

March 2015

Practice Group(s):
Corporate/M&A
Private Equity

Carolinas Corporate Update

To say our clients were active in 2014 would be an understatement. The K&L Gates Carolinas corporate practice is pleased to have partnered with our clients to advise and guide them on a variety of notable strategic transactions, investments and capital market offerings in this active market.

Our Carolinas corporate practice consists of more than 50 lawyers located in our Charleston, Charlotte, Raleigh and Research Triangle Park offices. Our team, which includes numerous partners recognized in *The Best Lawyers in America* or *Chambers* for corporate practice, is experienced in handling a wide range of matters, including the types of transactions described below.

We are pleased to share the following representative engagements from 2014:

Strategic M&A

We advised private and public companies and their subsidiaries, both domestic and foreign, in their merger and acquisition transactions, including:

- **American Tire Distributors**, one of the nation's premier tire and wheel distributors, in a variety of strategic growth initiatives, including its acquisition of Hercules Tire & Rubber Company, a leading international tire wholesale distributor, and Terry's Tire Town, a leading domestic tire wholesale distributor.
- **Capgemini North America**, a leading provider of consulting and outsourcing solutions and subsidiary of Paris-based Cap Gemini SA (PA: CAP), in its acquisition of Strategic Systems & Products Corporation.
- **Duke Energy**, the largest investor-owned utility in the United States (NYSE: DUK) and certain of its affiliates, in its acquisition of the project company developing a 20-megawatt solar project in Roanoke Rapids, NC, from Geenex and ET Solar Energy Corp and in its acquisition of two 20-megawatt California solar projects from Infigen Energy Ltd., a publicly traded Australian renewable energy developer.
- **Kaman Fluid Power**, a subsidiary of Kaman Corporation (NYSE: KAMN) that operates in the aerospace and distribution markets, in the acquisition of B.W. Rogers Company, a distributor of motion and control products.
- **KBI Biopharma**, a biopharmaceutical contract development and manufacturing company, in its acquisition of a pharmaceutical research, development and manufacturing facility from Merck & Co., Inc.
- **NEC Corporation**, a multinational provider of technology services and products headquartered in Tokyo, Japan, in its approximately \$100 million acquisition of the electric grid storage division of electric battery maker A123 Energy Systems LLC and related joint ventures.
- **New South Companies, Inc.**, a subsidiary of Vancouver-based Canfor Corporation (TO: CFP), in its acquisitions of Beadles & Balfour, LLC, a Georgia lumber producer, and Southern Lumber Company, Inc., a Mississippi lumber producer.

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- **Snyder's-Lance**, the second largest snack manufacturer in the United States (NASDAQ: LNCE), in its \$430 million disposition of its private brands business, consisting of operations in the United States and Canada, its \$195 million acquisition of Baptista's Bakery, a private snack food manufacturer, and its majority investment in late July Snacks, a leader in organic and nongenetically modified snacks.

Private Equity

We assisted numerous investment funds in an array of leveraged acquisitions, financings, recapitalizations, divestitures and other transactions, including:

- **Capitalala Investment Advisors** and **CapitalSouth Growth Fund**, a Charlotte-based junior capital provider and growth investor:
 - in the sale of its portfolio company, Vita Nonwovens LLC, a leading United States manufacturer of nonwoven thermal bonded materials for engineered applications, including flame retardant barriers, automotive component manufacturing and medical applications;
 - in its senior subordinated debt financing of Quincy Bioscience, a biotechnology company focused on the discovery, development and commercialization of technologies to address brain health and age-related health challenges, including memory loss and decreases in cognitive function; and
 - in its senior debt financing of ABC Phones of North Carolina, Inc. and American Cellular, Inc., who operate Verizon wireless retail locations in the United States.
- **Carousel Capital**, a Charlotte-based private equity firm:
 - in its leveraged acquisition of APEX Analytix, a leading provider of audit, recovery and compliance technology and services to Fortune 1000 companies;
 - in its recapitalization of Joe Hudson's Collision Center, one of the largest providers of automotive collision repair services in the United States; and
 - together with its portfolio company, Pegasus Transtech, a leading provider of electronic revenue cycle, document management and invoicing solutions to the transportation industry, in its acquisition of TripPak SERVICES® and ACS Advertising from Xerox.
- **Pamlco Capital**, a Charlotte-based private equity firm:
 - in the formation and capitalization of Clarity Telecom, LLC, a new telecommunications platform investment now known as Vast Broadband, and subsequent \$262 million acquisition of certain cable systems in Iowa, Minnesota and South Dakota.
 - in its majority equity investment of Daxko, Inc., a leading provider of SaaS software and services to not-for-profits and member-based organizations and Daxko's subsequent acquisition of NetVentures Corporation, another provider of SaaS solutions for YMCAs and Jewish Community Centers; and
 - in its growth equity investment in Dexter & Chaney, Inc., a leading provider of financial and operational management software for construction contractors.

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- **Plexus Capital**, a Charlotte-based mezzanine debt provider, it is secured financing of Scivation, a manufacturer of exercise supplements.
- **Ridgemont Equity Partners**, a Charlotte-based private equity firm:
 - in its leveraged acquisition of Cook & Boardman, a leading specialty distributor of commercial metal and wood doors, door frames, door hardware and related products;
 - in its leveraged acquisition of Allied 100 Group, a leading distributor of automated external defibrillators and ancillary parts and accessories, as well as proprietary, SaaS-based medical direction software solution; and
 - in its sale of Johnstown Wire Technologies, the largest producer of value added carbon and alloy wire in North America.

Public Offerings

We represented issuers in public offerings of equity securities, including:

- **Energous Corporation**, a California-based developer of free charging technology, in its \$27 million initial public offering on NASDAQ and subsequent \$23 million underwritten public offering.
- **Exact Sciences**, a Wisconsin-based molecular diagnostics company, in its \$150 million underwritten public offering of common stock and subsequent \$101 million underwritten public offering of common stock.
- **WaferGen Bio-systems, Inc.**, a California-based life sciences company, in connection with its \$20 million public offering of common stock and warrants and up listing to NASDAQ.
- **ZBB Energy**, a Wisconsin-based developer and manufacturer of advanced energy storage and power electronic systems, in its \$15 million underwritten public offering of common stock and subsequent \$12 million underwritten public offering of common stock.

We appreciate the opportunity to continue working with our clients, colleagues and friends, and hope to have the opportunity to work with you in 2015. Please contact any member of our team to obtain more information about our capabilities or for assistance with your legal matters.

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