



bodman
ATTORNEYS & COUNSELORS

BIENNIAL REVIEW

look
ahead

PRACTICES AND
INDUSTRIES

- Automotive
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Bankruptcy
- Enterprise Procurement
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rise to the occasion

Bodman is the only Michigan law firm—and one of only 20 in the nation—to be named to the *National Law Journal's* 2011 Midsize Hot List of firms that met its high standards for excellence in midsize practices.

Staying alert and responsive to changing conditions is always good business practice. As markets are reshaped by historic economic changes, astute choices and timing become more critical.

The accomplishments detailed in our biennial review reflect how Bodman helps clients overcome business and regulatory challenges, revitalize and expand their operations, and compete skillfully in a complex global economy.

Whether the need is to secure new financing, litigate an international dispute, acquire strategic assets, negotiate a labor contract, or restructure a business unit, Bodman brings nimble, major-market legal talent to every engagement and gets the job done efficiently and affordably.

With scope that far exceeds our geographic footprint, Bodman helps enterprises of all sizes make smart moves across Michigan, the nation, and the world.

Crain's Detroit Business gave its "Large Deal of the Year" award to the corporate restructuring of Grede Holdings LLC.

accelerate growth

ARE YOU A BOT OR A HUMAN?

To protect website security, computers must distinguish people from bots. The dominant technology for the task has been CAPTCHA, the distorted letters users identify on web pages. But University of Michigan grads and students developed an engaging alternative which involves using various games that require human interaction. Bodman advised the startup—Are You a Human—on the best business structure to attract venture capital and assisted the company with its initial venture-backed funding.

MERGER GIVES METAL-CASTERS NEW MUSCLE

Two foundries that survived the automotive downturn—Grede Foundries, Inc. and Citation Corp.—have new life as Grede Holdings LLC, which is thriving after a merger handled by Bodman. The deal involved a debt and capital restructuring through a bankruptcy sale, a new syndicated senior credit facility, and a capital infusion from private equity firms. Bodman also helps Grede execute strategic acquisitions, including the acquisition of two foundries near Monterrey, Mexico.

business, corporate, mergers & acquisitions

Opportunities for business growth are plentiful. With international reach and cutting-edge expertise in corporate finance, mergers, and acquisitions, Bodman is facilitating deals of all sizes. Whether a matter is sophisticated—leveraged dividend recaps, structured financing, fund formation—or as fundamental as providing strategic advice on customer/vendor relationships or helping a high-tech startup with business formation and seed funding, Bodman continually provides the support required to advance our clients' interests.

DETROIT MEDICAL CENTER SALE SPARKS MIDTOWN RENEWAL

In the first major sale of a nonprofit health system to a national, for-profit company, Vanguard Health Systems purchased the Detroit Medical Center for \$1.5 billion. To complete the deal, Bodman secured a Renaissance Zone tax exemption that represents over \$300 million in tax savings. Bodman also provided advice on Michigan law related to the nonprofit statute and state requirements for a sale. \$850 million of new investments by Vanguard will revitalize both the Medical Center and midtown Detroit.

POWER FOR POWERFUL BATTERIES

Advanced lithium batteries that power electric or hybrid vehicles require lithium ion electrolyte. Most of the U.S. supply comes from Asia, but Michigan's automotive battery manufacturers have a new local source: soulbrain MI, Inc. Bodman helped the South Korea-based electrolyte producer acquire an abandoned 130,000-square-foot facility in Northville Township, Michigan, secure millions of dollars in state and local incentives, and procure the R&D and production equipment required by the new technology.

URBAN AGRICULTURE MAY TRANSFORM DETROIT NEIGHBORHOOD

John Hantz has a bold, green vision: urban agriculture as a sustainable economic initiative. Hantz proposes to rehabilitate blighted areas of Detroit by establishing a large-scale, for-profit agricultural venture. Hantz Farms will grow trees, fruits, vegetables, and ornamental plants. Bodman is assisting Hantz Farms with negotiations, exploring available incentives, evaluating an efficient way to transfer title on nearly 2,000 parcels, and working through zoning, tax, environmental, and municipal issues.

