceuticals on its \$4 billion acquisition by Mylan Laboratories, and worked for the bank again as it advised OMI on the US shipping company's merger with Greek company Stelmar Shipping.

Despite the loss of specialist Stephen Fraidin to Kirkland & Ellis in 2003, Fried Frank continues to handle leveraged buyouts (LBOs) as part of its M&A work. In a recent deal, for example, the firm acted for Cortec Group Fund III on its \$231.5 million LBO of Fasteners for Retail.

### Key contact partner

Arthur Fleischer

### Leading lawyers

Arthur Fleischer  
Peter Golden  
Stuart Katz  
William Reindel

## Gibson Dunn & Crutcher

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Gibson Dunn & Crutcher has one of the stand-out M&A practices not based in New York. Despite the loss of two partners to retirement, the firm continues to have a strong reputation and resources, with M&A an integral part of Gibson Dunn's corporate transactions practice. The practice comprises 81 partners and almost 200 associates.

Among recent deal highlights, Gibson Dunn was legal counsel to Lazard Freres as the financial adviser to Canadian aluminium company Alcan, which finally got its way in 2004 when it completed a hostile \$4.5 billion takeover of France's Pechiney. Pechiney had previously been excluded from a planned three-way merger between itself, Alcan and Alusuisse in 1999 that went ahead without Pechiney because of EU competition law concerns.

Gibson Dunn also advised UBS Warburg as financial adviser to Comcast on the sale of its QVC unit to Liberty Media for \$7.9 billion. In other deals Gibson Dunn was counsel to PeopleSoft on the purchase of JD Edwards & Co for \$1.8 billion and represented Interactive on its purchase of travel website Hotwire.com for \$665 million.

### Key contact partner

Douglas Smith

### Leading lawyers

Andrew Bogen  
Dennis Friedman  
Douglas Smith

## Latham & Watkins

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High-yield debt and private equity are two of the pillars on which Latham & Watkins has built a formidable reputation for financial law advice. Although headquartered on the US west coast, Latham has ties to a number of Wall Street investment banks, among them Goldman Sachs, Merrill Lynch and Bear Stearns, and also has full access to a range of corporates.

The firm's public M&A work has traditionally been less high-profile, but is now emerging as a strong practice in its own right with a series of headline-grabbing deals. This year, for example, Latham acted for Harrah's Entertainment on its takeover bid for Caesars Entertainment. With a total value of \$9.44 billion, it marked the biggest deal in the gambling industry's history. Harrah's had previously asked Latham to advise on its intended \$1.5 billion acquisition of Horseshoe Gaming.

Latham was counsel to Metro-Goldwyn-Mayer on its \$11.5 billion takeover bid for Vivendi Universal's entertainment assets, a bid that was later withdrawn. More recently, Latham advised Koch on the purchase of Invista from DuPont for \$4.4 billion, and acted for Hotwire.com, which was bought by Interactive for \$665 million.

Latham's investment banking contacts mean that it often advises banks that are advising on the financial aspects of

mergers. The firm advised Goldman Sachs, for example, which was brought in to advise Bank of America on its \$47 billion bid for FleetBoston, and worked for Merrill Lynch as financial adviser to FedEx, which was acquiring Kinko's for \$2.4 billion.

The firm also demonstrated its involvement in complex private equity M&A work when it was recruited separately by the Carlyle Group and Spectrum Equity Investors, each of which were bidding in an auction for Loews Cineplex Entertainment. Canada's Onex eventually sold Loews to a third private equity fund, Bain Capital, for C\$2 billion (\$1.47 billion), which brought Carlyle and Spectrum on board as co-investors in a club deal.

#### Key contact partner

Charles Nathan

#### Leading lawyers

Ronald Hopkinson  
Christopher Kaufman  
Peter Kerman  
Charles Nathan  
David Schwartzbaum

#### Weil Gotshal & Manges

Weil Gotshal & Manges' bankruptcy practice inevitably puts its other teams in the shade at times, but it has not prevented the market from noticing that the firm's mergers and acquisitions group is on the move. The firm now has M&A lawyers operating out of 12 of its offices, giving it localized capabilities across the US from New York and Boston to Texas and the west coast, and abroad from Brussels to London, eastern Europe, Paris and Munich.

Leveraged buyout and private equity work has always been a strong part of Weil Gotshal's M&A suit, and its public company deals are increasingly high profile. A recent highlight saw Weil Gotshal advise Vivendi Universal on its agreement with General Electric to merge subsidiaries NBC and Vivendi Universal Entertainment. The combined company has a total value of \$14 billion. Weil Gotshal also acted for UnitedHealth Group on its acquisition of Mid-Atlantic Medical Services for \$2.9 billion, and acted for Hughes Electronics as it sold a 34% stake to News Corporation and was spun-off from General Motors, with a deal value of \$6.6 billion.

More recently, the firm represented Canadian brewing company Molson on its \$6 billion merger with Adolph Coors of the US, and was counsel to The DirecTV Group to buy the broadcast satellite assets of Pegasus Satellite Television for \$938 million. In a private equity deal, Weil Gotshal advised investment fund DLJ Merchant Banking Partners on the sale of three of its companies to Kohlberg Kravis Roberts (KKR) for \$2.2 billion. The deal is one of the biggest to involve the sale of companies from one private equity fund to another.

#### Key contact partner

Thomas Roberts

#### Leading lawyers

Howard Chatzinoff  
Frederick Green  
Akiko Mikumo  
Ellen Odoner  
Thomas Roberts

#### Cadwalader Wickersham & Taft

Cadwalader Wickersham & Taft's mergers and acquisitions practice has a strong reputation. Highly praised rainmaker Dennis Block is an invaluable ingredient in this, according to some survey respondents, but the group also includes 12 other partners with considerable expertise. Cadwalader's practice is concentrated on a number of large, active clients such as Skandia Insurance and Pfizer.

