

McDermott Mixes \$420M Bourbon Acquisition For Campari

By **Dawood Fakhir**

Law360, London (October 31, 2022, 5:47 PM GMT) -- Italian spirits group Campari said on Monday that it has reached an agreement to buy an initial 70% stake in Wilderness Trail Distillery for \$420 million in a deal built by Benesch Friedlander Coplan and Aronoff LLP and McDermott Will & Emery LLP, as it strengthens its bourbon offerings.

Milan-based Campari, which signed the deal with its founders and current shareholders Shane Baker and Dr. Pat Heist, will buy the remaining 30% stake in the U.S. business in 2031, which will bring the total transaction value to \$600 million.

The deal is being executed on a cash-free, debt-free basis, meaning Kentucky-based Wilderness Trail Distillery Ltd. will clear its debts and keep excess cash before the completion of the deal.

Bob Kunze-Concewitz, chief executive of Campari, said the acquisition of "the fast-growing super-premium Wilderness Trail brand" will allow the drinkmaker to further expand and "premiumize our bourbon offering, priming it to become Campari Group's second major leg after the apéritif portfolio."

Benesch Friedlander advised the seller and McDermott acted as legal adviser for Campari Group.

The company said it will also benefit from the "state-of-the-art production infrastructure and warehousing capacity" at Wilderness as well as "industry-leading expertise in bourbon crafting."

Campari said it plans to fund the acquisition using a combination of cash and bank loans.

Wilderness reported overall net sales of \$40.8 million in 2021 and is expected to generate net sales of \$57 million in 2022.

The transaction is subject to customary closing conditions and is expected to close before the end of 2022.

William Blair & Co. was exclusive financial adviser to the seller and Benesch Friedlander Coplan and Aronoff LLP acted as legal adviser.

McDermott Will & Emery LLP was tax and legal adviser to Campari Group.

--Editing by Ed Harris.