



**Deal Announcement**

**1 March 2007**

## **Owens Corning and Saint-Gobain announce \$1.8bn global joint venture**

Owens Corning, the Ohio, USA-based listed building materials and composites provider, and listed French counterpart Saint-Gobain have announced that they have entered into agreements to form a global joint venture to develop, manufacture, market, sell and distribute glass reinforcements products. The new entity will be called OCV Reinforcements S.P.R.L. and will serve customers with improved technology, an expanded product range and a strengthened presence in both developing and emerging markets, including Europe, North and South America, Asia, China, India, Russia, Mexico and Brazil. Worldwide revenues of the new entity will be approximately \$1.8bn (€1.5bn), with 10,000 employees.

International law firm Freshfields Bruckhaus Deringer is advising Saint-Gobain on the joint venture, fielding a team in Paris, Brussels, New York, Washington, Tokyo, Moscow and Beijing, as well as coordinating competition filings in several other jurisdictions.

Owens Corning and Saint-Gobain's worldwide glass reinforcements businesses will go into the joint venture, including plant, property and equipment, working capital, contractual arrangements, customers and intellectual property. Owens Corning will receive 60 per cent and Saint Gobain 40 per cent of the voting and economic interests in the joint venture. After a minimum of four years, Saint-Gobain will have the option to sell its stake to Owens Corning, and Owens Corning will have the option to buy Saint-Gobain's stake. It is expected that the joint venture will close some time during the second quarter of 2007. The deal is subject to antitrust approvals.

Freshfields Paris-based partner Jean-Claude Cotoni, who coordinated the global corporate aspects of the transaction, comments: 'This was a complex transaction requiring the involvement of lawyers from several practice areas and offices across our global network, with activity happening somewhere across the world virtually round-the-clock. Timothy Wilkins, for example, led the New York corporate team in successfully negotiating the novel structure required to contribute the worldwide businesses to the joint venture.'

Brussels-based partner Frank Montag, who is coordinating the global antitrust aspects, comments: 'Because the two companies have operations in so many countries, managing the regulatory issues is particularly important. The transaction requires antitrust notifications in 14 jurisdictions, including to the European Commission and the US

Federal Trade Commission, as well as filings on other regulatory matters, including an Exon-Florio filing to the Committee on Foreign Investment in the U.S.'

The Freshfields team included:

Paris: Jean-Claude Cotoni (partner, corporate), Denis Barat (counsel, corporate), Thomas Rabain (associate, corporate), James Vaudoyer (partner, tax), Laurence Harvey Wood (associate, employment pensions and benefits)

Brussels: Frank Montag (partner, antitrust/competition) and Andreas von Bonin (associate, antitrust/competition)

New York: Timothy Wilkins (partner, corporate), Alison Lam (associate, corporate), Donna Lee (associate, finance), Robert Scarborough (partner, tax), and Angela Sellman (associate, tax)

Washington DC: Paul Yde (partner, antitrust/competition), Bruce McCulloch (associate, antitrust/competition)

Tokyo: Akihito Katayama (partner, corporate/antitrust/competition)

Beijing: Doug Markel (partner, corporate)

Moscow: Kirsten Floss (partner, corporate/antitrust/competition)

## **ENDS**

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## **Notes for editors**

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\* 485 partners and principal consultants, 2488 total lawyers worldwide, 28 offices in 18 countries