Haynes and Boone Represents Commercial Metals Co. in Acquisition Financing

By Jennifer T. Wisinski, Paul H. Amiel, Sakina Rasheed Foster, Monika Singh Sanford, Chelsea Leitch, Rachael Williams | May 18, 2018

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Haynes Boone successfully represented Commercial Metals Co. as issuer's counsel in the acquisition financing for the Company's previously announced acquisition of certain assets of the business, and certain outstanding common stock, belonging directly or indirectly to GNA Financing, Inc., a Delaware corporation, or certain of its subsidiaries and affiliates (the "Acquisition").

Haynes Boone represented Commercial Metals in securing the permanent financing for the acquisition, which consisted of (1) the private offering of $350 million of 5.750 percent senior notes due 2026, which closed on May 3, 2018 and (2) the execution of a $200 million delayed-draw term loan facility.

Partners Jennifer Wisinski and Paul Amiel led the Haynes Boone team representing Commercial Metals. They were assisted by Partners Sakina Foster and Monika Sanford and Associates Michael Pritchard, Chelsea Belote and Rachael Apfel.

Commercial Metals expects to use the net proceeds from the offering, together with the proceeds from the incurrence of the new term loan, to fund a portion of the purchase price, along with related fees and expenses, of the Acquisition.

Last year, Commercial Metals entered into a commitment letter for a senior secured term loan B facility in the aggregate principal amount of up to $600 million to fund all or a portion of the purchase price for the acquisition. The notes offering and delayed-draw term loan allowed Commercial Metals to terminate its $600 million term loan B facility.

Based in Irving, Texas, Commercial Metals Company operates local recycling centers; steel mini mills and micro mills; fabrication facilities; construction-related product warehouses; heat-treating facilities; and other metals-related operations in the United States and Europe.