This year Cadwalader has advised Pfizer on its \$1.3 billion purchase of Esperion Therapeutics and the sale of its Swedish diagnostic unit to Triton and PPM for \$575 million. Previously the firm acted on Pfizer's \$61 billion acquisition of Pharmacia and the sale of its Adams unit to Cadbury Schweppes for \$4.1 billion.

#### Key contact partner

Dennis Block

#### Leading lawyers

Louis Bevilacqua  
Dennis Block

#### Debevoise & Plimpton

Debevoise & Plimpton has an excellent M&A team, which is particularly strong on banking representations on the public M&A side, and in private equity work. The firm has a strong cross-border focus with foreign offices in London, Paris, Frankfurt and Moscow.

This year's highlights include advising General Electric, and its subsidiary NBC, on the \$14 billion merger of NBC with Vivendi Universal Entertainment. Debevoise was target counsel on FedEx's \$2.4 billion purchase of Kinko's, and guided insurance company AXA Financial on its takeover of The Mony Group in a deal worth \$1.5 billion. Armed with an impressive investment banking client list, Debevoise is also involved in high-level work for financial advisers on deals. Among these mandates, the firm acted for Lehman Brothers as financial adviser to WellPoint Health Networks on the \$16.4 billion acquisition by Anthem, and was counsel to Deutsche Bank on Harrah's Entertainment's \$9.44 billion purchase of Caesars Entertainment.

#### Key contact partner

Meredith Brown

**Leading lawyers**

Paul Bird  
Meredith Brown  
William Regner  
Kevin Schmidt  
John Vasily

**Dewey Ballantine**

Dewey Ballantine maintains its traditional strength in representing investment banks on mergers and acquisitions, either as financial advisers or as principals and targets. In recent years, however, it has begun to diversify its practice both to corporate clients, including those in the telecommunications, insurance, healthcare and utility industries, and to international work. In late 2003, for example, the firm opened offices in Rome and Milan.

Of the firm's work this year, perhaps the highest profile was its successful defence of the Walt Disney Company against an unsolicited \$66 billion takeover bid from Comcast. Dewey Ballantine's other recent highlights include acting for Zimmer Holdings on its \$3.5 billion acquisition of Centerpulse, The Mony Group on its \$2.3 billion purchase by AXA Financial and Mid-Atlantic Medical Services on its \$3 billion sale to UnitedHealth.

**Key contact partner**

Morton Pierce

**Leading lawyers**

Jacob Bodner  
Denise Cerasani  
Morton Pierce

**Jones Day**

Jones Day has a high-volume and high-quality global M&A practice, which is strong both in the US and overseas – particularly in Europe, following its merger with UK firm Gouldens.

Among the firm's recent highlights was its work for RJ Reynolds Tobacco on its \$7.3 billion merger with Brown & Williamson Tobacco, the US operations of British America Tobacco. Jones Day also advised supermarket chain Albertson's on its \$2.48 billion acquisition of the US operations of UK company J Sainsbury, and acted for Great Lakes real estate investment trust on its acquisition by Aslan Realty Partners.

On the international side, Jones Day acted for GE Real Estate Investissement France, part of General Electric, on its unsolicited €1.5 billion (\$1.8 billion) bid for French company Sophia. The firm also advised on the formation of TNK-BP, an \$8.95 billion merger of oil and gas assets and joint venture between BP and Alfa Group, Access Industries and Renova in Russia and Ukraine.

**Key contact partner**

Lyle Ganske

**Leading lawyers**

Lyle Ganske  
Jere Thomson

**Paul Weiss Rifkind Wharton & Garrison**

Paul Weiss Rifkind Wharton & Garrison's 22-partner M&A team advises on domestic deals and Asian and Canada-related transactions. This year, for example, the firm advised Harbin Breweries on the first hostile takeover by a US company, Anheuser Busch, of a mainland China business. The team was also US counsel to Malaysia International Shipping on its acquisition, through an auction, of American Eagle Tankers from Neptune Orient Lines for \$1.1 billion. The firm does a lot of work on mergers crossing the US/Canada border, which this year included advising Canadian oil and gas company EnCana on the takeover of Colorado company Tom Brown for \$2.7 billion.

Paul Weiss also regularly advises private equity funds and investment banks, the latter often in their capacity as financial advisers to large M&A deals. Goldman Sachs, Lehman Brothers, Bear Stearns and Morgan Stanley are among the firm's clients. Among its recent work, Paul Weiss represented Citigroup on the sale of its automobile leasing operation to Gelco for \$1.3 billion. On the private equity side, the firm advised Oak Hill Capital on its purchase of pharmacy chain Duane Reade for \$700 million.

**Key contact partners**

Robert Schumer  
Judith Thoyer

**Leading lawyers**

Marc Bergman  
James Dubin  
Toby Myerson

## Private equity – buyouts, venture capital, transactions

### Recommended firms

Debevoise & Plimpton

Kirkland & Ellis

Simpson Thacher & Bartlett

Davis Polk & Wardwell

Latham & Watkins

Skadden Arps Slate Meagher & Flom

Weil Gotshal & Manges

Fried Frank Harris Shriver & Jacobson

Gibson Dunn & Crutcher

Ropes & Gray

Willkie Farr & Gallagher

## Private equity – fund formation

### Recommended firms

Debevoise & Plimpton

Simpson Thacher & Bartlett

Kirkland & Ellis

Ropes & Gray

Weil Gotshal & Manges

Akin Gump Strauss Hauer & Feld

Davis Polk & Wardwell

Gibson Dunn & Crutcher

Latham & Watkins

Schulte Roth & Zabel

### Debevoise & Plimpton

Debevoise & Plimpton is recognized as one of the best US law firms for advice on a range of private equity matters. With more than 30 partners in the US practice it has strength in depth, and is one of the few firms to have separate teams covering the two sides of the private equity industry. On one side, the fund formation team is a subset of

Debevoise's investment management group, on the other is the transactional team, which covers issues such as mergers and acquisitions. Both are headquartered in New York but also have several private equity partners in Frankfurt, Hong Kong, Moscow and London.

