



BUREAU VAN DIJK

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North America M&A Review January 2018

The following report details mergers and acquisitions activity in North America in January 2018 using data from the Zephyr database.

It focuses on deal activity by target company.

Click [here](#) to access the raw data in an Excel spreadsheet.

North American M&A volume rebounded in January, while value was the third-highest of the last 12 months

The value of mergers and acquisitions (M&A) targeting North American companies was the third-highest recorded for the 12 months under review, despite dealmaking slipping 37 per cent month-on-month, though this should not come as a surprise as, going by the general rule of thumb, the first month of the year has been historically quieter than December.

In all, 2,054 deals were announced during January worth a combined USD 157,264 million, compared to 1,827 deals valued at USD 249,654 million in December 2017. While value failed to make gains over the four weeks, it must be noted that the decline appeared particularly stark as December's value was the highest recorded since October 2016.

Similarly, volume rebounded significantly in January, and reversed two successive periods of decline as dealmaking jumped 12 per cent to 2,054 from 1,827 in December 2017.

North America deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	2,054	157,264
Dec-17	1,827	249,654
Nov-17	1,906	91,190
Oct-17	2,014	112,641
Sep-17	1,756	104,670
Aug-17	2,151	148,087
Jul-17	2,048	112,747
Jun-17	2,286	115,629
May-17	2,290	133,473
Apr-17	1,967	143,593
Mar-17	2,353	113,443
Feb-17	2,048	116,086
Jan-17	2,518	168,437



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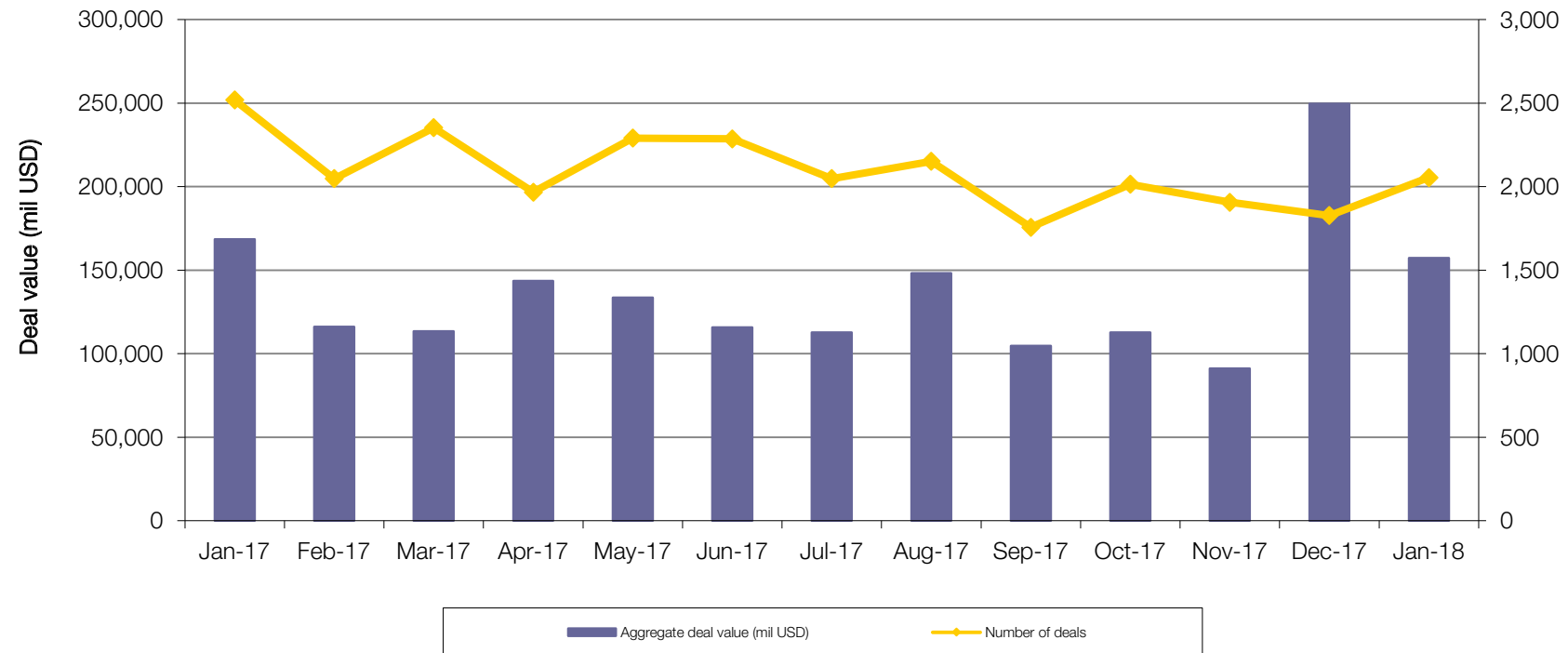
US deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	1,782	128,937
Dec-17	1,499	239,275
Nov-17	1,597	85,772
Oct-17	1,754	102,314
Sep-17	1,519	100,559
Aug-17	1,867	143,602
Jul-17	1,754	101,640
Jun-17	1,899	110,428
May-17	1,899	116,066
Apr-17	1,616	137,405
Mar-17	1,914	69,870
Feb-17	1,656	107,761
Jan-17	2,163	163,196

