

**THE 2026 DEALMAKERS
OF THE YEAR**



ILIANA ONGUN AND ROBERT F. (BOB) KENNEDY
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By Brenda Sapino Jeffreys

It took well more than two years for Nippon Steel to buy U.S. Steel in a \$14.9 billion transaction that faced multiple challenges.

The deal closed in June 2025 with President Donald Trump's approval, which came after the deal included terms to protect national security—including a "golden share" issued to the U.S. government.

Hurdles included regulatory and political challenges, opposition from the steelworkers' union and competitor Cleveland-Cliffs, a block by Trump's predecessor, President Joe Biden, on national security grounds, and multiple lawsuits.

"You had every type of challenge that you could have in a transaction," said Ropes & Gray M&A partner Ariel Deckelbaum of New York, who led his firm's team for Nippon along with litigation partner David Hennes, also of New York, and international trade and national security partner Ama Adams of Washington, D.C.

"Our strategy was to keep moving the ball forward each and every day," he said.

A team from Milbank, led by corporate partners Iliana Ongun and Robert Kennedy, both of New York, represented U.S. Steel.

The transaction kicked off in 2023 when Nippon made a \$7.25 billion unsolicited offer for Pittsburgh-based U.S. Steel. The companies announced a deal nine months later, Ongun said, after her legal team worked with U.S. Steel to launch a strategic review process that led Nippon to up its offer by roughly double to \$14.9 billion.

Despite approval from U.S. Steel shareholders in 2024, a slew of challenges arose, including the political and regulatory hurdles, and opposition from unsuccessful bidder Cleveland-Cliffs, as well as the United Steelworkers union.

"The deal...became a lightning rod, because of the political issues. U.S. Steel was such an iconic company. Our mission over the course of many, many months [was] to execute a strategy to communicate the benefits," Ongun said.

Biden blocked the deal on Jan. 3, 2025, on national security grounds, after the Committee on Foreign Investment in the U.S. (CFIUS) failed to reach a decision on potential national security risks associated with the acquisition of the U.S. company, key to infrastructure, by a Japanese company.

In response, in January 2025, U.S. Steel and Nippon Steel filed a federal lawsuit in U.S. Court of Appeals for the District of Columbia challenging the Biden administration's decision to block the deal, and a separate antitrust suit in U.S. District Court for the Western District of Pennsylvania against leaders of Cleveland-Cliffs — which had also made an offer that U.S. Steel rejected — and the USW.

During the 2024 election, Trump campaigned against the deal. However, after he was re-elected, he issued an executive order allowing the deal to go through, after an unusual review by the CFIUS. The approval came after the parties negotiated a national security agreement that included the "golden share" issued to the U.S. government.

Covington served as lead CFIUS counsel for U.S. Steel, and according to David Fagan and Mark Plotkin, co-chairs of the firm's CFIUS practice, was a key strategic advisor on the transaction.

The firm helped develop and negotiate the framework that enabled the transaction to proceed, culminating in the landmark National Security Agreement President Trump approved on June 13, 2025. That framework, according to Fagan and Plotkin, included the first-ever golden share held by the government in a U.S. company and the commitment by Nippon to invest about \$11 billion in U.S. Steel facilities by 2028.

Milbank's Kennedy said the golden share gives the government a sense of ownership interest in the company, although it doesn't give it rights to profits.

"This deal was unprecedented on so many levels," Ongun said. "It had elements that come together on every M&A deal, periods of intense focus on coordination, very high-stakes boardroom considerations and really thinking about your stockholders."

Deckelbaum, the Ropes M&A partner advising Nippon, said the transaction got caught up in the election cycle and became an issue in the presidential election, with all candidates saying that the transaction should be revisited.

Hennes, the Ropes litigation partner, said the firm spent months trying to get the deal closed "using every lever we could use in Washington," but weren't successful.

In ultimately permitting the deal to proceed in a June 2025 order, "President Trump was able to understand the benefit to the workers and the communities for it to go forward — and the consequences if it did not go forward," Deckelbaum said.