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M&A MVP: Morrison & Foerster's Kenneth Siegel

By **Igor Kossov**

Law360, New York (November 22, 2013, 4:25 PM ET) -- Kenneth Siegel, a partner in Morrison & Foerster LLP's Japan practice, fought off attempts by Dish Network LLC to acquire Sprint Nextel Corp. and Clearwire Corp. during a bid by SoftBank, paving the way for the largest outbound Asia merger in history and earning him a spot on Law360's 2013 list of M&A MVPs.

Siegel, who graduated University of Chicago Law School, leads a team of 50 M&A attorneys in the 125-lawyer Tokyo practice, the biggest foreign office in Japan, according to the firm. He said that more people on staff meant giving each client extra care and attention, leading to increased loyalty. Japanese clients tend to have stronger and more lasting relationships with their law firms, once trust in their competence has been established, he said.

“We have a very strong group here and that works out very well — we can cover for each other and provide a lot of support for clients. It's helpful for building up bigger relationships locally,” Siegel told Law360. “Japanese clients look to their attorneys to do everything for them.”

Japanese companies, traditionally more risk-averse than American ones, have grown comfortable with outbound mergers and acquisitions recently, Siegel said, and are entering more complicated and bigger foreign deals, led by more audacious managers. Masayoshi Son, CEO of telecom giant SoftBank, is one such maverick, known for his “aggressive” investments. Siegel said his firm had done five multibillion-dollar transactions for SoftBank in the past 12 months.

SoftBank's biggest coup was its $21.6 billion acquisition of Sprint and Clearwire. The deal has faced a spate of obstacles, including shareholder lawsuits, an inquiry by theU.S. Department of Justice and a powerful rival. SoftBank first made a $20.1 billion offer in October for 70 percent of Sprint, but Dish Network Corp., eyeing a mobile platform for its content, quickly made a $25.5 billion offer for all of Sprint.

"Softbank called me in Singapore and asked me to come back and meet with Mr. Son in the morning," said Siegel, whose team quickly helped put together a counter-offer.

Though the amount Softbank offered the second time, $21.6 billion for 78 percent of Sprint, was smaller, the agreement was carefully structured to give individual shareholders more money, about $16.6 billion of the total, along with time limits for considering alternative bids and shareholder rights plan provisions.

Dish also made an unsolicited bid for Clearwire, which Sprint was trying to acquire, leading Sprint to sue Dish. Sprint's counsel took the reins and did most of the heavy lifting with that lawsuit, Siegel said.

Softbank's gamble to please Sprint shareholders worked. In June, they voted in favor of SoftBank, and Dish backed off to focus on Clearwire. A month later, Dish gave up on that, as well. Sprint acquired Clearwire and the following day, Softbank acquired most of Sprint.

“The day before the [Sprint] shareholder meeting, we were tracking the results and knew that vote had moved in our direction,” said Siegel. “But we didn't breathe a full sigh of relief until we saw the results.”

To allay concerns about the possible national security implications of the deal, Sprint and SoftBank in March told the U.S. House of Representatives Intelligence Committeethat, after the deal's completion, they would not use equipment from manufacturers under scrutiny for alleged ties to the Chinese government. The Committee on Foreign Investment in the U.S. approved the merger in late May.

Besides his work for SoftBank, Siegel has been active in Fujitsu Ltd.'s restructuring of its semiconductor business, which will include merging with a Panasonic Corp. unit. Much like Tokyo Electron Ltd.'s merger with Applied Materials Inc. this year, Fujitsu's move reflects a wave of consolidations in the industry, as research and development and manufacturing costs for better microchips keep rising.

Announced in February, the ongoing deal has many steps and moving parts, Siegel said, which will keep him and his team occupied. Japanese clients, he said, take longer than Americans to study a decision, but once they make one, they give great authority to the M&A lawyer to steer the deal. Many clients expect a great deal of service from their law firm, creating a busy but rewarding workload.

“Our clients here are more traditional about their legal relationships — we have very long-term relationships with our core clients, which is very satisfying and positive,” said Siegel.

Besides Japan's legal environment, Siegel said that he also enjoys his home neighborhood Shibuya, where he lives with his wife and two daughters. Coming up on his twentieth year in Japan in April, Siegel appreciates the clean air, safety and easy travel options. “It's a good lifestyle,” he said.

--Editing by Kat Laskowski.
