

LAW WEEK

COLORADO

Holland & Hart Closes Major Deals

Two Colorado companies reach exits worth billions

BY **TONY FLESOR**
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In the first half of this year, Holland & Hart represented Colorado-operating clients in their acquisitions, each worth upward of \$2.5 billion.

In each instance, the firm helped long-time clients reach exits where billions of dollars changed hands. And in each instance, the transactions were efforts that involved coordination of attorneys from various practices.

STILLWATER MINING

Holland & Hart's work in representing Stillwater Mining — headquartered in Colorado and still mostly operating out of its original home of Montana — stood out for its value as well as its significance in the region and the U.S. as a whole.

Stillwater Mining is the only U.S. miner of platinum group metals and the largest primary producer of platinum group metals outside of South Africa and the Russian Federation. Holland & Hart represented the company in its acquisition by South Africa-based Sibanye Gold. And the \$2.7 billion enterprise value made it not only a major deal for Holland & Hart but also made it the largest platinum group metal transaction globally in over a decade, according to Holland & Hart.

The firm was co-counsel on the deal with Jones Day and was led by Denver partner Lucy Stark and included Mike Dill, Amos Barclay, Chris Myers, Elizabeth Nedrow, Kevin Selzer, Brian Mumaugh, Adam Cohen, Tim Mahon, and Sarah Ritchey, among others. Overall, the deal team was supported by more than 15 attorneys from Holland & Hart's offices throughout the Intermountain West.

For Stark, though, the deal's size was notably large but the transaction itself was no harder because of it. It's like getting a

haircut, she said — the same hairs still get cut regardless of how much is taken off.

There were components that did stand out though. For instance, Stark's relationship with Stillwater began after a hostile takeover that resulted with shareholders electing a board split between new members and incumbents. That new board didn't want to use existing counsel or counsel brought in by the hostile members. Stark said she met the board shortly after that, at the first board meeting when the eight board members had to develop new relationships and learn to work together.

"It was wonderful to watch them figure out how to work together and focus the company's efforts on the two main Montana mines that are key assets of the company," Stark said.

On the Sibanye deal, Stark said the transaction was significant because of the large team effort involved. Almost every practice area at the firm was involved in the transaction in one way or another, she said.

And in working with an international buyer, it was necessary to help them understand the SEC disclosure rules as well as to coordinate with overseas financial institutions while Holland & Hart worked with South African counsel to help the Stillwater team understand that country's requirements. And it was also important to help the buyer understand the litigious system of the U.S.

"Other cultures don't have same litigious system we do," Stark said.

With the size of the deal and all of the various people and components involved, the deal touched on just about everything an M&A transaction can.

"If I were to teach a class at a local law school on deals, this would be my syllabus," Stark said. "Working with the board at the conclusion of a

hostile bid to the sale of a company, this touches on everything a deal lawyer could come across."

AIR METHODS

Attorneys from the firm also represented Air Methods Corporation, a Colorado-based company with services in air medical transport as well as tourism. The company was acquired by affiliates of private equity firm American Securities LLC for \$2.5 billion, including net debt.

The affiliates of American Securities acquired all outstanding shares of Air Methods for \$43 per share in cash. Air Methods will continue to operate and benefit patients, employees, customers and business partners, the firm said.

And according to the attorneys who worked on the deal, the transaction allows them to continue working with a client they have already built a relationship with.

Holland & Hart has worked with Air Methods for more than a decade, though the relationship was "catalyzed" about five years ago, according to Holland & Hart partner Chris Balch, when the firm took on significant litigation and corporate matters for the client.

The transaction came about quickly, but Holland & Hart partner James Crowe said that when Air Methods was presented with a true liquidity event, the company felt it had to take the situation seriously. And as a public company, it was important to make the transaction happen fast.

"You don't know how markets are going to respond to events outside of your control that might impact the price," Balch said. "When you have bids that are strong, you don't want anything outside your control to impact that current reality."

As for how quickly, the deal was inked in mid-March and done by April 21. And with the size of the deal and the type of work that

Air Methods is involved in, that quick turnaround meant putting lots of work in to make sure things went through.

Crowe emphasized that Air Methods is a complicated business with a blend of aviation and aircraft initiatives, real property and a close involvement with hospitals and health care institutions that added complexity to the transaction.

Balch said the transaction involved more than 30 timekeepers from multiple of the firm's offices working to orchestrate the responses to diligence and signing matters. The deal itself involved Balch, Crowe and Nick Venetz on the corporate side in executing responses to negotiating purchase agreements and working with management on aspects of diligence.

The team also involved additional subject matter experts Matt Smith, Matt Abell, Mark Wiletsky, Elizabeth Mitchell and Lindsay Silber, among others on issues ranging from environmental, intellectual property and employment matters and in responding to requests from investment bankers from Goldman Sachs.

Holland & Hart's deal team served as co-counsel with Paul, Weiss on the transaction.

GROWTH OVERALL

Balch said that the major deals that Holland & Hart has worked on has been the result of bringing in a "young, hard-charging group of corporate attorneys" who have helped the firm on significant deals that fall outside of the typical tech industry transactions one might expect in Denver.

"Every deal we're doing is sophisticated," Crowe said. "I couldn't tell you the last time I did a deal that wasn't against a New York or LA firm. More and more, the field we're playing on is on the coasts." •

— Tony Flesor, TFlesor@circuitmedia.com