Corporate Issues, Mergers & Acquisitions, and Due Diligence

Wiley Rein represents clients in the acquisition and sale of government contractors, corporate reorganizations, the divestiture of contracts and related assets, and underwriting of public debt and equity offerings, providing advice and counsel on the unique government contracting issues that arise in such transactions. We have helped guide sellers in the preparation of data rooms and disclosure schedules and, where necessary, in obtaining government approvals, including consent to novation agreements. For buyers, we analyze target companies’ government contracts portfolios, including contract/program performance reviews and assessments of companies’ compliance practices and procedures to identify potential risks or hidden liabilities. We have also advised clients on due diligence activities involving classified contracts or programs, including transactions involving facilities and personnel clearances, foreign ownership or control issues, and Committee on Foreign Investment in the United States (CFIUS) concerns.

Examples of Wiley Rein’s corporate and due diligence work includes:

- Represented one of the Blue Cross Blue Shield Plan entities in the sale of its subsidiary that processes claims under Medicare contracts and provides other services to the Centers for Medicare & Medicaid Services and other customers in the health care sector.
- Served as government contracts counsel to a contractor providing biodefense pharmaceutical products to government customers in a merger with another pharmaceutical company.
- Represented a communications company in the acquisition of targets with portfolios of government contracts, including a leading provider of award-winning health care software and services that improve the safety, quality and efficacy of patient care at major Veterans Administration hospitals and other health care facilities.
- Served as primary government contracts counsel to a leading IT services consulting firm in the sale in bankruptcy of substantially all of its government contracting assets to a competitor, including the novation of scores of contracts and task orders.
- Conducted due diligence on behalf of a private equity firm contemplating the acquisition of an IT company operating in the classified space.
- Represented a leading provider of management and technology services in the defense, intelligence, and civilian markets in the disposition of assets and contracts, in order to eliminate potential organizational conflicts of interest (OCIs) and permit the contractor to provide development services to a specific customer.
- Represented a contractor in the sale of a military jet engine manufacturing company to a foreign company, obtaining CFIUS clearance from the Treasury Department and security clearance from the Defense Security Service with respect to Top Secret programs.
- Represented a major defense contractor in the acquisition of an advisory and assistance services contractor with respect to mitigating potential OCIs by negotiating provisions in novation agreements,
transaction agreements, and other documents to the satisfaction of contracting officers.

- Handled government contracts, intellectual property, and labor law due diligence for a major European aerospace company and assisted the company in the drafting and negotiation of the transaction agreements for $2.2 billion in purchases of U.S. defense companies.

Our lawyers have brought this expertise to industry by teaching for many years the leading seminar on this subject: “Due Diligence in Government Contractor Mergers & Acquisitions.” This widely attended Federal Publications seminar is given several times each year by a combination of our Corporate and Government Contracts attorneys. See Due Diligence in Government Contractor Mergers and Acquisitions and An Early Start of Specialized Due Diligence Is Key to Successful M&A Transactions Involving Government Contractors.