Debevoise represents more than 75 private equity funds, among them Clayton Dubilier & Rice (CD&R), Kelso & Company, Providence Equity Partners and HarbourVest Partners. Buyouts are a particular forte of the firm's transactional practice. This year, for example, Debevoise advised Kinko's and CD&R, which managed 75% of Kinko's' stock, on its \$2.4 billion sale to FedEx. The firm also closed a long-running merger on which it represented the Ontario Teachers' Pension Plan Board on its \$1 billion acquisition, in partnership with Citigroup Venture Capital Equity Partners, of Worldspan. In another deal, Debevoise was counsel to Riverwood Holding, part of the CD&R portfolio, on its merger with Graphic Packaging International, a deal valued at \$3.2 billion.

Debevoise has been involved in what could be a new gold rush for private equity funds, many of which have registered business development companies with the Securities and Exchange Commission and filed to launch them through initial public offerings (IPOs). Debevoise was hired by the Blackstone Group to advise on the flotation of its Blackridge Investment vehicle, which initially planned to raise up to \$850 million, although like some others it has recently postponed the IPO, citing market conditions.

### Key contact partners

Franci Blassberg  
Richard Bohm  
Margaret Davenport

### Leading lawyers

Paul Bird  
Richard Bohm  
Franci Blassberg  
Woodrow Campbell  
Michael Harrell

### Simpson Thacher & Bartlett

Simpson Thacher & Bartlett has the rare distinction of being regarded as a market-leading firm on both fund formation and transactional matters in the private equity industry. Its practice is closely integrated with other areas of the firm, with members of the mergers and acquisitions, capital markets and credit teams all possessing private equity experience. Simpson Thacher has close links to some of the most active and acquisitive players in the industry, such as Kohlberg Kravis Roberts (KKR) and the Blackstone Group. Other clients include funds such as Ripplewood, the Cypress Group and Silver Lake Partners.

On the transaction side, Simpson Thacher is frequently involved in some of the highest-profile mergers, acquisitions and leveraged buyouts. This year, for example, it was one of

three firms working as a team to advise GC Power Acquisition, a vehicle jointly formed by KKR, the Blackstone Group, Hellman & Friedman and Texas Pacific Group to buy energy company Texas Genco Holdings for \$3.65 billion. Simpson Thacher was again counsel to KKR on a complex deal under which the fund will buy, recapitalize and combine three companies owned by DLJ Merchant Banking Partners. The combined deal is worth \$2.2 billion, and is one of the largest examples of a private equity fund buying companies from a rival fund. The firm was also counsel to a consortium (led by Bain Capital, Providence Equity Partners and Thomas H Lee Partners) on its \$2.6 billion acquisition of Time Warner's Warner Music unit. In 2003, it acted for KKR on the largest private equity deal of the year, the fund's purchase of Ondeo Nalco from Suez for \$4.2 billion.

#### Key contact partners

Charles Cogut  
David Sorkin  
Wilson Neely

#### Leading lawyers

Richard Beattie  
Charles Cogut  
Alan Schwartz  
Thomas Bell  
Michael Wolitzer

#### Kirkland & Ellis

Kirkland & Ellis has an excellent reputation for private equity work across the market. The group has teams in New York and Chicago, as well as lawyers in the firm's San Francisco, Los Angeles, Washington DC and London offices. Kirkland & Ellis advises private venture capital funds, financial institutions, mutual funds and pension funds. Clients include the Carlyle Group, Providence Equity Partners, Thomas H Lee Company and BankAmerica-Global Equity Investments. The firm wins plaudits for its services at all stages of the industry, from start-ups to established private equity funds and their later activities such as recapitalizations, leveraged buyouts and management buyouts.

Among Kirkland & Ellis' private equity highlights this year, the firm acted for Madison Dearborn Partners on the acquisition of the paper and forestry assets of Boise Cascade Corporation for \$3.7 billion, and acted for MidOcean Partners, a US and UK private equity firm, on its purchase of Deutsche Bank's US and European late-stage private equity assets for €1.7 billion (\$2.1 billion). On the formation side, Kirkland & Ellis has helped start up the \$1.8 billion GTCR Fund VIII fund and the \$1.1 billion AEA Investors fund.

#### Key contact partner

Kevin Evanich  
Jeffrey Hammes

#### Leading lawyers

Stephen Fraidin  
Kevin Evanich  
Kirk Radke

#### Weil Gotshal & Manges

Weil Gotshal & Manges has a diverse private equity capacity that can call on advice from up to 100 US lawyers across the corporate department. It has partners with private equity experience in several of its US and international offices, principally New York, Boston, London, Frankfurt and Paris. Weil Gotshal is well regarded both for its fund formation and its transactional work. It advises high-profile private equity sponsors involved in venture capital, buyout, distressed debt and hedge funds, and domestic and international clients on mergers and acquisitions, spin-offs and initial public offerings.

Among its recent deals, Weil Gotshal advised DLJ Merchant Banking Partners on the sale of three of its portfolio companies to Kohlberg Kravis Roberts, which, at \$2.2 billion, was one of the largest ever transfers of companies between private equity funds. The firm also represented a group of funds (which included Thomas H Lee Partners, Hellman & Friedman, Bain Capital Partners, Providence Equity Partners and the Quadrangle Group) on the acquisition financing for the \$1.3 billion purchase by US fund Saban Capital Group of Germany's ProSiebenSat1 Media. Weil Gotshal was also adviser to Texan buyout firm Hicks Muse Tate & Furst on another cross-border deal, the £642 million (\$1.1 billion) acquisition of UK breakfast cereal company Weetabix.

