

## Blackstone/Tussauds

### Speaker key

- JD** Jon Dewey – Interviewer
- AT** Andrew Trahair – Lead Partner
- TC** Tim Conduit – Associate
- TM** Tinashe Makoni – Associate
- LG** Lianne George – Trainee
- JD** Hello, my name is Jon Dewey and I'm here at Allen & Overy with the deal team who worked on Blackstone's acquisition of the Tussauds Group. I am going to ask the deal team to introduce themselves and we are going to talk about the deal and who did what.
- AT** My name is Andrew Trahair, I was the lead partner on the deal, I'm a banking partner here at Allen & Overy. And I led the team, which consisted of people in London, Italy, Germany, the US and a couple of other countries around the world as well.
- TC** My name is Tim Conduit, I'm an associate in the capital markets department at Allen & Overy and I worked alongside Andrew as part of the deal team.
- TM** My name is Tinashe Makoni and I'm an associate in the banking team at Allen & Overy.
- LG** Hi, my name is Lianne George and I'm a trainee at the firm. At the time when this deal happened I'd been at the firm for just over a year.
- JD** Thanks. Andrew can you give us a little bit of context, the background to the deal?
- AT** Yeah sure. It actually started as being a refinancing of Legoland. Legoland and some other entertainment assets were purchased by the Blackstone Group several years ago and they were looking to refinance those assets. We worked on that refinancing for four or six weeks and during the course of that work Blackstone entered into discussions with Dubai International Capital which is the owner of the Tussauds Group about adding to the Legoland Group, uh, the Tussauds Group. So it turned into, as well as a refinancing, an acquisition finance for the Tussauds Group. The Tussauds Group including names such as Madam Tussauds, obviously, the London Eye, Alton Towers, Thorpe Park and quite a broad range of entertainment assets on a global basis.
- JD** Thanks, Tim, can you tell me a little about what Allen & Overy was actually asked to do on the deal?
- TC** Allen & Overy was asked to work with the banks who were providing funds to Tussauds for, initially, the refinancing, as Andrew said, and then the acquisition. To work out how best to put that funding in place, to make sure that the banks were protected, also to work with the banks to make it the most efficient form of financing so Blackstone got the best price.
- JD** Okay, right. So when we are talking about refinancing and we are talking about working for the banks on a deal I think it would be interesting to find out what we are actually talking about in terms of working for the banks, what that actually means. What are you doing for the banks in this instance?
- TC** I think for me and another associate who worked on it. We spent a great deal of time actually trying to ascertain where the assets in the group actually sat and to try and arrange for those assets, the security over those assets, to be released and for us to negotiate a package so that when our consortium of banks

gave funds across, they would take security over those assets, so that meant telephone discussions with Italian Counsel, with Luxemburg Counsel, with Danish Counsel, with US Counsel, with Scottish Counsel, with Belgian and French Counsel.

**JD** All those international conversations you have mentioned, those are because the assets are distributed around the world?

**TC** Yes, that's correct.

**JD** Right, I see, okay. And in terms of practical tasks, as you say as a junior associate, and as a trainee Lianne, what kinds of things are you actually doing?

**LG** Well, I first got involved in the deal because Tinashe asked me to do company searches on various companies that were going to actually lend money from the banks and when you do a company search you go into a website and look at the current status of the company and see what they are generally allowed to do and what they are not allowed to do and that's governed by things called memorandum and articles of association.

**JD** Right.

**LG** And, as a trainee, you don't act for one person in the group and that's one thing that I especially liked about this deal, is that work was very much shared amongst everyone and I was asked by different people to do different things and to just get involved as and when I was needed. And because of the tight time scale it meant that I was doing various different things to make sure that the deal could progress from things that I could help out with.

**JD** And were you the only trainee working on the deal?

**LG** No, I definitely wasn't [laughs]. There was another trainee who's actually been seconded to our Moscow office and that's why he can't be here today and he worked extremely hard as well. So, I'm sorry he can't be here to explain his experience. And he was actually involved a week or so before I was. So he undertook a lot of work.

**AT** In fact he missed his own leaving party which we had to make up to him! ]

[laughs

**JD** And what are the consequences for the team of this incredibly tight timeframe?

**AT** Well, we all needed quite a bit of sleep at the end of it.

**AT** So I think it closed in the early hours of a Monday morning after a fairly intense weekend. And basically none of the team were then seen in the office for several days after that, they just had some sleep to catch up on. But it was an exciting time. I mean, this was the deal made the front page of the Financial Times, the Times, several other European newspapers. It was an important deal. There was a European competition aspect to the deal which made it interesting, it had to go through a European clearance, competition clearance.

**JD** And for the more junior members of the team, if I can call you that, the working to that tight timeframe in a sort of pressured environment, if you like, what was that like?