Benchmark Litigation gives Bodman a “Highly Recommended” rating for business litigation—the publication’s highest ranking.

litigation & alternative dispute resolution

take charge

BCBSM AVOIDS MASSIVE CLASS ACTION

Blue Cross Blue Shield of Michigan faced a massive class action as part of an attempt by aggressive class action lawyers to force insurers to cover experimental treatments. Bodman deftly identified and capitalized on strategies, which effectively struck down all allegations. When the plaintiff filed a motion to certify the class and restore the filing deadline, we asserted there was no reason to excuse the delay. The court agreed, reducing our client’s alleged liability to a single claim.

BANK FAVORS BODMAN FOR HIGH-STAKES LITIGATION

Deep expertise in complex litigation makes Bodman a firm of choice for major corporations facing high-risk, high-dollar-value disputes, regardless of venue. A large multistate bank, as just one example, selected Bodman over local and national law firms to handle two \$20+ million lawsuits—one in Illinois and one in Arizona. In one of those matters, we replaced an Am Law 200 firm as lead counsel.

litigation & alternative dispute resolution

Nothing disrupts business momentum like disputes. At Bodman, we’ve found that a proactive approach, in close coordination with clients, produces the best results: favorable settlements, early dismissals, and favorable verdicts. Arbitrating and litigating at trial and appellate levels across the U.S. and internationally, our tenacious litigation team has grown to 40 seasoned professionals. Recently added talent includes attorneys with impressive experience defending insurance, financial services, automotive, energy, and high-tech companies.

AUTOMOTIVE IS IN OUR DNA

Bodman is at the epicenter of the ongoing restructuring and reconfiguration of the automotive industry. With more than 80 years of service to suppliers and OEMs, we handle disputes related to repricing, requirements contracts, industry bankruptcies, capacity constraints, and many matters related to competing terms and conditions and competing contractual expectations. Our work includes all aspects of automotive industry contracting and business restructuring.

CARACO PREVAILS IN “GOING PRIVATE” CHALLENGE

In the only known challenge to a “going private” transaction in Michigan in a decade, minority shareholders of Caraco Pharmaceutical Laboratories brought a class action suit against majority shareholders Sun Pharmaceutical and Sun Pharma Global for causing the publicly traded company to become a wholly owned subsidiary of Sun through a freeze-out merger. Defending Caraco, Bodman argued that plaintiffs’ exclusive remedy was an appraisal process under Michigan law. The judge agreed and dismissed the case.

HIGH-TECH MANUFACTURER BENEFITS FROM WINNING STRATEGY

Shareholder cases rarely survive summary judgment. But when a publicly traded high-tech manufacturer faced losing a multimillion-dollar investment in a software startup due to mismanagement by the startup’s directors, Bodman litigators developed a winning strategy. Obtaining key admissions early in discovery and navigating complex Michigan and Delaware law, they convinced the court that the client’s claims were valid. Its summary judgment motion defeated, the startup quickly settled on favorable terms.

close the deal

Chambers USA has ranked Bodman "First Band" for Banking & Finance Law since *Chambers* was first published in 2003.

MAJOR LEAGUE EXPERIENCE IN COMPLEX FINANCINGS

Representing Comerica Bank, Bodman structured and closed a credit facility for acquisition of Palace Sports & Entertainment and the NBA's Detroit Pistons. This \$200+ million deal involved the need to harmonize multiple financing sources and ownership interests and to negotiate an arrangement that met the NBA's complex financing requirements. Bodman has also handled financing transactions for two professional hockey franchises, a Major League Baseball franchise, and an NFL team.

COMPLEX CAPITAL STRUCTURE MASTERED

Representing Bank of America, Bodman secured credit facilities for an operating company and real estate holding company in the life sciences industry. The deal involved multiple layers of senior debt, subordinated debt, and equity. Collateral included real estate, domestic and foreign receivables, patents, trademarks, and copyrights. We advised on complex intercreditor and subordination issues with the mezzanine lender and negotiated with the trustee and bond counsel on substitution letter of credit issues.

banking

Speed, efficiency, sophistication, pragmatism, legal knowledge, and extraordinary value built Bodman's Banking Group into a regional powerhouse. The same qualities have propelled us into the national arena. Banks with national lending platforms in health care, technology, life sciences, environmental services, and other specialized industries have discovered our ability to handle the complexity and unique structure of these loans. The inaugural *U.S. News* survey took note: it ranked Bodman among the top 50 banking firms in the nation.