#### Key contact partners

Glenn West  
James Westra  
Barry Wolf

#### Leading lawyers

Jeffrey Tabak  
Barry Wolf

#### Ropes & Gray

Ropes & Gray put its private equity practice onto a new stage in May 2003 when it merged with New York boutique firm Reboul MacMurray Hewitt & Maynard. The merger added to Ropes & Gray's existing New York team, and gives the firm greater resources in the country's main financial centre to complement its highly regarded practice in its home town of Boston. The firm has more than 100 lawyers who can advise on private equity matters and offers a broad service across the industry from fund formation to mergers and acquisitions and leveraged buyouts.

On the transaction side, this year Ropes & Gray advised Bain Capital, Silver Lake Partners and Warburg Pincus on one of the largest ever leveraged buyouts in the technology sector, the \$2.05 billion acquisition of UGS PLM Solutions.

The firm also represented Bain Capital, Carlyle Group and Spectrum Equity Investors on their club deal to buy Loew's Cineplex from Onex for \$1.5 billion, acted for buyout firms Berkshire Partners and Weston Presidio on their \$540 million leveraged recapitalization acquisition of Amscan Holdings (a private equity unit of Goldman Sachs), and advised Fenway Partners and its portfolio firm, Simmons Company, on the sale of the unit to Thomas H Lee Partner for \$1.1 billion.

At the time of writing Ropes & Gray is acting for Thomas H Lee Partners on its planned acquisition, through an offshoot company, of Nortek Holdings for \$1.75 billion.

#### Key contact partners

Larry Jordan Rowe  
Newcomb Stillwell

#### Leading lawyers

William Hewitt  
William McCormack  
John MacMurray

#### Latham & Watkins

Latham & Watkins is rated highly in the market for its transactional private equity work, as well as its fund formation expertise. The firm has excellent client links to the financial services industry through its general finance and capital markets practices, and has lawyers with private equity experience in several of its offices, including New York, Washington DC, Los Angeles and Menlo Park. It also advises clients such as the Carlyle Group, Merrill Lynch, JP Morgan Partners and Benchmark Capital.

The firm's recent deal highlights include advising the Carlyle Group on the second stage of the second largest US leveraged buyout, where Carlyle and Welsh Carson Anderson & Stowe are buying Qwest Communications' yellow pages directories business for \$4.3 billion. Latham & Watkins also advised Odyssey Investment Partners on the sale of its TransDigm Holding Company to Warburg Pincus for \$1.2 billion.

#### Key contact partner

Ronald Hopkinson

#### Leading lawyers

Ronald Hopkinson  
Robert Kennedy

#### Davis Polk & Wardwell

Davis Polk & Wardwell's private equity practice is able to take advantage of the firm's powerful investment banking contacts and in-house resources. The firm's clients include the private equity wings of banks and funds, including JP Morgan Chase, Morgan Stanley Capital Partners (MSCP), DLJ Merchant Banking (DLJMB), Greenhill & Co, Welsh Carson Anderson & Stowe, Soros Fund Management and

Francisco Partners. Davis Polk is active on all stages of the private equity industry, from fund formation to fund restructurings, mergers and exit strategies.

Among its recent private equity work, Davis Polk has advised Texas Pacific Group and Francisco Partners on their purchase of Smart Modular Technologies from Solectron for \$100 million, and acted for DLJMB, a major stakeholder in Manufacturers' Services Limited, on its acquisition by Celestica for \$275 million. Elsewhere, Davis Polk was counsel on the purchase of Columbia Energy Resources by MSCP's portfolio company Triana Energy for \$130 million.

#### Key contact partner

John Bick

#### Leading lawyers

John Bick  
Yukako Kawata

#### Gibson Dunn & Crutcher

Gibson Dunn & Crutcher has a good reputation for private equity transactional work, particularly relating to M&A. The firm's client list includes such names as Silver Lake Partners, Investcorp and First Reserve, as well as the private equity arms of investment banks, including CSFB Private Equity and Morgan Stanley Capital Partners.

This year, a number of private equity funds have looked to spin-off units to raise capital through initial public offerings (IPOs). Some of these deals have met with delays, but at the time of writing Gibson Dunn was advising two funds on their planned IPOs. On the first, the firm is advising Gleacher Partners on a proposed flotation of its private equity wing, Gleacher Investment, which will raise up to \$500 million. And on the second, the firm is acting for Evercore Investment on its planned offering, which is set to raise \$240 million.

On the M&A side, the firm acted for Investcorp on the sale of its Jostens unit to DLJ Merchant Banking Partners, and advised CSFB on the \$400 million purchase of the LBO Fund Portfolio from Deutsche Bank.

#### Key contact partner

Edward Sopher

#### Leading lawyers

John Herbert  
Michael Greaney  
Jennifer Bellah Maguire  
Edward Sopher

#### Fried Frank Harris Shriver & Jacobson

Fried Frank Harris Shriver & Jacobson's private equity group is particularly well regarded for its work on private equity M&A transactions. A top finance firm, it is able to use its contacts among the banking community, and its strong

M&A practice helps it win work on some of the larger deals. Fried Frank can offer private equity advice from many of its general corporate team, including partners in New York, Washington DC, Los Angeles, Paris, Frankfurt and London. Clients include Goldman Sachs, New Mountain Capital, AEA Investors and Permira Advisors.

Among Fried Frank's recent deals, it advised Noveon International on its purchase by Lubrizol for \$1.8 billion, and was counsel to Banc of America Securities as the adviser and finance provider to Oak Hill Capital Partners on its \$700 million acquisition of New York pharmacy chain Duane Reade. On the non-transactional side, Fried Frank recently advised Permira on the formation of the \$5 billion pan-European Permira Europe III fund.

#### Key contact partner

Robert Schwenkel

#### Leading lawyers

Aviva Diamant  
Christopher Ewan  
Robert Schwenkel

#### Skadden Arps Slate Meagher & Flom

Skadden Arps Slate Meagher & Flom's private equity practice is primarily renowned for its work in transactions such as mergers and acquisitions and exit strategies, leveraged buyouts and recapitalizations. The firm has lawyers in several of its US and international offices with private equity industry experience, and has connections among the private equity wings of several of the world's leading banks, as well as among some of the more influential private equity buyout funds.

