

# MERGERS & ACQUISITIONS

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## The M&A Mid-Market Awards LAW FIRM OF THE YEAR K&L Gates

BY ANTHONY NOTO

Not long ago, K&L Gates LLP set out to become one of the most sought-after legal advisers for emerging companies, as well as major corporations, in the world. The Pittsburgh firm began to realize its goal in 2012.

“2012 was a culmination of that effort,” says Robert Zinn (pictured), K&L’s global co-head of M&A.

Prior to the firm’s expansive merger with Australian law firm Middletons in December in which it grew to have more than 2,000 lawyers across five continents - K&L’s 350 corporate M&A lawyers closed 160 deals in 2012, totaling \$38.2 billion in value. That’s roughly 48 percent more than the firm’s 2011 total of \$19.8 billion.

K&L caters to middle-market deals typically between \$25 million and \$500 million. Among the more notable transactions of 2012 is K&L’s advising of TxVia Inc., a mobile payments technology company, in connection with the acquisition by Google Inc. (Nasdaq: GOOG).

Anil Aggarwal, former chairman and CEO of TxVia and now global head of payments business development at Google, said, “we selected K&L Gates to represent us in the sale of TxVia to Google because of the team’s deep understanding of venture backed financial technology companies and large strategic sales to Silicon Valley giants as well as the fact that they can add real value to complex transactions with worldwide stakeholders and close them quickly, all of which were critical in our deal.”

K&L also represented Microsoft Corp. (Nasdaq: MSFT) on the July sale of its 50 percent interest in MSNBC.com to Comcast Corp. (Nasdaq: CMCSA) for, according to media reports, \$300 million. K&L also handled legal matters for sportswear retailer Zumiez Inc. on the \$79 million purchase of the Blue Tomato group in June, and the sale of Newport Business Media’s publishing properties - Heavy Duty Trucking, TruckingInfo.com, Heavy Duty Aftermarket Journal and Newport Poster



Robert Zinn

Network - to Bobit Business Media for an undisclosed price in May.

In addition to Microsoft - a long-time client of K&L’s, thanks to the firm’s retired partner William H. Gates Sr.’s being the father of the software company’s co-founder - the law firm also boasts as clients: Halliburton Corp. (NYSE: HAL), DuPont (NYSE: DD), PPG Industries Inc. (NYSE: PPG) and United Technologies Corp. (NYSE: UTX). The firm’s partners are called upon not just when it comes to M&A but also on other legal endeavors, says chairman Peter Kalis.

“The vast array of practices we have allows us to move up the food chain of strategic importance for individual clients,” Kalis adds. “M&A is chief among them.”

The firm also expanded operations on a global scale, with 46 offices spread out across Australia, North America, South America, Europe, Asia and the Middle East-thanks in part to the merger with Middletons, which was announced on Dec. 4.

The law firm, currently the eighth largest in the U.S., has been operating for just five years under the K&L Gates banner. From the time it formed in 2007 out of a merger between Kirkpatrick & Lockhart Nicholson Graham and Preston Gates & Ellis, the firm went on to scoop up rivals across the U.S. to grow. In 2008, K&L merged with Hughes & Luce, a Dallas firm of 150 attorneys. Several months later, K&L inked a deal with Kennedy Covington Lobdell & Hickman LLP, a North Carolina firm with offices in Charlotte, Raleigh, and Research Triangle Park, followed by the 2009 merger with Bell Boyd & Lloyd in Chicago.

K&L’s Asia-Pacific coverage alone includes 11 offices and 400 lawyers. Beyond working on transactions, K&L considers its growing international presence as an integral step in meeting the demands of globalization and consolidation among law practices.

“We were not simply absorbing firms,” Zinn says. “We’re a firm built for the future.”

## K&L GATES