
Hughes Hubbard & Reed

Hughes Hubbard Advises on Starboard SPAC's \$3.4B Merger With Cyxtera

News & Events

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February 24, 2021 – The firm is serving as legal advisor to an affiliate of Starboard Value in a pending merger between the activist investor's recently launched special purpose acquisition company and Cyxtera Technologies Inc. to take the data center provider public.

On Feb. 22, Starboard Value Acquisition Corp. (SVAC) and Cyxtera announced the deal, which values the combined company at \$3.4 billion. As part of the deal, which is expected to close in mid-2021, Cyxtera will receive \$654 million, including \$250 million from private investors such as Fidelity Management and Research Company and clients of Starboard.

Backed by private equity firm BC Partners and Medina Capital, Cyxtera is the largest privately held data center provider of so-called retail colocation services, which support the adoption of hybrid-cloud infrastructure. The merger will provide Cyxtera capital to fuel growth, accelerate product and technology innovation, enhance its ability to quickly meet customer needs and further support strategic go-to-market efforts.

"Cyxtera's world-class team has built a high-performance, trusted and reliable global platform, without losing their customer focus or passion for innovation," said Jeff Smith, chair of SVAC and CEO of Starboard. "Cyxtera is exactly the kind of opportunity we were targeting when we created SVAC."

Smith founded Starboard in 2011, and the company has demonstrated expertise in driving value creation through improved governance, execution, capital allocation and strategic re-positioning. HHR advised Starboard in its role of the sponsor of the SVAC, which went public in August in a \$404 million initial public offering implemented through a special purpose acquisition company, known as a SPAC.

Formed through the 2017 carve-out of CenturyLink's data center and colocation business, Miami-based Cyxtera operates 61 data centers in 29 markets around the world, providing services to more than 2,300 leading

enterprises, service providers and U.S. federal government agencies. After the merger is completed, the combined company will operate as Cyxtera and be listed on Nasdaq under the new ticker symbol "CYXT."

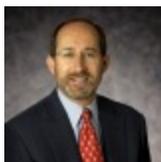
The merger made headlines in [The Wall Street Journal](#), [Reuters](#), [Law360](#), [The Deal](#) and other news outlets.

The HHR team that advised Starboard on the launch and IPO of the SPAC and Starboard as SVAC's sponsor during the acquisition of Cyxtera included partners Anson Frelinghuysen, Gary Simon and Alexandra Poe and associate Javad Husain.

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Anson B. Frelinghuysen



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