Over the past year Skadden Arps has acted for Apollo Management on its \$750 million acquisition of General Nutrition Companies, and was counsel to DLJ Merchant Banking Partners as the fund took a \$400 million equity investment in Trump Hotels and Casino Resorts. On the international stage, Skadden Arps represented Lone Star Funds, which bought a 51% stake in Korea Exchange Bank for \$1.2 billion. In another cross-border deal, the firm advised Colony Capital on the purchase of Fukuoka Daiei Real Estate for \$721 million.

#### Key contact partner

Roger Aaron

#### Leading lawyers

Roger Aaron  
Howard Ellin  
Morris Kramer

#### Akin Gump Strauss Hauer & Feld

Akin Gump Strauss Hauer & Feld's private equity practice can call on advice from lawyers in New York, Los Angeles, Texas and Washington DC, as well as in its London, Brussels

and Moscow offices. It has advised on a range of matters from start-ups to exits. Among the firm's recent private equity work, it represented Sandler Capital on a \$1.1 billion investment in Bulgarian telecommunications company Mobitel, and was counsel to New York Life Insurance on its \$80.2 million buyout of Eight O'Clock Coffee.

#### Key contact partners

James Kaye  
Prakash Mehta  
Alan Schoenbaum

#### Leading lawyer

Stephen Vine

### Project finance

#### Recommended firms

Latham & Watkins

Milbank Tweed Hadley & McCloy

Skadden Arps Slate Meagher & Flom

White & Case

Chadbourne & Parke

Dewey Ballantine

Shearman & Sterling

Sullivan & Cromwell

Jones Day

Simpson Thacher & Bartlett

Allen & Overy

Baker Botts

Davis Polk & Wardwell

LeBoeuf Lamb Greene & MacRae

Mayer Brown Rowe & Maw

Orrick Herrington & Sutcliffe

Vinson & Elkins

Bingham McCutchen

Debevoise & Plimpton

Freshfields Bruckhaus Deringer

Winston & Strawn

### Latham & Watkins

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Latham & Watkins is acknowledged to be one of the best US law firms for project finance work, both at home and abroad. With 27 partners across six offices, it has strength in depth in its home jurisdiction, and some of the finest individual lawyers in the market. Latham's influence on project finance at a global level is also becoming increasingly evident. In 2003 it handled deals with a combined value of \$6.4 billion, higher than any of its US rivals and third overall (source: Dealogic Projectware). The firm has active mandate streams for issuers, developers, monolines and underwriters, but particularly for lenders, among whom it counts Goldman Sachs, Credit Suisse First Boston (CSFB), Morgan Stanley and Citibank as clients. Latham is plugged into a variety of industry and geographic sectors, including US power and infrastructure and projects in the Middle East and Asia.

Over the past year Latham & Watkins was counsel to the lenders, including Citigroup and DZ Bank, on the \$220 million Path 15 deal, a high-voltage power transmission with a 3,900MW capacity in California. The firm also advised Goldman Sachs on the \$301 million Gilroy Energy Center project, again in California.

Refinancing existing projects has become a source of work for several firms, including Latham. Among recent work in this field, the firm advised Goldman Sachs as part of a complex refinancing involving seven power plants by Calpine's Construction Finance Company I. All three of these projects were nominated for deal of the year for 2003 by Euromoney's *Project Finance* magazine.

In other recent work, Latham advised Morgan Stanley as underwriter on the \$850 million financing of a power sales contract between the California Department of Water Resources and Calpine. It also worked for CSFB on an \$836 million Rule 144A bond offering to refinance a credit facility behind the Kern River pipeline. This year Latham advised Citigroup as underwriter to a \$244 million project bond offering for the DTE Energy Center. On the monoline side, meanwhile, the firm advised a group of insurers (including John Hancock Life Insurance and Allstate Life Insurance) on the \$455 million financing for a 572MW power plant in California.

#### Key contact partner

Andrew Singer

#### Leading lawyers

Kelley Gale  
David Gordon  
Michele Penzer  
Jonathan Rod  
Andrew Singer  
William Voige

### Milbank Tweed Hadley & McCloy

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Milbank Tweed Hadley & McCloy is one the acknowledged leaders of project finance work around the world, with both US and UK law among its capabilities. The firm has taken an international approach to its finance work in general and this has found its greatest expression in the projects group, which includes more than 100 lawyers around the firm's network of offices. Milbank is strong on a number of industry sectors, including power generation and transmission, oil and gas, telecommunications, water, mining and infrastructure. The practice is regionally diverse, including active participations in the Latin American, European and Asian markets as well as the US itself. Along with many of the top law firms, Milbank has developed its project finance team to be able to advise on restructurings, buyouts and divestitures as well as complex issues such as political risk mitigation and securitizations.

Over the past year, Milbank Tweed has completed work for Citigroup and WestLB as underwriters to a \$300 million Rule 144A and Regulation S bond offering by the project company on a 750MW hydroelectric power plant on the Santiago River in Mexico. Milbank advised the banks, which included ANZ, Dexia and Royal Bank of Scotland, on the refinancing of the GasAndes pipeline from Argentina to Chile. It was also international counsel to the sponsors on one of Latin America's most exciting power deals of 2003, the Ibiritermo power plant in Brazil. In the US, Milbank advised Lehman Brothers on the \$190 million bond financing of five geothermal power projects in California and Nevada, and acted for the borrower on the \$900 million SR125 deal for the San Diego Expressway, the first use of the public-private partnership model in the US.

#### Key contact partner

Eric Silverman

#### Leading lawyers

Richard Brach  
Edwin Feo  
Jonathan Green  
Eric Silverman

### Skadden Arps Slate Meagher & Flom

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Project finance is an integral part of Skadden Arps Slate Meagher & Flom's powerhouse financial law practice in the US. The firm's group includes more than 40 lawyers based primarily in New York and Washington DC, but also in Houston, London, Singapore and Hong Kong, giving Skadden Arps a global reach. The group has a particular focus on energy projects and infrastructure work, which it pursues in the US and in Latin America, Africa, the Middle East, Asia and Europe. With strong client links to investment banks, the firm is often involved on the lender side.

