

## Private Equity Group Of The Year: Latham & Watkins

By **Fola Akinnibi**

*Law360, New York (February 14, 2017, 2:11 PM EST)* -- Latham & Watkins LLP's private equity group helped guide private equity firms, both large and small, on some of 2016's most complex cross-border deals, including Energy Capital Partners' \$3.3 billion joint venture purchase of a portfolio of power plants, landing it a spot among Law360's 2016 Private Equity Groups of the Year.

The group, which also made the list in 2015, is always in growth mode, according to partner and private equity Co-Chair Jennifer Perkins. Currently, the group boasts about 100 partners in New York, Washington, D.C., London, Hong Kong, Germany, France and Spain, along with other areas across the U.S. and the world, partner and group Co-Chair David Brown said.

One such addition in 2016 was Simon Cooke, a partner in the firm's Hong Kong office and the firm's Asia-based co-chair of the private equity group. The hire, which came in February 2016, was part of an expansion of the firm's Asian private equity presence, Brown said.

Leveraging that large international presence to better serve clients wherever they are is part of the group and the firm's philosophy, Perkins added.

"We're always looking to see how we can continue to cross-sell among our different global private equity offices — expanding the U.S. work we're doing with our European private equity clients and vice-versa," Perkins said. "It's really part of our platform, being able to leverage and take advantage of that."

Brown said the group was excited going into 2016 because of the favorable market conditions for private equity activity.

"We were very optimistic about the year," he said. "Interest rates were low and firms had and still have tremendous amounts of dry powder to invest."

Its work on Energy Capital and Dynegy's launch of a new joint venture to acquire a U.S. fossil portfolio from French multinational electric utility Engie in February 2016 was an early, complex test for the group that allowed it to show its breadth of capabilities.



Latham worked on the original \$3.3 billion joint venture transaction, which included a complex financing arrangement, and also worked with Energy Capital on the eventual sale of its joint venture interest to Dynegy, Perkins said.

In addition, the group handled the complex regulatory approval process, which included securing approval from the Federal Energy Regulatory Commission, the Public Utility Commission of Texas and federal antitrust authorities.

“That really showcases our energy practice, our regulatory practice, our M&A practice and our finance practice as well,” she said.

Regulatory issues aren’t the only challenge the group faces when working on private equity transactions, Brown said. The group also has to deal with the complexity of the relationships between purchasing companies and the companies they acquire, he added.

For example, in July, when the firm represented private equity funds controlled by Onex Corp. and Baring Private Equity Asia on their \$3.5 billion purchase of Thomson Reuters Corp.’s intellectual property and science unit, the group had to wrangle with the deal structure and design to make sure the unit could function away from its parent company, he said.

“There’s a tremendous amount of work to do to separate the businesses and make sure that from a legal perspective, and obviously from a business perspective too, the company can stand up and operate on day one,” Brown said.

Having the ability to work on deals in multiple jurisdictions, with U.S. or foreign-based clients, along with significant expertise handling regulatory issues for companies make it possible for the firm to handle many deals completely in-house. This is a major draw for clients, and it is an extremely efficient approach, Brown said.

“If we’re in a solely U.S. deal, our global reach is less relevant, but what our clients appreciate about us is our ability to quickly and effectively get a good deal negotiated for them,” he said. “When it’s a global carve-out transaction, then our global reach does come into play and is a very attractive aspect of our firm to our clients.”

--Additional reporting by Benjamin Horney and Chelsea Naso. Editing by Jack Karp.