

## Private Equity Group Of The Year: Sidley

By Elaine Briseño

*Law360 (February 27, 2023, 2:03 PM EST)* -- Sidley Austin LLP flourished in 2022, steering one of the biggest sports deals in history with the \$3.1 billion sale of Chelsea Football Club and the \$5.4 billion acquisition of Quest Software, along with other high-value transactions that included complicated regulatory and financing challenges, to earn the firm a spot among Law360's 2022 Private Equity Groups of the Year.

While the world of deal making cooled off last year after seeing historical numbers in 2021, Dan Clivner, mergers and acquisitions and private equity global co-lead for Sidley, said the firm maintained its whirlwind pace. Clivner said the firm has spent the better part of the past decade building out its private equity group and has 440 lawyers around the world in its M&A and private equity group.

"It was a softer year than 2021 for most people, but for us, it was another record year," he said. "We have added six new partners in the group for 2023, and we had 11 new partner lateral hires from other firms in 2022."

Most published rankings lists place Sidley in the Top 5 for the number and total value of deals they are involved in, and in 2022, the firm had 340 deals worth \$150 billion, Clivner said. One of the things that makes the firm stand out, he said, is its regulatory expertise.

"What differentiates us for clients — I think, it's the secret sauce quite frankly — is the breadth of our services," Clivner said. "Our regulatory services are top tier. It's a really important and sophisticated area, and we are able to address those regulatory issues."

One of those deals requiring in-depth regulatory know-how was the \$3.1 billion acquisition of the U.K. Premier League's Chelsea Football Club, which involved its longtime client Clearlake Capital Group LP. A mostly American consortium, led by billionaire Los Angeles Dodgers owner Todd Boehly and Clearlake, purchased the club in what has been called a record-smashing transaction that closed in May 2022.

Mehdi Khodadad, co-leader of the firm's global private equity practice, said it was a highly complex deal that required scaling several financial and regulatory hurdles, including approvals from the U.K. government and the Premier League. Khodadad, who led the Sidley team in this transaction, said the



club was put up for auction, and the buyers had a compressed schedule with approximately 40 days to complete the transaction.

"The seller was sanctioned and that added a lot of complexities," he said, referring to the club's previous owner, Russian oligarch Roman Abramovich, whose assets were frozen after the invasion of Ukraine. "The club was also on the brink of receivership without access to funds. They couldn't get any funding because their owner had been sanctioned by the U.K. government. It was a pretty involved undertaking."

Khodadad is a partner in Sidley's Century City office who focuses on private equity, M&A, global life science and capital markets. He was also named a Law360 MVP in 2022. He said the key is to remain cool under pressure and "ignore the noise."

He led Sidley in another high-figure deal with compliance challenges in February 2022, when it advised Clearlake in its \$5.4 billion acquisition of Quest Software from Francisco Partners.

"When dealing with a company in cyberspace or other sensitive industries, there are additional regulatory concerns," Khodadad said. "Especially if you have government users of a product, in terms of national interests, although it varies from country to country."

Other high-profile transactions were Clearlake's \$5.2 billion acquisition of Cornerstone OnDemand Inc., which closed in October 2021, and the \$3 billion equity investment agreement between renewable energy company Invenenergy and Blackstone Infrastructure Partners in January 2022.

On what makes them successful, Clivner said, "It's our ability to scale up with great expertise and throw more resources at it, and the ability to harness those resources and talent and address those issues in a compressed timetable."

Being in the media spotlight for high-profile deals can be hard because of outside scrutiny, Clivner said, but they approach it the same way they would any transaction.

"Most of the things we do are private," he said. "But if you are going to be in the spotlight, you want to put on your hair and makeup. The more high-profile it is, the more we look at ourselves and say 'OK, game time.' But we do that same job we did for Chelsea on every deal."

--Editing by Andrew Cohen.