Skadden advised on at least two of the most interesting deals of the last year. The first involved an innovative solution

to post-project refinancing issues for a public-private partnership in the Latin American water sector. Skadden Arps advised the banks, including NordLB, on the equity release plan for Mexican Water Funding Trust. The other deal saw the firm advise a lender group, including Royal Bank of Scotland, ANZ Investment Bank and Credit Suisse First Boston, on a groundbreaking finance package behind a 744MW cogeneration power plant and a second, completed plant by FPL Energy Construction Funding. The deal was \$911 million in total, of which \$400 million was debt.

Among the year's other highlights, Skadden was counsel to BNP Paribas in its capacity as the facility agent to the \$700 million Oryx GTL petrochemical gas-to-liquid project conducted by Qatar Petroleum and Sasol. Moving from the Middle East to the Pacific, Skadden worked with Société Générale as the lender on the refinancing of the AES Hawaii cogeneration power project. At \$500 million, this was one of the largest deals of 2003 in the Americas. The firm also advised Crédit Lyonnais Securities and Lehman Brothers on the debt provision aspects of the \$410 million Tenaska Alabama II Partners project.

#### Key contact partner

Harold Moore

#### Leading lawyers

Lance Brasher  
Martin Klepper  
Harold Moore

#### White & Case

White & Case has one of the preeminent project finance groups in the US. With 22 US partners in New York and Washington DC, and more than 40 associates focused on project finance, the firm also has one of the biggest dedicated teams. Having a further eight partners in its London office means that White & Case has representation in both of the world's main sources of finance for projects. The firm represents a wide range of clients, primarily on the bank side. On US domestic work, White & Case usually works with sponsors and lenders on new deals and refinancings, particularly in the power sector and in renewable energies, such as wind. White & Case is also an important player globally, and is often counsel to multilateral and bilateral lenders and to banks on a range of transactions ranging from energy projects to roads, airports and ports. The Inter-American Development Bank (IDB), US Eximbank, Deutsche Bank, the International Finance Corporation (IFC) and Deutsche Bank are all among the firm's clients.

Over the past year White & Case has been involved in a number of headline-grabbing deals. It advised the lender consortium to the blockbusting \$11.3 billion Sakhalin II liquefied natural gas project in Russia. In the Middle East, White & Case acted for Saudi Aramco on the first upstream exploration deal to be signed under the Saudi government's plans to open up its natural gas sector. The deal is worth \$2

billion. In the US, White & Case advised Credit Suisse First Boston on the first capital markets financing of wind projects in the country, involving an initial \$380 million and follow-on \$125 million bond offerings under Rule 144A for FPL Energy American Wind and its parent company FPL Group. Moving south, White & Case was counsel to the lenders, ABN AMRO, the IDB and Ambac, on the Costanera Norte project, a toll road in Santiago, Chile, which was voted Latin American deal of the year for 2003 by Euromoney's *Project Finance* magazine. The firm also worked for the lead arrangers (the IFC and Société Générale) and the lender (Banco Nacional de Comercio Exterior) on the Rio Bravo III and IV projects in Mexico, for which the companies raised \$400 million in debt financing.

#### Key contact partners

Troy Alexander  
Arthur Scavone

#### Leading lawyers

Troy Alexander  
Victor DeSantis  
Edward Neaheer  
Nandan Nelivigi  
Arthur Scavone  
Sandra Warren

#### Chadbourne & Parke

Chadbourne & Parke has an excellent project finance team with a particularly strong track record of work in the energy industry, both in the US and internationally. The firm has more than 70 lawyers devoted to projects work, and has set up a workout and restructuring team to service a growing part of the market. Chadbourne does a lot of work in Latin America, and is renowned for its practice in eastern Europe, Russia and central Asia, regions where a great deal of energy work is emerging. This year the firm was also given a boost with the addition of offices in Kiev and Warsaw, having taken on board teams from the defunct Altheimer & Gray. Chadbourne's clients include power companies, banks, multilateral lenders, monoline insurers and government authorities.

Among recent work, the firm was counsel to Credit Suisse First Boston on the debt restructuring of the Mega petrochemical plant in Brazil, a deal valued at \$472 million. In Venezuela Chadbourne was involved in two projects: in the first, it represented a lending syndicate for the restructuring and workout of the \$1 billion Orinoco Iron Project; and in the second, it advised the International Finance Corporation in connection with the \$750 million Pecom Energia oil and gas project. In the US, the firm was counsel to Duke Energy and The Williams Companies on the \$250 million Gulfstream Natural Gas System 2 pipeline.

#### Key contact partner

Chaim Wachsberger

**Leading lawyers**

Noam Ayali  
 Peter Fitzgerald  
 Chaim Wachsberger

**Dewey Ballantine**

Dewey Ballantine has a globally recognized project finance practice that takes in a variety of work for an extensive list of clients, among them lenders, multilaterals, developers and governments. The firm has worked with BNP Paribas, Citibank, JP Morgan Chase and Export Development Canada. Dewey Ballantine has project teams in Washington DC, New York, Los Angeles and Houston, and wins a lot of energy work domestically and in Latin America. The firm also has offices in Frankfurt, Milan, Rome and Warsaw, and its London office has a particularly strong track record on work in Europe and the Middle East.

In the Americas this year Dewey Ballantine was legal adviser to the Sociedad Concesionaria Autopista Central consortium in Chile, which has become one of the hottest markets for Latin American infrastructure projects. The consortium will build, maintain and operate a toll road in Santiago with a total deal value of more than \$1 billion. Among Dewey Ballantine's other recent deals it was counsel to Vector Pipeline on a \$200 million Regulation D non-recourse bond offering used to refinance loans issued to pay for the construction of a natural gas pipeline from Illinois to Ontario. The firm also represented the private placement investors on a two-part secured bond offering by the Michigan Electric Transmission Company that raised \$265 million, and acted for CIT, an equity investor, on the \$301 million Gilroy Energy Center portfolio financing.