HEALTH SCIENCES EXPERTISE SPEEDS LOAN CLOSURE

An equity investor group sought a loan to create a company that would purchase 30 renal dialysis centers from a large national renal dialysis enterprise. Comerica Bank in California tapped Bodman's expertise in lending to companies whose revenue is derived from health care receivables. Comerica generated the loan and handled the financing; equity lenders were in Washington State. We closed the \$25 million transaction, and the new company now has dialysis centers in 11 states.

CREDIT FACILITY SUPPORTS STRATEGIC ACQUISITION

As counsel to The Huntington National Bank, Bodman negotiated and documented a \$42.5 million syndicated credit facility for a private equity fund focused on the transportation industry. The credit facility included financing for the acquisition of one of the fastest-growing companies in the worldwide wholesale distribution of tires, with operations in more than 70 countries. The transaction also included an Ex-Im Bank-guaranteed export line of credit to support the company's growth in Latin America.

REGULATORY COMPLIANCE ASSURED

As banking regulations proliferate, the need for counsel on compliance grows. Bodman's compliance experts have recently guided three banks through implementation of mobile banking programs and helped a multistate regional bank reduce costs by increased use of online services. Through the Financial Institutions Compliance Cooperative—a consortium of approximately 90 institutions—we help our community bank clients receive sophisticated yet affordable regulatory and operational advice.

FROM PAPER TO PLASTIC FOR BENEFITS PAYMENTS

People receiving benefits payments from the federal government can now obtain them as a credit to a special debit card account thanks to a unique arrangement negotiated by Bodman. Representing the only issuing bank for the debit card, we worked with the U.S. Treasury Department, MasterCard, and the MasterCard processor to complete the complex transaction under a tight timeline.

A SINGLE CONTRACT TO MANAGE 400+ FACILITIES

A large financial institution turned to Bodman's Enterprise Procurement Group to negotiate an agreement with CB Richard Ellis, the world's largest real estate services firm, that will govern how more than 400 facilities across the U.S. are managed.

VICTORY LIMITS RUNAWAY PENSION COSTS

The City of Auburn Hills limited pension COLA for police department employees through state-mandated interest arbitration. The police officers' union challenged the award in federal court as a violation of the U.S. and state constitutions. The City chose Bodman to defend this critical lawsuit. We successfully obtained dismissal of the constitutional challenges through innovative, precedent-setting defenses—a big win for the City.

LABOR AGREEMENT KEEPS MANUFACTURING JOBS IN MICHIGAN

Dematic, a worldwide maker of material-handling systems, had to bargain a successor labor contract with the UAW. Bodman's unique approach—basing the negotiations on wage and benefit levels achievable if Dematic relocated to Tennessee—forced concessions. When the deal was done, Dematic's labor costs dropped 55% and Michigan retained crucial manufacturing jobs.

Lead the way

CLEARING AGENT TRANSITION TRIGGERS EXTENSIVE NEGOTIATIONS

When Comerica Securities changed the clearing agent that handles all its securities trades, the clearing agent agreement and every agreement related to the clearing process had to be renegotiated. Bodman handled negotiations with the new agent and a diverse cast of mutual funds, data providers, and software companies.

BANK SEEKS EXPERTISE FOR MOBILE MONEY APPS

When a bank needed an event-driven marketing app for the iPad, it tapped our Enterprise Procurement Group's deep experience in software development contracts. As primary interface between the bank's marketing team and the German software developer, we negotiated a master agreement and work schedules and defined the vendor's complex responsibilities. We've also assisted banks with mobile money apps for the iPhone, BlackBerry, and Android platforms.

enterprise procurement

Bodman's Enterprise Procurement Group provides expert, lightning-fast review and negotiation of vendor contracts across industries. Uniquely structured around contracts and the contracting process, rather than subject matter, our expertise ranges from simple assessment to negotiating and drafting complex, multimillion-dollar supply agreements. Working with clients' procurement professionals and in-house counsel, we negotiate preferential payment terms, reduce risk and liability, and structure favorable, flexible contracts.

workplace law

With decades of experience representing management in virtually every facet of labor and employment law, Bodman pursues swift, practical, innovative solutions to workplace legal problems and helps employers get out in front of issues before they arise. We cover policy, process, litigation, agreements, union avoidance, bargaining, and labor contract administration. We provide the resources employers need to keep ahead of today's workplace demands and make the workplace work.

