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Banking Group Of The Year: Weil

By **Matt Bernardini**

Law360 (January 28, 2019, 6:41 PM EST) -- Weil Gotshal & Manges LLP helped complete some of the biggest merger and acquisition deals in 2018, including advising Barclays, Goldman Sachs and Bank of America in providing $49 billion of financing to CVS Health for its acquisition of Aetna, helping land it among Law360's Banking Groups of the Year.

Morgan Bale, a partner in Weil's banking and finance practice based in New York, talked about the challenge of putting together a financing package that pleases all the parties and is done in a short amount of time.

"With CVS and Aetna we had to complete syndication within two weeks and we were able to do that because the package was well tailored to the market and we understand the issues," Bale said. "Whenever we're working on deals, time is always the factor that creates the most intensity. We do find that intense time pressure always brings great clarity."

The CVS and Aetna merger was announced in December 2017 and was approved by the U.S. Department of Justice in October. Weil helped advise Barclays, Goldman Sachs and Bank of America in providing $49 billion of financing of the $69 billion deal. CVS Health plans to pay $207 per Aetna share, via a mixture of cash and stock, according to a statement. Including the assumption of Aetna's debt, the deal is valued at about $77 billion in total.

Rounding out a good year for M&A deals, Weil also advised Goldman Sachs on a £5.2 billion bridge facility to support the pending $6.4 billion acquisition by Marsh & McLennan Cos. Inc. of Jardine Lloyd Thompson Group PLC, a company that provides insurance and employee benefits-related advice. That deal also required a short turnaround on financing as well as navigation of U.K. takeover rules, according to Bale.

"We got the call from Goldman on Sept. 10 and within a week we got to a fully executed bridge loan agreement backing Marsh's offer," Bale said. "We had the added complexity of JLT being a U.K. public target, so in addition to the normal U.S. issues we had to address issues arising from the U.K. takeover code."

Another large part of Weil's practice is advising private equity sponsors and their portfolio companies on high-profile acquisition financings. From October 2017 to October 2018, Weil advised on more than 50 financings, including large-scale ones such as Goldman Sachs Merchant Banking Division's $560 million acquisition of Restaurant Technologies Inc., a provider of automated solutions for storing, handling and disposing of frying oil for the food service industry.

Restructuring is another area that Weil has done a lot of work in, including advising companies such as Westinghouse, J.Crew and Sears on financing and restructuring matters.

Daniel Dokos, a partner in and head of the firm's global finance practice, noted the firm tries to balance all of its areas equally, so clients are well served no matter if it's an M&A issue or a restructuring one.

"We have a very strong finance restructuring practice that ties into our bankruptcy practice and we have always tried to balance our practice amongst these areas," he said.

Douglas Urquhart, a partner in and head of the firm's U.S. banking and finance practice, noted that restructuring had a great year and that it is a unique part of the firm's work and can be very helpful to younger attorneys.

"There is a laser focus on terms, document agreements and creditor agreements and it's a nice hedge against the other two parts of our practice," Urquhart said about restructuring. "It's a different part of the practice and one that we think is very helpful to our junior lawyers."

The partners said the current political climate where regulations on banks have been greatly relaxed might have made a slight difference in the aggressiveness of banks, but many of the transactions would have happened regardless.

"The banks are probably able to be a little more aggressive with less focus on leverage lending guidelines," Dokos said. "But I think the transactions happen anyway because there is a huge market of direct lenders ready to step in."

Bale added that deals are mainly driven by confidence in the economy, and regulations don't have as much of an effect as people might think.

"Our practice in this area is driven by the M&A market and M&A deals are driven by confidence," Bale said. "And we have seen a high level of confidence and that bodes well for us."

--Additional reporting by Chelsea Naso and Benjamin Horney. Editing by Marygrace Murphy.