**Key contact partner**

Richard Shutran

**Leading lawyers**

Betty Cerini  
 Richard Shutran

**Shearman & Sterling**

Shearman & Sterling has an extensive international project finance group that advises both bank lenders and company sponsors and developers on transactions. In common with other firms, Shearman has developed expertise and experience in the debt restructuring of projects, which fits well with its other leading finance practice. The firm has 10 projects partners in the US, and a global team of almost 75 lawyers, among whom it has English, French and German law advisers as well as US lawyers. The team is active in the Middle East, where it has worked on several power and water deals.

Recent deal highlights for Shearman & Sterling's US team include advising Crédit Lyonnais as the lead arranger of the refinancing of the \$339 million Train 1 project

financing, and acting for the lead arranger (Mizuho Corporation Bank) on the \$210 million Tuxpan V power project in Mexico.

Shearman has strong links to a number of investment banks. Among those it regularly works with is Citibank, which it recently represented on the Southern Power Construction Revolver, which is used to fund power projects in the US. The firm also worked with Citibank in Chile in helping to finance the Autopista Central toll road in Santiago, and worked with Société Générale on the \$380 million Skikda power plant deal in Algeria.

**Key contact partner**

Cynthia Urda-Kassis

**Leading lawyers**

William Giusti  
 Patricia Hammes  
 John Millard  
 Cynthia Urda-Kassis

**Sullivan & Cromwell**

Sullivan & Cromwell may not have the largest project finance team, but it does handle some of the biggest and most complex deals that reach the market. The approach of favouring quality and value-added work over sheer volume has served the firm well, and it enjoys a good reputation for its work around the world. Sullivan & Cromwell is active on both lender and sponsor-side mandates, and has a particular strength in the mining, and oil and gas industries. The firm is also known for its expertise on Latin American projects.

Over the past year, Sullivan & Cromwell completed work on the Baku-Tbilisi-Ceyhan (BTC) pipeline and the associated Azeri, Chirag and Deepwater Guneshli (ACG) Mega-Structure Phase 1 projects. The deals have a combined value of about \$6.8 billion and are landmarks in the development of the oil industry and the region as a whole. Sullivan & Cromwell advised the sponsors and the project company on the BTC oil pipeline and members of the ACG consortium, including BP, Statoil and Amerada Hess.

In Brazil, Sullivan & Cromwell represented the Japanese and Brazilian lenders, including the Japan Bank for International Cooperation and BNDES, on the \$1 billion Malhas gas transportation project, the biggest project to close in the region during 2003. The firm was also counsel to Barrick Gold Company as sponsor of the Veldaro Gold Project in Argentina, a transaction that was valued at \$455 million and that was the first significant project financing in the country since the delinking of the peso from the US dollar. A third Latin American deal saw Sullivan & Cromwell advise the sponsors on the refinancing of the GasAndes project, a gas pipeline running between Argentina and Chile.

**Key contact partners**

Sergio Galvis  
 Frederic Rich

**Leading lawyers**

Sergio Galvis  
Christopher Mann  
Frederic Rich

**Jones Day**

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Jones Day's project development and finance practice includes 18 US partners, and can call on resources from its 14 US offices and 14 foreign bases. Traditionally strong in the energy industry – the firm has oil and gas, electric and natural gas divisions – which it has worked in for over a century, Jones Day has worked on a wide array of deals both in and outside the US.

This year, some of the firm's best work was done at, or close to, home, including advising Ambac Assurance as monoline insurer on the award-winning \$301 million Gilroy power project in California. Wind power projects are a growing source of work for law firms, and Jones Day is closely involved in the sector. In the last year it represented the Royal Bank of Scotland on the \$126 million financing for the Stateline Wind Generation Project, the largest of its kind in the world. It also worked with American Electric Power Company on the \$75 million Trent Mesa wind project in Texas.

Slightly further afield, in Latin America this year Jones Day advised the borrower and Unión Fenosa Internacional, the sponsor, on the Tuxpan III and IV Mexican power project. The deal, valued at \$600 million, involved a complex structure and Japanese and Spanish export credit agencies.

**Key contact partner**

Marc Haddad

**Leading lawyer**

Marc Haddad

**Simpson Thacher & Bartlett**

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Simpson Thacher & Bartlett's highly regarded nine-partner US project finance team has mainly been active in the domestic power market – traditionally its strongest area due in part to its excellent connections with lenders. On the \$900 million Tri-State Springerville electric generating project, for example, Simpson Thacher advised Credit Suisse First Boston as the debt arranger. The firm also acted for the Royal Bank of Scotland on financing a \$500 million electric arc furnace.

With a banking and finance practice as good as Simpson Thacher's, it is natural that the firm is also active on refinancings and on the acquisition and sale of project assets. Over the last year it was counsel to GE Capital on the acquisition of 105 project finance loans around the world, for a combined consideration of \$1 billion. The firm was also counsel to Lehman Brothers as the arranger of funds used by ArcLight Capital Partners to complete its \$295 million acquisition of Aquila's 643MW generating capacity in Jamaica.

Latin America is another source of work for Simpson Thacher, and this year the firm advised Empresa Electrica Guacolda on a \$150 million cross-border project bond issue.

**Key contact partner**

Richard Miller

**Leading lawyers**

Martin Jacobson  
George Miller  
Richard Miller

**Allen & Overy**

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Allen & Overy is one of the world's best project finance law firms, with a strong presence in the UK, western and eastern Europe, and Asia. It has turned to the Americas for new areas of work, and has been rewarded with an increasing supply of deals in a market traditionally tough to break for non-US law firms. Its clients in the region include the Inter-American Development Bank (IDB), the US Exim Bank and Barclays Bank.

