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2019 DEALMAKERS OF THE YEAR



Adam O. Emmerich

Wachtell, Lipton, Rosen & Katz

T-Mobile and Sprint had been “dating on and off for a long time” before reaching a merger agreement, Emmerich says.

This isn't the first time that Adam O. Emmerich has tried to guide longtime client T-Mobile US Inc. and its parent company, Deutsche Telekom AG, in a merger with another carrier. But after on-again, off-again talks with Sprint and its parent, SoftBank Corp., T-Mobile's \$26.5 billion merger with Sprint may happen.

Emmerich, a partner at Wachtell, Lipton, Rosen & Katz in New York, says T-Mobile and Sprint had been “dating on and off for a long time.” The merger agreement was announced in April 2018 and was awaiting antitrust approval at press time from the U.S. Department of Justice and the Federal Communications Commission.

Nevertheless, the lawyering to get the deal to this point was significant.

“We are very confident and hopeful the transaction will close,” Emmerich says, noting that his clients believe the deal will accelerate the delivery of 5G across the United States.

Emmerich says one big challenge was combining two public companies with majority shareholders: Germany's Deutsche and Japan's SoftBank. Deutsche also wanted the rights of a controlling stockholder in the combined company.

Ultimately, they worked out a structure giving Deutsche majority control of the new company with a proxy to vote certain SoftBank shares.

Additionally, both companies had significant and complex outstanding debt. Emmerich and a Wachtell team negotiated an unusual minimum credit rating closing condition, and he also arranged for a \$38 billion standby financing commitment to provide liquidity to the new company.

He also led negotiations on a provision to protect the parties during the regulatory approval process, because the deal does not include a regulatory termination fee.

—Brenda Sapino Jeffreys