Canada deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	271	28,327
Dec-17	328	10,378
Nov-17	310	5,418
Oct-17	263	10,456
Sep-17	237	4,111
Aug-17	284	4,485
Jul-17	296	15,308
Jun-17	389	5,213
May-17	393	16,977
Apr-17	351	6,187
Mar-17	441	43,573
Feb-17	392	8,301
Jan-17	353	5,240

North America deals by volume and value



USD 20bn Canadian deal was January's largest deal by value

The first month of 2018 got off to a good start as all of the top 20 deals by value were worth more than USD 1,000 million, of which four topped USD 10,000 million and, together, accounted for 41 per cent of the month's total value (USD 157,264 million).

Interestingly, a Canadian company announced January's largest deal by value as Thomson Reuters said it is selling more than half of its financial and risk business to a consortium led by Blackstone-managed private equity funds, and which includes Canada Pension Plan Investment Board and GIC, for USD 20,000 million.

In fact, this represented the second high-value deal involving participation by the Singaporean sovereign wealth fund as GIC, alongside Elliott Management, Bluescape Energy Partners and Zimmer Partners, took part in a USD 2,500 million private placement of shares by FirstEnergy.

The second-, third- and fourth-biggest deals of the month were all announced public takeovers of US-based companies: Keurig Green Mountain is buying Dr Pepper Snapple for USD 18,731 million; Dominion Energy is acquiring Scana for USD 14,600 million; and Sanofi of France is purchasing Bioverativ for USD 11,600 million.

Barring the institutional buyout of a 55 per cent stake in Thomson Reuters' financial and risk unit, the only other Canadian target featured in the top 20 was Pure Industrial Real Estate Trust as Blackstone's Blackstone Property Partners entered into an agreement to acquire the British Columbia-based industrial real estate investment trust for USD 3,059 million.

Along with the aforementioned GIC and Sanofi, a couple of other international acquirors took part in high-valued North American dealmaking in January, namely Brookfield Business Partners of Bermuda and Italian chocolate and confectionery manufacturer Ferrero.

Sector value supported by Dr Pepper Snapple, Scana and FirstEnergy, despite month-on-month declines across insurance and the primary sector

The month-on-month uptick or decline in the value of sector dealmaking in January was fairly balanced as an increase was recorded for nine industries against a weakening in ten.

Improvements across chemicals, rubber, plastics, and wholesale & retail trade, for example, came as growth was stripped away from industries such as insurance, which was hardly surprising given dealmaking was unlikely to make gains on the staggering USD 80,279 million-worth of deals announced during December.

The food, beverages, tobacco industry was one of the top sectors by value in January as month-on-month growth was driven by the Dr Pepper Snapple acquisition, which, at USD 18,731 million, represented 86 per cent of the total USD 21,722 million-worth of deals recorded for the four weeks.

Similarly, the two USD 1,000 million+ deals involving Scana and FirstEnergy pushed the value of deals targeting companies operating in the gas, water and electricity sector to USD 19,335 million from a 12-month low of USD 116 million in December.

However, in terms of volume, companies operating in these two sectors failed to catch those in industries such as metals and metal products (98), publishing and printing (89), and machinery, equipment, furniture and recycling (83).

Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Deal status
1.	20,000	IBO 55%	Thomson Reuters Corporation's financial and risk business	CA	The Blackstone Group LP; Canada Pension Plan Investment Board; GIC Pte Ltd	US; CA; SG	Announced
2.	18,731	Acquisition 100%	Dr Pepper Snapple Group Inc.	US	Keurig Green Mountain Inc.	US	Announced
3.	14,600	Acquisition 100%	Scana Corporation	US	Dominion Energy Inc.	US	Pending
4.	11,600	Acquisition 100%	Bioverativ Inc.	US	Sanofi SA	FR	Pending
5.	7,000	Acquisition 100%	Impact Biomedicines Inc.	US	Celgene Corporation	US	Pending
6.	5,400	Acquisition 100%	DST Systems Inc.	US	SS&C Technologies Holdings Inc.	US	Pending
7.	4,900	Acquisition 100%	KapStone Paper and Packaging Corporation	US	WestRock Company	US	Pending
8.	4,600	Acquisition 100%	Westinghouse Electric Company LLC	US	Brookfield Business Partners LP	BM	Announced
9.	3,500	IBO 95%	Blackhawk Network Holdings Inc.	US	Silver Lake Technology Management LLC; P2 Capital Partners LLC	US; US	Pending
10.	3,300	Acquisition 100%	Liberty Life Assurance Company of Boston	US	Lincoln National Corporation	US	Announced
11.	3,059	Acquisition 100%	Pure Industrial Real Estate Trust	CA	The Blackstone Group LP	US	Announced
12.	2,800	Acquisition 100%	Nestle SA's confectionery business in the USA	US	Ferrero SpA	IT	Announced
13.	2,500	Capital Increase	FirstEnergy Corporation	US	Elliott Management Corporation; Zimmer Partners LP; Bluescape Energy Partners LLC; GIC Pte Ltd	US; US; US; SG	Completed
14.	2,400	Acquisition 100%	Callidus Software Inc.	US	SAP America Inc.	US	Pending
15.	2,400	IBO 100%	Ply Gem Holdings Inc.	US	Clayton Dubilier & Rice Inc.	US	Announced
16.	2,000	Acquisition 100%	Spectrum Brands Holdings Inc.'s battery business	US	Energizer Holdings Inc.	US	Pending
17.	1,725	Capital Increase 5%	Sempra Energy	US			Completed
18.	1,706	Minority stake 5%	Electronic Arts Inc.	US	Melvin Capital Management LP	US	Completed
19.	1,700	Acquisition 100%	CDM Resource Management LLC; CDM Environmental & Technical Services LLC	US; US	USA Compression Partners LP	US	Pending
20.	1,600	IBO 100%	Lucid Energy Group II LLC	US	Riverstone Global Energy and Power Fund VI LP; West Street Capital Partners VII LP; West Street Global Infrastructure Partners III LP; West Street Energy Partners LP	US; US; US; US	Announced

Top 20 private equity deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Fund Manager/General Partner	Deal status
1.	20,000	IBO 55%	Thomson Reuters Corporation's financial and risk business	CA	The Blackstone Group LP; Canada Pension Plan Investment Board	Announced
2.	3,500	IBO 95%	Blackhawk Network Holdings Inc.	US	Silver Lake Technology Management LLC; P2 Capital Partners LLC	Pending
3.	2,400	IBO 100%	Ply Gem Holdings Inc.	US	Clayton Dubilier & Rice Inc.	Announced
4.	1,600	IBO 100%	Lucid Energy Group II LLC	US	Riverstone Holdings LLC; Goldman Sachs & Co	Announced
5.	1,428	Minority stake 41%	OneMain Holdings Inc.	US		Announced
6.	1,250	Minority stake	Uber Technologies Inc.	US	Dragoneer Investment Group LLC; Softbank Group Corporation	Completed
7.	1,000	IBO 100%	Prometric Inc.	US	Baring Private Equity Asia Group Ltd	Completed
8.	852	Minority stake	Northwoods Energy LLC	US	Apollo Global Management LLC	Completed
9.	550	Minority stake	A&E Real Estate Partnership II LLC	US		Completed
10.	475	Minority stake	CrownRock Holdings LP	US	Magnetar Capital LLC; EIG Global Energy Partners LLC	Completed
11.	300	Minority stake	Wag Labs Inc.	US	Softbank Corporation	Completed
12.	263	Minority stake	Snowflake Computing Inc.	US	Sequoia Capital Operations LLC; Redpoint Management LLC; Sutter Hill Ventures LLC; Madrona Venture Group LLC; Altimeter Capital Management LLC; Wing Venture Management LLC; Capital One Growth Ventures; ICONIQ Capital LLC	Completed
13.	250	Minority stake	WP Engine LLC	US	Silver Lake Technology Management LLC	Completed
14.	248	IBO 100%	Foam Fabricators Inc.	US	Compass Diversified Holdings	Announced
15.	200	Minority stake	SomaLogic Inc.	US	Madryn Asset Management LP	Completed
16.	180	IBO 100%	ProVation Medical Inc.	US	Clearlake Capital Group LP	Announced
17.	150	Minority stake	Stronghold Energy II Holdings LLC	US	Warburg Pincus LLC	Completed
18.	150	Minority stake	JVM Multi-Family Premier Fund III LLC	US		Announced
19.	130	Minority stake	Rappi Inc.	US		Completed
20.	127	Minority stake	Enstructure LLC	US		Completed