**LG** It was exciting, you did definitely feel the pressure but that's one of the reasons why you choose to come to a firm like this, to work on headline deals that make the front page and it's definitely very satisfying when you open up the paper the next day and see all your hard work, it's actually comforting. So you do, of course, feel the pressure but you are working in a team environment and you share the pressure between all of you and you get to the goal in the end and then you take a step back and relax and, sort of, pat yourselves on the back, if you like and say "we did it!".

**TM** One aspect of it is that you actually get to know each other quite well. I mean, as a team, after working in the same room with these people day and night [laughs] for quite a few weeks you get to know them very well and that's actually quite a very satisfying aspect of the deal.

**JD** Presumably you get to know the client reasonably well as well, do you?

**TM** When I first joined, I joined from South Africa, I was a lateral hire and one of the things you hear about the big London firms is that you are sitting in a back room, you actually never get to know the client and what was particularly surprising for me was the level of client interaction I had. I mean I had days when I was on the phone for hours upon hours with the banks and it worried me sometimes and I was, like, you know, how can Andrew release me [laughs] on his clients? So it was something which was a bit of a surprise for me.

**JD** And, as a trainee Leanne, did you have client exposure too?

**LG** Yes, I definitely did and it was very nice to be trusted with that and, what's also good to know is that the client doesn't mind that interaction and doesn't mind you phoning and saying we need this document or we need that document and can you help us out with whatever else? So yes, I definitely did.

**JD** And in terms of the highlights of the deal, on a personal level, what have you taken away from this? I mean, obviously, Blackstone's have taken away ownership of the Tussauds Group but, as individuals, it sounds like quite an intense experience?

**LG** Well, for me, obviously this is part of my training contract, I'm taking it as a training experience and I've tried to learn from it and I have definitely learned how to work under pressure and I learned how to work in a team and to take on certain roles and take certain things off other people's plates, if you like, and to use your initiative and try and move something forward without knocking on people's doors and trying to, by yourself, get things done.

**JD** Presumably, as a team, once the deal is gone and you've done the glass of champagne with the client, there is a team celebration so you get together and...?

**AT** Yes, in fact on this deal we celebrated several times.  
[general laughter]

**AT** And so we had our own, just the lawyers from Allen & Overy had an outing as well we had a very nice dinner at one of the best London restaurants together with Goldman Sachs, our main clients and that was certainly an evening to be remembered at a very exquisite restaurant which included a tour of the kitchen and some rather nice wines to be sampled as well.

**JD** Lianne, what have you taken away from this experience?

**LG** I'd say I really just tried to learn from the experience and build on it as an important event in my training contract. It was certainly one of the times when I've worked the most hard, but I'll also take away from it that it was one of the most rewarding experiences that I've had in my training contract and it taught me how to work in a team that I've been placed in and also how to work individually and move things along. And also taking away the fact that seeing the light at the end of the tunnel, that even though it's pressured and it's hard and you're worried that you are not doing things right or you're not being as helpful as you want to be and you're tired, you are still a very valuable member of the team, and that's how I was always treated, in this deal especially, from beginning to end.

**AT** Lianne was actually an essential part of the team, I mean, she was the go to person, she was the person who knew where the appropriate information that we were looking for was. She was the person who fine-tuned a whole lot of the documents and without her there is no way we would have been able to achieve the timetable that we did.

**TC** Mm-hmm, that's true.

**AT** And it was the nature of the business, I think, for me anyway, that made the deal so interesting. I mean, it was a business which you could relate to. Which you... everyone has been to a fun park, everyone has been to an aquarium or a dungeon or the London Eye or something like that. You could relate to the business, you could, I think, think about how that business made money and what was important for it in terms of profitability. It was interesting. It was interesting to know that a killer whale costs something like €5 million and that its first child has to be delivered back to the vendor [laughs], I mean things like that. It just made it a very interesting deal.

- TM** They don't teach you that at law school do they?  
[general laughter]
- LG** I also think, as a trainee, there can sometimes be deals that you work on that you can't relate to, but as Andrew said, in relation to this deal, you knew what you were dealing with at all times. For instance doing company searches, one of the ones I did was London Dungeon and I live just down the road so every time I walk past I think of this deal now [laughs] and see everyone queuing up outside. [laughs] So it's good.  
[general laughter]
- TM** I think what was interesting, given the timeline and Leanne and I felt we were doing a lot of the operational stuff, as Leanne said, getting documents in order and chasing people for this and that. On the one hand, you don't want to be obstructive - you know that the banks want to lend and they want to get everything in place, so you want to do everything as quickly as possible and put things in place. But at the same time, you have to be careful not to miss anything. Obviously, you want to make sure that the banks are adequately protected, so that was a very interesting balancing act where you're dealing with people and trying not to irritate them too much, but at the same time trying to protect them, which was quite something.
- JD** Right. So thank you very much for explaining that to me and for your time.  
[general thank you from the team]

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