

Mergers & Acquisitions and Due Diligence for Government Contractors

Wiley represents institutional investors and contractors in the acquisition and sale of their government business, corporate reorganizations, and the acquisition and divestiture of contracts and related assets, and provides advice and counsel on the unique government contracting issues that arise in such transactions. We 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. Our team has deep experience with due diligence activities involving classified contracts and 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's government contracts-related M&A and due diligence work include:

- Represent several private equity investors in strategic acquisitions of government contractors, including guidance on small business issues, industry risks, transaction structure, and negotiations with the Defense Counterintelligence and Security Agency (DCSA) to mitigate risks posed by foreign passive investors.
- Routinely partner with transaction counsel to address the unique issues related to the acquisition or sale of a government contractor or a portion of its government business portfolio.
- Served as government contracts and corporate counsel in the sale of a leading professional motorsports company to a leading innovator of mission-critical vehicles and essential equipment, which included an F reorganization and contribution agreement.
- Represented a high-end IT government services contractor in the sale of its business. Transaction was an equity sale transaction for over \$50 million. Wiley served as outside general counsel for the seller for over a decade.
- Served as government contracts counsel to a global IT services company on the merger and spin-off of its U.S. public-sector business, which resulted in the formation of an independent, publicly traded company.
- 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.

- Routinely serve as government contracts and corporate counsel in the sales and acquisitions of assets related to business lines used for various contracting vehicles, as well as obtaining the subsequent novation approvals.
- 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 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 classified programs.
- 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.

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