PE and VC investment in North America at new highs

Private equity and venture capital (PE and VC) investors went on a spree in North America in January as there were 1,469 deals worth a combined USD 45,466 million, compared to 1,141 totalling USD 35,077 million in December 2017. The results represented the highest volume recorded since July 2015 when PE and VC investors announced 1,509 deals, and, after USD 46,716 million in August 2017, the second-largest value since October 2015 (USD 100,826 million).

For once, PE and VC investment in Canadian companies drove North America's growth as value soared to USD 20,156 million from USD 4,256 million in December 2017, though the result was slightly skewed as the improvement was due to one deal alone, namely, the institutional buyout of a majority stake in Thomson Reuters' financial and risk business. However, this increase came as PE and VC investment in US companies slipped month-on-month to USD 25,310 million from USD 30,821 million.

It should be pointed out that value was propped up by seven PE and VC deals each worth USD 1,000 million or more and which, together, accounted for 69 per cent of the month's total.

January's top four PE and VC deals were leveraged buyouts

At USD 20,000 million, the buyout of Thomson Reuters' financial and risk business was the largest PE and VC deal of January, and it was worth more than the combined value of the remaining top 19 deals by value.

Silver Lake and P2 Capital backed the month's second-biggest deal involving the purchase of a 95 per cent stake in Blackhawk Network. It was also one of two of January's top 20 deals that featured Silver Lake, which injected USD 250 million into WP Engine.

The remaining two leveraged buyouts were Clayton Dubilier & Rice taking over Ply Gem for USD 2,400 million and Riverstone and Goldman Sachs' merchant banking division acquiring Lucid Energy for USD 1,600 million.

Financial sponsors of other deals featured in the top 20 included SoftBank, Apollo, Warburg Pincus and Clearlake, among others.

North America private equity deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	1,469	45,466
Dec-17	1,141	35,077
Nov-17	1,141	21,519
Oct-17	1,245	28,022
Sep-17	1,123	14,332
Aug-17	1,251	46,716
Jul-17	1,178	26,297
Jun-17	1,327	32,615
May-17	1,347	38,167
Apr-17	1,038	40,882
Mar-17	1,356	36,444
Feb-17	1,176	18,097
Jan-17	1,463	17,087

