



Portfolio Media. Inc. | 230 Park Avenue, 7th Floor | New York, NY 10169 | www.law360.com
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

Private Equity Group Of The Year: Ropes & Gray

By Henrik Nilsson

Law360 (February 21, 2024, 2:02 PM EST) -- Ropes & Gray LLP recently steered deals for clients such as New Mountain Capital, BPEA EQT and TPG Capital Inc., including TPG's sale of high-profile talent agency Creative Artists Agency and BPEA EQT's \$6.5 billion merger of its Hong Kong-based business services firms Vistra and Tricor, earning the firm a spot among Law360's 2023 Private Equity Groups of the Year.

With 14 offices across the United States, Europe and Asia, the firm has over 400 attorneys in its global private equity practice — but the group is also supported by hundreds of attorneys in the firm's other practices who consistently step in to help private equity clients.

David Blittner, chair of the firm's private equity transactions group and partner based in New York, said the firm is structured around servicing the private equity industry.

"When clients come to us, we're not remaking the wheel," Blittner said. "We know the market, we know exactly how private equity works, and we have a huge asset management practice that helps us as well."

That expertise was needed when global investment firm TPG decided to sell its majority stake in Creative Artists Agency to Artemis, the investment company of French billionaire François-Henri Pinault. The terms of the deal were not disclosed, though reports pegged its value at \$7 billion.

CAA represents some of the highest-profile actors, directors, singers and athletes in the entertainment business.

Among Artemis' holdings is Kering SA, home to luxury brands Gucci, St. Laurent, Bottega Veneta, Balenciaga, Alexander McQueen and Brioni. It also owns the world-famous Christie's auction house, a large private collection of contemporary art and exclusive wine estates.

The major challenge was speed and trying to get the transaction done quickly, said William Shields, a member of the firm's policy committee and partner in Boston. The deal closed less than one month after it was first announced in September.

"From the time you've signed until the time you've got the money in your pocket, and if you're the seller, like TPG here, you are worried about something happening that's going to put the deal at risk," Shields said.



Neill Jakobe, member of the firm's governing management committee and partner in Chicago, noted the TPG transaction came right after the collapse of Silicon Valley Bank and other regional banks in the spring of 2023, which further spurred the parties to get the deal done quickly.

Also, "there's all these geopolitical risks, conflicts all over the world," Jakobe said. "I mean, that's a scary time when you're trying to get a deal done."

Another challenge is increased regulatory scrutiny, as was the case when Ropes & Gray advised its client, New Mountain Capital, to close its \$8 billion sale of healthcare platform Signify Health to CVS Health in March.

The practice group helped its client navigate scrutiny from the U.S. Department of Justice and the Federal Trade Commission by collaborating with Ropes & Gray's merger and acquisitions team and its healthcare practice, Blittner said.

"The acquisition extends CVS Health deeper into the health care services business with Signify's home health business," Blittner said. "The Ropes & Gray team helped Signify evaluate multiple offers, negotiate the best terms, and navigate an active antitrust regulatory enforcement environment."

In July, the team assisted BPEA, the Asian private equity arm of Swedish investment firm EQT, in closing the \$6.5 billion merger of its Hong Kong-based business services firms Vistra and Tricor. According to the firm, the deal was one of Asia's largest private equity-backed transactions in 2023.

By combining the businesses, BPEA created a platform of over 9,000 professionals in more than 50 jurisdictions, BPEA said in a statement in July.

The merger highlighted the practice group's global expertise, Jakobe said, noting foreign direct investment and antitrust have come under more scrutiny not just in the U.S., but also globally.

"There's a much more rigorous review and enforcement environment than there was, you know, three or five years ago," Jakobe said.

Moving forward, the team's goal is to continue to grow its private equity practice and expects 2024 to be a robust year as economic indicators are stabilizing. While the cost of capital has gone up, debt financing is available from credit funds, which will help deals get done, according to the trio.

"That being said, there's going to be these regulatory hurdles both in the U.S. as well as internationally," Blittner said. "There's only really going to be a handful of firms that are equipped, globally and broadly, to be able to really advise on a lot of these complex transactions."

While 2024 marks an election year, Shields also said it's hard to imagine a different regulatory regime if a new administration enters the White House, noting their clients are under pressure to return capital to investors.

"In a different world, you might wait around to do certain deals because you thought a new administration was going to be more sympathetic," Shields said. "I don't think anybody expects that."

--Additional reporting by Jared Serre. Editing by John C. Davenport.