

## Kekst and Company: Strategic, corporate and financial communications, mergers and acquisitions New York

In times of crisis, smart companies recognize the importance of sage advice. Historically, of course, many of Kekst and Company's clients have come to the firm for its sound judgment, battle-tested counsel and precision execution as the result of a specific, often existential crisis—such as a takeover battle, a litigation battle, a proxy contest, or a radical restructuring. But in 2008 the crises were both broader (few companies could avoid its consequences entirely) and deeper, involving a profound loss of public confidence in big business and its leaders, the financial services industry, and even the economic system itself. It was a year in which the firm's 40 years of experience and wisdom was put the test as never before, and Kekst and Company rose to the challenge.

As shockwaves rattled first the financial sector and then the entire business landscape, Kekst and Company was called on to work with many of the industries most immediately impacted by the crisis. In the financial services realm, the firm supported national and regional banks, securities firms, mortgage providers, and insurance companies, some of which were forced to merge, others of which were forced to accept rescue capital from the U.S. government. In the automotive sector, the firm helped longtime client General Motors and other auto makers address communications challenges of unprecedented complexity as the viability of the U.S. auto industry was called into question. In the retail realm, the firm helped industry leaders address investors and other stakeholders both before and after a holiday season defined by a radical and rapid decline in consumer spending.

In the private equity and hedge fund world, meanwhile, there was a flood of redemption requests, resulting in liquidity challenges, closures of funds, and layoffs of personnel and several clients were required to exit investments at a time not of their own choosing—Kekst also worked on behalf of Corsair Capital with respect to its private equity investment in National City Corporation; the unwinding of some of the largest private equity transactions ever announced, including representation of the four banks (Citi, Deutsche Bank, Royal Bank of Scotland, and Toronto Dominion) who agreed to finance the \$41 billion private equity buyout of BCE—one of the largest proposed private equity transactions in history.

The firm's well-regarded bankruptcy practice benefitted from a surge in activity too, working with companies such as the Minneapolis Star Tribune, Flying J, Chesapeake Corporation and Lenox Group as they underwent serious restructurings or filed for bankruptcy protection. There were lawsuits too, ranging from product liability cases to intellectual property issues to shareholder class actions. And on the corporate governance front, the firm helped clients form and communicate positions on matters including executive compensation; deal with the replacement of an unprecedented number of CEOs; and engage with activist investors.

Finally, in good times or bad, Kekst continues to dominate the rankings of U. S. merger and acquisition advisors, working on 122 transactions in 2008—despite the decline in deal activity—and finishing yet again as number one by volume in mergermarket's annual league table. Highlights during the year included providing advice to Anheuser-Busch on its \$58.9 billion sale to InBev; Time Warner during the \$25.5 billion spin-off of Time Warner Cable; Electronic Data Systems on its \$13 billion sale to HP; and Exelon on its \$6 billion unsolicited bid for rival NRG Energy; as well as advising AIG on its asset disposition program.

In the midst of so many high-profile challenges, the firm also found time to address its own future, selling the business to longtime client Publicis Groupe—a deal that helps Kekst provide service to clients in key global markets as well as its New York headquarters market. The firm and its clients are already benefiting from the professional collaboration with Publicis and beginning to work closely with senior consultants in other parts of the global communications empire.

But the single biggest reason for Kekst's enduring leadership in the most intellectually challenging sector of the public relations industry's is its remarkable culture, which manifests in the firm's approach to client service—it recognizes that each client and each assignment is unique, but at the same time is able to draw on an unrivaled body of experience, knowledge and judgment to provide the right levels of reassurance, guidance and counsel in even the most stressful

crisis—and in its impressive array of talent. More than three-quarters of the firm's 30 partners have been with Kekst for more than a decade and one-third have spent more than 20 years with the firm. They come from a wide range of backgrounds—the financial community, law firms, the White House, and top-tier media such as The New York Times and CBS—and most would never have considered a position with a traditional public relations firm.