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Baird News

December 2009

Strong year in tough times

Investment Banking wins multiple awards for 2009

Steve Booth

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Despite back-to-back challenging market years, including the toughest environment since the Great Depression, Baird's Investment Banking team continues to earn international recognition for its performance.

Building on awards the firm won in previous years, Baird earned the "Manufacturing Sector Adviser of the Year" Award from *Acquisitions Monthly* for the third year in a row. For the fifth straight year, *The M&A Advisor* also honored Baird, presenting the firm the "Industrial Manufacturing and Distribution Deal of the Year" and the "Equity Financing Deal of the Year."

"To be recognized for the value we bring to our clients worldwide, particularly during one of the most challenging M&A markets ever, is highly gratifying," said Steve Booth, Director of Investment Banking.

"The past couple years have been extremely challenging for the global M&A market," said Paul Purcell, Baird Chairman, President & CEO. "These recognitions speak to the talent of our team and the strength of Baird's global platform."

Manufacturing Sector Adviser of the Year

Baird completed several international M&A transactions and nearly 50 equity transactions in 2009, despite an environment in which credit was almost nonexistent. That cross-border experience, coupled with Baird's long-time commitment to the middle market, helped the firm expand its team and continue assisting clients while competitors were focused on their own bottom lines.

"Our deep knowledge of specific sectors worldwide allows us to deliver more value to our clients," Steve said. "And many of our clients say our consistency is what they need when our competitors are restructuring their teams or neglecting clients."

Baird will receive the award at a ceremony on Jan. 19, 2010. Special awards coverage will appear in the March issue of *Acquisitions Monthly*.

Published in the UK, *Acquisitions Monthly* provides in-depth analysis of key M&A transactions as well as timely, independent reporting on new M&A and buyouts-related developments across every industry sector worldwide. It has recognized outstanding investment banking firms with awards for 12 years.

continued

Full of stars
continued

Industrial Manufacturing and Distribution Deal of the Year

The sale of Norwesco, Inc., a portfolio company of Allied Capital Corporation, to Olympus Partners took place on Sept. 30, 2008 – the day after the U.S. House of Representatives rejected an earlier version of a federal bailout package. At that time, the credit markets were virtually closed. However, the work of Baird's team and the strength of the $450 million deal allowed the deal to go through anyway.

Baird had recommended that Norwesco, a leading manufacturer of polyethylene storage tanks, negotiate only with Olympus. While such negotiations normally add risk, Baird's research showed that Olympus had the financing and industry knowledge to be the strongest suitor; Olympus also had banking relationships that helped overcome lack of credit in the market. Meanwhile, Baird also helped Norwesco demonstrate its growth characteristics and continued profitability in order to ensure it received the best offer.

Equity Financing Deal of the Year

Baird led Regal Beloit Corporation – one of the largest global manufacturers of electric motors, generators and controls for commercial, industrial, and heating, ventilation and air conditioning uses – in a successful common stock follow-on offering in May 2009.

When the company found itself in an enviable position – an attractive M&A environment and a stock price that had increased more than 50% from its 52-week low in early March – it looked to raise money to strengthen itself for the future.

Baird advised RBC, a long-time client, to structure the offering in a way that avoided potential negative price pressure to the stock and allowed the company to confidentially market the transaction. When the transaction was completed, the $150 million raised in equity capital gave the company more than $900 million in cash and debt capacity to operate and grow the business.