CREATIVE APPROACH SPEEDS COLLECTIVE BARGAINING

The new owner of Michigan CAT, the state's largest Caterpillar equipment dealer, inherited a labor contract with the International Union of Operating Engineers that was up for renewal. Past negotiations had been difficult and protracted, but Bodman's innovative eight-step bargaining plan achieved all of management's objectives in just two days.

HOSPITAL PRESERVES EMPLOYEE RIGHTS TO REMAIN UNION-FREE

Memorial Healthcare selected Bodman to counsel the hospital in a union organizing drive initiated by AFSCME in the filing of multiple election petitions among various groups of support staff, nursing, and maintenance employees. Using our significant NLRB experience, Bodman secured a single election unit beneficial to preserving the majority interests of employees against the union, resulting in a 78% no union vote.

TITAN BUYS FARM TIRE BUSINESS

Bodman served as lead counsel to Titan Tire Corporation in its purchase of the Goodyear Tire & Rubber Company's Latin American tire business, including a manufacturing plant in Brazil. The deal included a licensing agreement that allows Titan to manufacture and sell Goodyear-brand farm tires.

INTERNATIONAL CONGLOMERATE TAPS BODMAN

Grupo KUO, a Mexico City-based conglomerate that ships chemical, automotive, and aerospace products to more than 70 countries, chose Bodman as its lead U.S. counsel. We negotiated agreements between a KUO subsidiary and AB Volvo in Gothenburg, Sweden. We also consummated supply relationships between KUO Aerospace and a Canadian aircraft systems manufacturer.

MICHIGAN INNOCENCE CLINIC

Several Bodman attorneys volunteer to assess cases for the Innocence Clinic at the University of Michigan Law School. It is the only clinic in the U.S. that represents prisoners who are innocent of the crime for which they were convicted but who have no biological evidence, such as DNA, to support their case. Several individuals have been found innocent by a judge and freed from prison. Bodman is proud to have been a part of the team reviewing applications from prisoners and their related court proceedings.

TEACHING FINANCIAL LITERACY

Working in partnership with several banking clients, schools, nonprofit groups, and the U.S. Bankruptcy Court, Bodman attorneys conduct ongoing seminars on the basics of personal financial management for high school students, community groups, and low-income adults. These programs help individuals who are not familiar with the sometimes complicated rules of credit cards, compound interest, loans, bank fees, and other aspects of personal finance.

reach out

AUTOMOTIVE SUPPLIER LEAR EXPANDS WORLDWIDE

As Tier-1 automotive supplier Lear Corporation expands its global customer base, Bodman is managing its real estate transactions. We've assisted Lear in 26 countries. In Brazil, we helped the company purchase rural property and construct a manufacturing plant. The engagement involved unique access and utility service issues, as well as the negotiation of tax incentives and cost controls.

BODMAN ADVISES KEY PLASTICS ON EUROPEAN RESTRUCTURING

Bodman serves the global legal needs of Tier-1 automotive supplier Key Plastics, coordinating an international team of attorneys, accountants, and other advisors, and managing legal spend across jurisdictions. We recently represented Key in the restructuring of its European operations, including the sale of non-core assets located in Germany, Spain, and the Czech Republic. Following the sale, Key maintains operations at 12 locations in the U.S., Mexico, Europe, and Asia.

international

Not only any notion that complex international transactions are the exclusive province of high-cost multinational firms. Bodman regularly handles a broad range of sophisticated international legal matters: M&A and real estate transactions, joint ventures between U.S. and foreign partners, complex supply arrangements, and international arbitrations. Business is global. Bodman travels.

pro bono

In one year, Bodman attorneys invested over 5,000 hours and over \$100,000 in support of its nonprofit community, ensuring access to high-quality legal services by low-income individuals, programs supporting the justice system, and civil rights organizations. This greatly exceeded the voluntary standards set by the State Bar of Michigan, which named Bodman to its "Circle of Excellence." These 5,000 hours include over 2,000 hours of service to charities through board participation and support of charitable programs.

