

White & Case Flexes Its M&A Muscle With Anthem-Cigna Deal

By **Jeff Zalesin**

Law360, New York (July 24, 2015, 10:50 PM ET) -- With Friday's blockbuster \$52 billion proposal for Anthem Inc. to swallow fellow health insurer Cigna Corp., Anthem's counsel White & Case LLP notched one of its biggest deals yet and solidified its status as a versatile deal-maker with a knack for health-related transactions.

Anthem said Friday that it had finally won over Cigna, which had rebuffed a prior \$47.4 billion offer in June. Helping the rival insurers get to "yes" is the latest accomplishment for White & Case's global mergers and acquisitions group, which has also guided clients such as medical device giant Zimmer Holdings Inc. and pharmacy services company Omnicare Inc. on high-profile deals.

White & Case's M&A group, headed by partner John Reiss, includes over 500 attorneys working in offices around the world, according to the firm's website. The team advised on deals worth a total of more than \$400 billion in 2014, the firm said, citing data from Mergermarket.

The proposed Anthem-Cigna combination is a megadeal by any standard, but White & Case is no stranger to high dollar values, especially in transactions connected to the health industry.

Last year, White & Case helped Zimmer reach a \$13.4 billion deal to acquire private equity-backed Biomet Inc. Negotiating that transaction involved talking Biomet's backers out of a previously disclosed plan to float the orthopedic product firm in an initial public offering.

Then, in one of the largest pending deals for 2015, White & Case advised Omnicare on its \$12.7 billion sale to CVS Health Corp. That transaction, which came amid a flurry of major deals in the health care and pharmaceutical industries, is expected to close at the end of the year.

White & Case also represented London buyout firm CVC Capital Partners in a June deal to take a controlling stake in global generic-drug maker Alvogen from private equity firm Pamplona Capital Management LLP. The terms of that deal were not disclosed, but reports had pegged London-based Pamplona's 2014 acquisition of the stake at about \$700 million.

Meanwhile, the firm's M&A practice has not been limited to the health sector. It advised the Chinese-government-owned Industrial and Commercial Bank of China Ltd. on its \$140 million majority purchase of the Bank of East Asia Ltd.'s American arm in 2012, helping ICBC win the Federal Reserve's first ever thumbs-up for a Chinese bank to purchase a U.S. bank.

White & Case has also made its presence known in the energy industry. Recently, the firm represented Canadian utility owner Fortis Inc. on a \$4.3 billion deal to purchase Arizona-based utility holding company UNS Energy Corp.

To negotiate Anthem's \$188-per-share, cash-and-stock deal for Cigna, White & Case deployed an M&A team including Reiss, partner Dan Dufner and senior associate Michael Deyong. Other attorneys from the firm advising on the deal included Rebecca Farrington and George Paul on antitrust matters, Eric Leicht and Daniel Nam on banking, J. William Dantzler on tax and Henrik Patel on employment.

Earlier this summer, it had looked far from certain that the Anthem and Cigna would reach an agreement to combine forces.

Cigna rejected a \$175-per-share offer from Anthem in June after months of preliminary talks, according to a report in the *The Wall Street Journal*. Later that month, Anthem made an upsized cash-and-stock bid of \$184 per share, but Cigna balked again, calling the offer inadequate and accusing Anthem of ducking questions about "fundamental issues" that Cigna found worrisome.

Those issues, according to a letter sent by Cigna CEO David M. Cordani and Chairman Isaiah Harris Jr., included the massive data breach Anthem disclosed in February, as well as pending antitrust lawsuits against the Blue Cross Blue Shield Association, which includes Anthem.

By the time of Friday's statement, Cordani had changed his tune, saying that Anthem and Cigna would have "an even brighter future" together. The companies didn't mention the data breach or BCBSA-related antitrust concerns, though Anthem said it was "confident" that it could obtain the regulatory approvals it needs.

White & Case declined to comment for this article.

--Additional reporting by Matthew Perlman, Zachary Zaggar, Pete Brush, Chelsea Naso, Daniel Wilson and Keith Goldberg. Editing by Jeremy Barker.