

FINANCIAL NEWS

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Trillion-dollar deal flow marks year of the independents

By Matt Turner

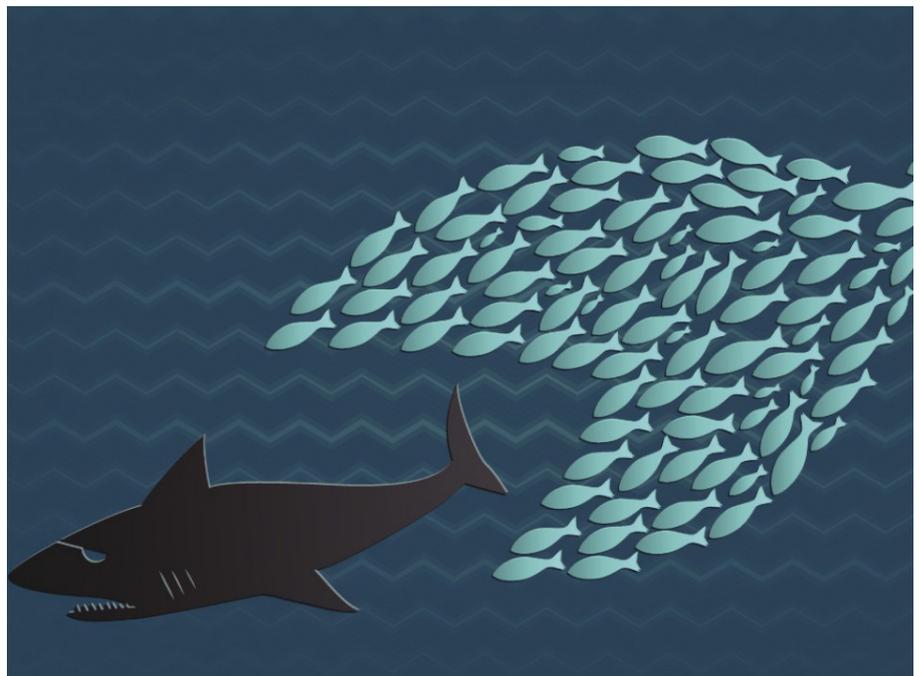
A group of 15 independent advisory firms – including the likes of Lazard, Centerview Partners and Zaoui & Co – worked on close to a third of all mergers and acquisitions activity in 2014, notching up more than 1,000 deals worth a combined \$1.2 trillion.

Independent advisory houses have enjoyed a banner year in M&A. Firms ranging from large-scale operations at Rothschild, to Robey Warshaw, which has less than 10 staff, have benefited from an uptick in dealmaking globally.

A number of these firms now feature prominently in the M&A league tables, with Lazard ranked seventh in the global rankings, according to data from Dealogic. Centerview, Rothschild, Perella Weinberg, Evercore Partners, and technology and media focused adviser Allen & Co all sit within the top 20, globally.

In the US, PJT Capital, the firm led by Paul Taubman that is merging with Blackstone's advisory group, ranks 16th by value of deals, with Greenhill & Co in 19th place and Tudor Pickering Holt in 20th. In Europe, meanwhile, Zaoui & Co, run by rainmaker brothers Michael and Yoël, ranks 15th.

The combined market share of these firms, along with Houlihan Lokey, Moelis & Co, Qatalyst and Green Square Associates, stands at 32% of total global deal value for the year-to-date, according to Dealogic – up from 27% for the same group of firms in 2013.



Eight of the 10 biggest deals of 2014 has had at least one of these independent advisers working on the transactions: Tudor Pickering Holt was involved in the consolidation of Kinder Morgan, valued at \$76.2 billion and the biggest deal of the year; Allen & Co, Centerview and PJT Capital are involved in Comcast's \$69.8 billion deal with Time Warner Cable; while Lazard is advising AT&T on its talks with DirecTV Group over a potential \$67.1 billion deal.

Meanwhile, Perella Weinberg is advising Medtronic on its talks with Covidien over a \$45.8 billion deal, and Zaoui & Co and Rothschild are

advising Lafarge on its proposed \$40.6 billion deal with Holcim.

The rewards on offer for those working in smaller firms are potentially lucrative. Financial News reported earlier this month that London-based Robertson Robey Associates, which for a period housed rainmakers Sir Simon Robertson, Simon Robey and Simon Warshaw, generated £10 million in revenues in the year to March 31.

Ondra Partners, which was set up by former Lehman Brothers bankers and an ex-HSBC healthcare specialist in 2008, reported revenues of £41.8 million for the year to March 31 meanwhile, up more than 50% year-on-year.