FROM ABUSE TO FREEDOM

Ava, an immigrant from Mexico, suffered severe abuse by her American husband but feared she could be deported from the U.S. if she left him. Aware that the Violence Against Women Act (VAWA) would allow her to pursue residency outside of the marriage, Bodman filed a VAWA application and temporary work authorization on her behalf, which were granted. With our continued support, Ava became a U.S. citizen. She divorced her abusive husband and now lives and works in Michigan.

A FRESH START FOR SAMANTHA

Arrested for stealing \$25 worth of food when she was struggling with substance abuse, Samantha was convicted of retail fraud in 1999. Acknowledging the conviction on job applications made it tough to find work. Bodman represented her through the administrative and judicial process of expunging her criminal record, something available for individuals with only one (typically nonviolent) conviction and a clean record for five years. The judge granted the petition and Samantha is now employed and drug-free.

BODMAN A LEADER IN KEY PRACTICE AREAS

U.S. News & World Report has ranked Bodman as a national leader in Banking, Corporate, Commercial Litigation, Debtor-Creditor Rights, and Technology Law following an exhaustive research process.

Chambers USA gives Bodman its highest possible ranking in Banking and Financial Services.

Chambers USA has also ranked Bodman as one of Michigan's leading firms for Corporate/M&A, Litigation, Real Estate, and Workplace Law.

Benchmark Litigation gives Bodman its highest possible ranking for Commercial Litigation.

More than 50 Bodman attorneys have been honored by *The Best Lawyers in America* and *Michigan Super Lawyers* as leaders in their areas of specialty.

The *Detroit Free Press* named Bodman a "Top Workplace" based solely on employee feedback.

takeoff

The *Detroit Free Press* has honored Bodman Chairman Ralph McDowell as the most confidence-inspiring leader of any midsize employer in the state of Michigan.

INDIVIDUAL CLIENTS GROUP VIBRANT AFTER 80+ YEARS

Bodman has helped high net worth individuals navigate complex tax laws, structure significant bequests and charitable donations, and complete complex personal transactions since the firm was founded. Our Individual Clients Group was the firm's first practice; we've represented members of the Ford Family continuously since 1929. The Individual Clients Group continues today as a vibrant and growing area of the firm.

NEW CHAIRMAN: RALPH E. MCDOWELL

Ralph McDowell succeeded Larry Shulman as Bodman's Chairman in 2010. Practicing at Bodman since 1986, Ralph is recognized as one of Michigan's leading bankruptcy specialists by *Chambers USA*, *The Best Lawyers in America*, and *Michigan Super Lawyers*, which also named him one of the state's top 100 attorneys. Larry continues to practice actively with the firm as a member of the Banking Group.

michigan and the region tomorrow

Creative thinking, market knowledge, intelligent strategy, and wise legal counsel can propel an enterprise with a valuable product or service toward growth and profitability. Our confidence comes from seeing our clients take their businesses to new levels and from our own success.

Combining the talent and expertise expected of the nation's leading attorneys with the personal attention and value of a small firm, we know how to help clients capitalize on opportunities and make the moves that will carry them successfully through new economic terrain.

GROWING STRENGTH IN INSURANCE LITIGATION

Bodman's team now includes Michelle Thurber Czapski as a member of the Litigation and ADR Group. She has deep experience serving as regional litigation counsel to several major insurers. Also, our relationship with Blue Cross Blue Shield of Michigan is growing. We now represent Michigan's largest health insurer in litigation on a national basis.

GREEN PRACTICES CITED BY ABA AND CORP!

The American Bar Association honored Bodman with a "Law Office Climate Challenge Partner" certification, and leading Michigan business publication *Corp!* magazine chose Bodman as a recipient of its "Going Green" award. Both recognized our commitment to sustainable business practices, which include green purchasing policies, recycling, reduced paper use, and energy conservation.

ONE OF MICHIGAN'S TOP "DIVERSITY-FOCUSED"

Impressed by Bodman's programs to enhance inclusiveness and promote community service, *Corp!* magazine also honored Bodman as a "Diversity-Focused Company." The magazine noted our creative, interactive diversity training, gender differences workshop, diversity competencies workshop, and community service activities, among other factors.