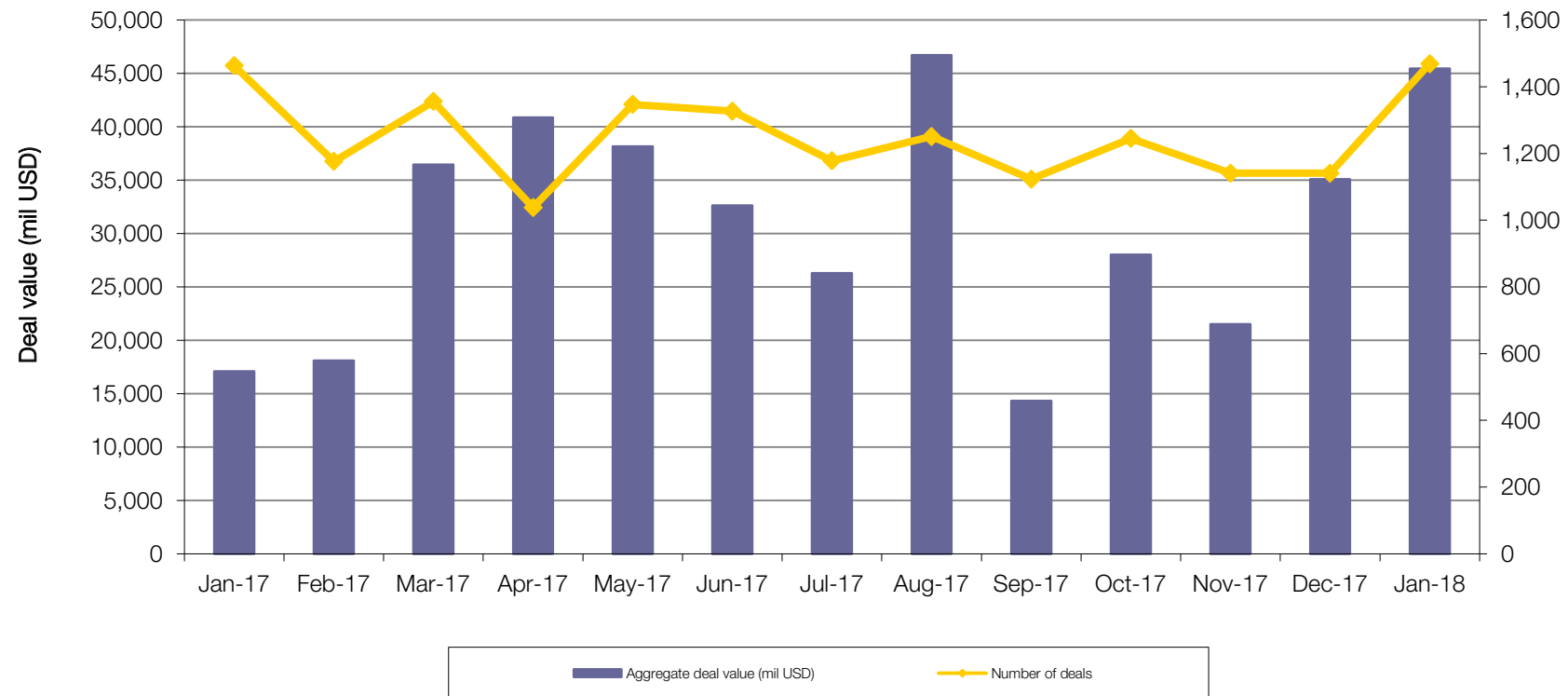
US private equity deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	1,402	25,310
Dec-17	1,080	30,821
Nov-17	1,097	21,317
Oct-17	1,200	27,741
Sep-17	1,068	14,022
Aug-17	1,208	46,623
Jul-17	1,121	25,461
Jun-17	1,272	32,243
May-17	1,283	37,634
Apr-17	1,006	40,761
Mar-17	1,287	31,834
Feb-17	1,123	17,636
Jan-17	1,414	16,963

Canada private equity deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jan-18	67	20,156
Dec-17	61	4,256
Nov-17	44	202
Oct-17	45	281
Sep-17	55	310
Aug-17	43	92
Jul-17	57	837
Jun-17	55	371
May-17	65	533
Apr-17	31	120
Mar-17	69	4,610
Feb-17	52	436
Jan-17	47	123

North America private equity deals by volume and value



M&A target sector by volume

Target sector	Jan-17	Dec-17	Jan-18
Other services	896	662	750
Metals & metal products	124	145	98
Publishing, printing	119	97	89
Machinery, equipment, furniture, recycling	143	104	83
Primary sector	97	61	58
Chemicals, rubber, plastics	85	46	50
Wholesale & retail trade	63	47	45
Education, health	42	33	31
Gas, water, electricity	21	15	27
Food, beverages, tobacco	34	19	23
Banks	34	18	21
Insurance companies	33	27	21
Construction	14	10	11
Transport	23	11	10
Post and telecommunications	12	9	9
Wood, cork, paper	3	4	8
Textiles, wearing apparel, leather	7	5	5
Public administration and defence	0	2	4
Hotels & restaurants	13	8	2

