

Restructuring, Redundancies and Reductions in Force

Overview

Dentons' Global Employment and Labor lawyers frequently advise clients on labor, employment, executive compensation and benefits issues arising in the context of corporate mergers and acquisitions and other corporate transactions and restructurings.

Representing buyers, sellers, acquirers, lenders and institutional investors in connection with mergers, sales and acquisitions, we provide the parties involved with valuable legal and business advice. Dentons assists both sellers and buyers in corporate transactions to negotiate and draft agreements which incorporate protective representations, warranties and other provisions regarding labor, employment, executive compensation and benefits issues. We also advise on the tax, governance and securities treatment of equity incentives, executive change in control arrangements, and severance and retention matters. Dentons' lawyers will counsel you in designing and implementing transaction-related restructurings (such as reductions in force and alterations in benefit structures) to advance your interests and goals.

We also conduct comprehensive investigations of employment and benefits operations, including:

- Analyses of pending or potential litigation exposure
- Evaluation of sellers' employee benefits plans and employment agreements
- Labor contracts and ongoing labor relations environments
- Determination of the impact of collective bargaining agreements, employee benefits obligations, and labor, employment and benefits laws on acquirers, sellers or other parties

Our lawyers frequently form part of cross-departmental teams acting for insolvency practitioners. This often necessitates urgent decision-making regarding an insolvent company's workforce so appropriate steps are taken that minimize employer liabilities and maximize the prospects of a business being sold as a going concern. Our lawyers have worked on some of the world's highest profile insolvencies in recent years. Our areas of focus include:

- Acquisitions
- Mergers
- Insolvency
- Restructuring
- Workforce reorganizations

Representative Experience

- **Entertainment company:** Advising in connection with a share sale and a subsequent Transfer of Undertakings (Protection of Employment) (TUPE) transfer of a distribution agreement. Our team advised on UK TUPE issues, coordinating European advice and on a wide-ranging restructuring and redundancy program.

- **French company related to the supply and nutrition sector:** Advising on the employment restructuring of its subsidiary in Spain (Comercial Marco) and its dissolution and liquidation in Spain. The restructuring has affected more than 25 employees and has involved all the discussions with all of the employees related to their respective indemnities based on dismissals for objective reasons based on economical and organizational issues.
- **International airline:** Successfully defending an employment tribunal claim on age discrimination arising from the application of a travel privilege policy.
- **International ingredient solutions provider:** Advising regarding highly sensitive employment terminations and plant closure in Africa, encompassing legal requirements and safety, security and publicity considerations. Cross-border matter involving San Francisco and Washington, DC, offices of Dentons with expertise of affiliated law firm in Kenya, which advised regarding the details of Kenyan employment law. Our deep knowledge of Africa and international employment law and practice facilitated advice and assistance to the client.
- **Major retailer:** Advising on the employment law aspects of various projects, as well as the acquisition of filling stations and pharmacies. Our client tapped into our deep knowledge in retail to help with the drafting and negotiation of employment law warranties and indemnities, and to provide strategic advice about the application of the Transfer of Undertakings (Protection of Employment) (TUPE), and advising on the TUPE aspects of an IT outsourcing.
- **Multinational car manufacturer:** Advising on numerous contentious and non-contentious matters, including successfully defending a four-day unfair dismissal and sex discrimination complaint, and advising on a major redundancy and reorganization program.
- **Multinational chemical company:** Advising in relation to the closure of its factory, with particular regard to the sale of real property and other assets, related labor and competition law issues.
- **Warner Chilcott:** Assisting a US pharmaceutical group specializing in feminine health and skin care on all French aspects of the acquisition of the worldwide ethical pharmaceuticals division of Procter & Gamble. We also advised Warner Chilcott in Germany and Spain. Worldwide transaction value was estimated at \$3.5 billion. Since then Warner Chilcott decided to reorganize substantially its European activities, and we have been advising on all corporate, commercial, regulatory and labor aspects of its 2011/2012 reorganization in France.