



## Mergers & Acquisitions | Private Equity 2007 Highlights

January 2008

Dear clients, colleagues and friends:

While the challenges in the leveraged loan markets received significant attention over the latter half of 2007, Kennedy Covington's Mergers & Acquisitions and Private Equity practices enjoyed another busy and successful year. Our deal flow in 2007 was strong throughout the year, buoyed by significant continued activity in the middle market in the second half, and our outlook for these middle market transactions in 2008 remains cautiously optimistic.

In 2007, we closed more than 80 M&A and private equity transactions across the country involving total consideration of more than \$3 billion. These transactions include our representation of:

- Affiliates of **Bank of America Corporation** in a variety of investment and strategic matters and liquidity transactions including **Banc of America Capital Investors** in its leveraged acquisition of Verosity Technology Partners, a Massachusetts-based provider of optical data networks.
- **Bison Capital** in its recapitalization of Big Rock Sports, LLC, the largest distributor of fishing, shooting sports and camping equipment in the United States.
- **CapitalSouth Partners** in various investment transactions, including its acquisition of Southern Parts & Engineering, Inc., a provider of parts and service for industrial air compressors.
- **Carousel Capital Partners** on several transactions, including its leveraged acquisition of Jameson, L.L.C., a provider of specialty tools and accessories for utilities, cable, telecom and the military.
- **EverWatch Capital** in various investment transactions, including its recapitalization of Empire Scaffold L.L.C., a provider of scaffold design, construction and dismantling services.
- **United Rentals Inc.** in the sale of its traffic control division to a private equity buyer.
- Affiliates of **Wachovia Corporation** in a variety of financing, strategic and acquisition transactions including **Wachovia Capital Partners** in the sale of its portfolio company, British Salt Limited.

Kennedy Covington again ranked the highest among Southeastern-based law firms in terms of the number of closed private equity and venture capital deals in the *Private Equity Analyst* league tables released in 2007.

Thirteen partners in our corporate, M&A and private equity practices were recognized in *The Best Lawyers in America*. Kevin Stichter and Rick Giovannelli once again co-chaired the sixth annual Private Equity and Mezzanine Finance Conference in Charlotte in November.

We appreciate the opportunity to continue to work with our clients, colleagues and friends on new and interesting matters. Thank you for contributing to our success in 2007 and best wishes for a happy and successful 2008. Please contact any of us or any other member of our team to obtain more information about our capabilities or for assistance with your legal matters.

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