M&A target sector by value

Target sector	Jan-17 (mil USD)	Dec-17 (mil USD)	Jan-18 (mil USD)
Other services	38,352	93,047	52,716
Food, beverages, tobacco	50,133	6,954	21,722
Gas, water, electricity	8,877	116	19,335
Chemicals, rubber, plastics	11,971	5,162	15,328
Publishing, printing	2,460	9,334	9,554
Wood, cork, paper	1,125	825	7,423
Primary sector	29,224	15,799	6,332
Wholesale & retail trade	3,649	1,091	6,080
Insurance companies	303	80,279	4,550
Machinery, equipment, furniture, recycling	4,207	17,828	4,512
Banks	4,164	1,356	1,934
Metals & metal products	1,932	1,243	1,627
Education, health	3,968	9,347	1,125
Construction	241	1,325	545
Transport	2,118	742	476
Public administration and defence	0	2	57
Post and telecommunications	32	986	57
Hotels & restaurants	2,288	1,018	41
Textiles, wearing apparel, leather	292	3	1

Private equity target sector by volume

Target sector	Jan-17	Dec-17	Jan-18
Other services	495	436	537
Publishing, printing	49	58	54
Machinery, equipment, furniture, recycling	52	40	41
Education, health	12	14	18
Gas, water, electricity	9	11	16
Chemicals, rubber, plastics	18	13	16
Metals & metal products	4	16	16
Food, beverages, tobacco	12	10	12
Primary sector	8	5	11
Wholesale & retail trade	17	9	9
Banks	7	4	7
Transport	5	3	4
Wood, cork, paper	0	1	4
Public administration and defence	0	1	3
Textiles, wearing apparel, leather	2	2	3
Post and telecommunications	6	4	3
Hotels & restaurants	3	3	2
Construction	3	3	2
Insurance companies	1	5	1

Private equity target sector by value

Target sector	Jan-17 (mil USD)	Dec-17 (mil USD)	Jan-18 (mil USD)
Other services	7,749	6,620	31,056
Primary sector	2,550	796	3,157
Wood, cork, paper	0	0	2,523
Publishing, printing	650	8,077	2,160
Education, health	18	4,417	1,079
Machinery, equipment, furniture, recycling	754	5,888	639
Chemicals, rubber, plastics	130	373	451
Transport	20	5	127
Food, beverages, tobacco	27	254	107
Wholesale & retail trade	238	247	103
Gas, water, electricity	1,559	56	101
Hotels & restaurants	617	337	41
Insurance companies	0	3,270	30
Banks	91	45	26
Metals & metal products	315	873	14
Textiles, wearing apparel, leather	0	1	1
Public administration and defence	0	2	1
Post and telecommunications	8	934	0
Construction	0	252	0

Top 20 private equity firms providers

Private equity firm	Number of deals	Number with consideration	Total deal value (mil USD)	Average deal value (mil USD)
1 Canada Pension Plan Investment Board	1	1	20,000	20,000
2 The Blackstone Group LP	1	1	20,000	20,000
3 Silver Lake Technology Management LLC	3	2	3,750	1,875
4 P2 Capital Partners LLC	1	1	3,500	3,500
5 Clayton Dubilier & Rice Inc.	2	1	2,395	2,395
6 CI Capital Partners LLC	2	1	2,395	2,395
7 Goldman Sachs & Co	3	2	1,638	819
8 Riverstone Holdings LLC	1	1	1,600	1,600
9 Fortress Investment Group LLC	1	1	1,428	1,428
10 Softbank Group Corporation	1	1	1,250	1,250
11 Dragoneer Investment Group LLC	1	1	1,250	1,250
12 Baring Private Equity Asia Group Ltd	1	1	1,000	1,000
13 Apollo Global Management LLC	1	1	852	852
14 Magnetar Capital LLC	1	1	475	475
15 EIG Global Energy Partners LLC	1	1	475	475
16 Sutter Hill Ventures LLC	4	4	408	102
17 Sequoia Capital Operations LLC	4	3	372	124
18 Redpoint Management LLC	4	4	319	80
19 Madrona Venture Group LLC	6	6	309	52
20 Softbank Corporation	1	1	300	300

Notes to editors

Activity is based on the activity of the target company.

Deal status is announced within the time period.

The sector breakdown uses targets' activities as defined to be 'Major Sectors' by Zephyr.

The date range is 01/01/2018 - 31/01/2018 inclusive