



Business Litigation 2010:
Unlocking Successful Strategies
for Wisconsin Companies


M&A – A Litigator’s Perspective
Mary K. Braza

FOLEY
FOLEY & LARDNER LLP

©2010 Foley & Lardner LLP

Business Litigation 2010: Unlocking Successful Strategies for Wisconsin Companies

This is a Litigator’s Perspective
Trying cases is what I do...



FOLEY
FOLEY & LARDNER LLP

162

©2010 Foley & Lardner LLP



I am NOT a M&A Lawyer

- I usually bat clean up on M&A deals – handling the lawsuit over the deal gone bad or post-closing arbitration



The Story of the Texas Rangers -- Not Your Typical M&A Transaction





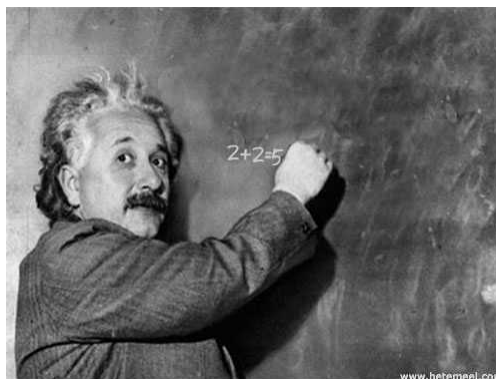
Lesson Learned #1:

Don't book that vacation too far in advance



Lesson Learned #2:

When staffing, experience counts – but so does working with creative, knowledgeable people. They help you think outside the usual four corners of a deal.





Lesson Learned #3: Don't Underestimate the Value of "Star Power"



Lesson Learned #4:

In conducting due diligence and developing a strategy:

- Know What you need to know.
- Know what you need out of the negotiation.
- Don't get distracted by the rest of the bull#?*!.



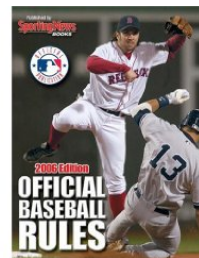
What Took So Long? Financing a Sports Deal in 2010

- Current owner in default:
\$525M
- Very tight credit market
- MLB has rules that restrict
money a team can borrow



Lesson Learned #5:

- Know the Rules
- Earn trust from the
regulators
- In the end, they may
help you



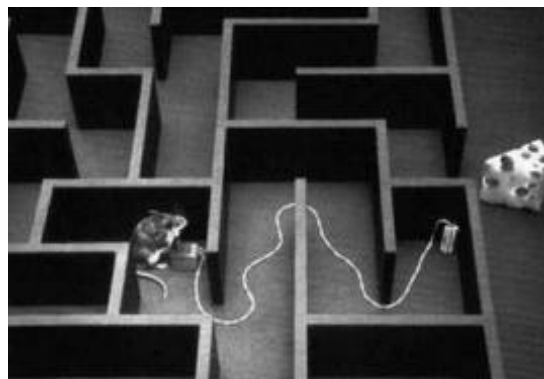


The Insurmountable Problem: The Owners' Lenders

- The debt was controlled by hedge funds; not sports lenders
- The lenders did not trust Hicks; for some good reasons
- The Lenders would lose money; the owner would (personally) make money



Lesson Learned #6: There has to be another way.





So Why Bankruptcy?

- Bankruptcy proceedings have rules governing the sale of assets
- Bankruptcy proceedings have a neutral arbiter of disputes
- Bankruptcy presented an opportunity for a quick result
- Bankruptcy/creditor law provided a chance to move forward over the objection of the Lenders



Lesson Learned #7:

Push your strong legal arguments

- We pushed for an early hearing limiting the Lenders' role
- We won on the legal points
- Although the door remained open for Lenders' participation, their arguments were limited



Lesson Learned #8:

Don't underestimate the value of a deal in hand and a ticking clock



The Bankruptcy Auction

August 4

A Memorable Date





Lesson Learned # 9:

If you are in it to win...
squeeze until it hurts!



We Win the Auction!





Lesson Learned #10:

- **Nolan Ryan Group Wins Texas Rangers**, *WSJ*, August 5
- **MLB Owners Approve Rangers Sale**, *ESPN.com* August 12
- **Texas Back In Playoffs After 11-year Wait**, *Reuters*, September 25
- **Rangers Going To The World Series**, *Star-Telegram*, October 22



Lawyers CAN make dreams come true!