The Allen & Overy projects team in New York is part of a global group that includes 70 partners, and is active on a wide variety of transaction types, particularly in the infrastructure sector. It was also boosted this year with the recruitment of Robert Kartheiser as partner, who joined the firm from Sithe Energies.

Among Allen & Overy's recent deals, the New York office was involved in advising the commercial lenders (the European Bank for Reconstruction and Development, the International Finance Corporation and the Overseas Private Investment Corporation) on the \$3.4 billion Baku-Tblisi-Ceyhan pipeline, and, in one of the deals of the year, acting for the concession company in relation to an IDB-guaranteed project bond behind the \$300 million Costanera Norte toll road in Chile. In another Latin American deal, Allen & Overy advised the sponsors and developers of the \$375 million Novatrans Electricity Transmission Project in Brazil, and recently completed work for the borrower on the financing for the Vespucio Norte Express which, at \$600 million, was the biggest toll road project to date in Chile.

**Key contact partner**

Carl Sheldon

**Leading lawyers**

Carl Sheldon  
David Slade

**Baker Botts**

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Baker Botts, headquartered in Houston, is perhaps unsurprisingly best known for its strength and depth in the energy business, particularly oil and gas. With some of the best client contacts in the industry, the firm frequently finds itself advising sponsors on energy extraction, distribution

and processing projects both in the US, and wherever oil and gas is found. Baker Botts works with industry leaders including ConocoPhillips, CenterPoint Energy, the AES Corporation, Transocean and ExxonMobile.

Over the last year the firm advised the sponsors (including BP, Socar, Unocal and Statoil) on the landmark \$3.6 billion Baku-Tblisi-Ceyhan (BTC) pipeline, and represented Marathon Oil which, in conjunction with GEPetrol (the government-owned oil company of Equatorial Guinea) sponsored the \$1.4 billion Equatorial Guinea liquefied natural gas project. Other recent deals saw Baker Botts act for Valero Energy on the Cameron Highway project in Texas, the AES Corporation on the refinancing of the AES Hawaii power project, and Medusa Spar on the project financing of an offshore oil and gas project.

#### Key contact partner

Stephen Krebs

#### Leading lawyers

David Asmus  
Stephen Krebs  
Stuart Solsky

#### Davis Polk & Wardwell

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Davis Polk & Wardwell's project finance department has been involved in a variety of Latin American work, often – though not exclusively – on the company side. The firm has advised on telecommunications, infrastructure, power and oil and gas projects.

Among its recent mandates, Davis Polk was counsel to Jamaican mobile telephone operator Mossel on a \$203.8 million debt package refinancing, and represented Digicel Eastern Caribbean on a term loan and bond offering that raised funds to finance projects in Barbados, Aruba and the eastern Caribbean.

#### Key contact partner

Waide Warner

#### Leading lawyers

Joseph Hadley  
Waide Warner

#### Orrick Herrington & Sutcliffe

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Orrick Herrington & Sutcliffe has a successful energy and project finance practice that incorporates 26 partners and has a stand-out reputation for its work on wind-power projects. The group has lawyers in seven US offices and also in London, Paris and Tokyo. Alongside excellent work in the wind-power sector, in which it has been active for 20 years, Orrick also focuses on infrastructure deals and refinancing and restructuring existing projects.

Among its recent highlights, the firm advised the lender on the \$900 million SR125 San Diego Expressway project,

the first use of the public-private partnership model in the US. Orrick was counsel to Unisource on the Tri-State Generation project, which involved a \$939 million secured lease obligation bond, and advised the Eurus Energy America on the development of its 41MW wind farm in Oregon.

#### Key contact partner

Michael Meyers

#### Leading lawyers

Keith Kriebel  
Joseph Malkin  
Michael Meyers

#### Debevoise & Plimpton

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Debevoise & Plimpton has a six-partner project finance team whose focus on quality over volume has been rewarded with a strong reputation in the market and some excellent mandates. In the context of the firm's high standing for banking and finance work in general, it has become successful in attracting work from institutional lenders and insurers, such as MBIA and XL Capital Assurance, who are increasingly active in project work.

Debevoise is particularly visible on project refinancings and restructurings, and has a proven track record in energy, road and airport projects. The firm is advising on the development of the Aeroflot terminal at Moscow airport, for example, and worked on the new \$1.6 billion international terminal at JFK airport in New York.

Debevoise is active on projects in Latin America, Asia and the former Soviet Union. The firm advised MBIA on the \$795 million Autopista Central road concession, one of the largest ever Chilean infrastructure projects, and was also counsel to MBIA on the \$600 million Vespucio Norte Express deal in Santiago.

#### Key contact partner

Robert Gibbons

#### Leading lawyers

Robert Gibbons  
Ivan Mattei

#### Freshfields Bruckhaus Deringer

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UK firms have come to dominate the global project finance league tables, but few have been able to make significant impressions in the US and Latin America. Freshfields Bruckhaus Deringer is one of those to succeed. In the US it has a group of lawyers, including five partners, and offers local as well as UK law advice. Clients include lenders, sponsors, export credit agencies and multilaterals, including ArcLight, John Hancock Life Insurance, JP Morgan, the International Finance Corporation and the US Exim Bank.

Over the past year Freshfields advised lenders such as Coface, US Exim and the Export Credits Guarantee Department on the blockbusting \$3.6 billion Baku-Tblisi-Ceyhan pipeline and, in another deal of the year, acted for WestLB on the \$325 million development of the Cameron Highway in Texas. The firm also advised ArcLight Capital Partners on its \$295 million acquisition of Aquila's 643MW generating capacity in Jamaica, and advised institutional investors (including John Hancock, AIG Life Insurance and Allstate) on the purchase of \$240 million-worth of senior secured bonds financing a cogeneration facility for the Formosa Plastics operation in Texas.

**Key contact partner**

Ted Burke

**Leading lawyers**

Ted Burke

Ellen Hayes