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The Dow Chemical Company is one of the world's most influential corporations. Almost everything you touch has felt the positive impact of chemistry and much of that chemistry comes from Dow. Dow is a \$45 billion company that employs approximately 52,000 people worldwide and manufactures more than 5,000 products in 37 countries across the globe. Founded in 1897, Dow's corporate headquarters is located in Midland, Michigan. More than 6,000 of Dow's employees live and work in Michigan, thereby strengthening the state economy and contributing immeasurably to local communities.

Though Dow extends its influence beyond Michigan, it recently found itself facing the prospect of going dark in its own home.

Dow is a customer of the Midland Cogeneration Venture Limited Partnership (MCV), an entity that generates approximately 10 percent of all electricity in Michigan's Lower Peninsula. Dow had a unique relationship with MCV; it was the entity's largest customer and also a 7.5 percent equity stakeholder. Further, Dow purchased steam from MCV (a byproduct of electricity generation) to power its "Michigan Operations" manufacturing site comprised of more than 30 production plants and centralized research/development facilities.

But in November 2006, MCV was teetering on the edge of bankruptcy and, as a result, Dow faced a potential interruption in steam supply. If the supply of steam from MCV to Dow was interrupted for any length of time, Dow's Michigan Operations would be jeopardized.

Dow faced two unique problems with the prospect of MCV's bankruptcy. It had to ensure that MCV stayed online so that Dow's Michigan Operations wouldn't be interrupted. It also was of utmost importance for MCV to keep Dow as a customer because the sale of MCV's operations to another entity wouldn't have been as attractive without its largest customer in the fold. Dow retained Dilworth Paxson to assist it in positioning itself so that, if MCV filed bankruptcy, any disruption in steam to Dow's facilities and Dow's financial exposure would be minimal.

Surprisingly, in June 2008, MCV once again became profitable and its general partner and the



THE DOW CHEMICAL COMPANY

majority of its limited partners immediately decided to sell MCV's operations. Dow, which has relationships with some of the country's largest mergers and acquisitions law firms, decided to retain Dilworth Paxson as counsel through the divesture, due to the firm's familiarity with the matter.

Dilworth Paxson's representation of Dow essentially morphed from positioning Dow to withstand MCV's potential bankruptcy to negotiating with MCV to maximize the amount Dow would be paid for the sale of its equity interest in MCV. The transaction was extraordinarily complicated with multiple parties and convoluted sale/leaseback arrangements spanning more than 20 years. The sale of MCV to the Swedish private equity firm of EQT Infrastructure and the U.S. energy investment group Fortistar was completed in May 2009.

Dow's status as the largest customer and its interest as a limited partner put it in a unique position and Dilworth Paxson was successful in leveraging this position to help Dow secure more than its pro rata share of the profits from the sale of MCV and have its legal fees paid. More importantly, the sale reduced the risk of interruption to Dow's supply of steam by ensuring MCV invested in a number of backup steam systems.

This transaction demonstrated Dilworth Paxson's ability to partner with Dow to achieve its goals efficiently and effectively.