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THE 2026 DEALMAKERS
OF THE YEAR



PAUL T. SCHNELL, DOHYUN KIM, AND BRANDON VAN DYKE
SKADDEN, ARPS, SLATE, MEAGHER & FLOM

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By Dan Packel

A media leak that Union Pacific was negotiating to acquire Norfolk Southern and create the nation's first transcontinental railroad forced both parties' attorneys at Wachtell Lipton Rosen & Katz and Skadden, Arps, Slate, Meagher & Flom to scramble.

But an agreement tying an unusual public acknowledgment of the ongoing talks to a six-day exclusivity period helped the parties get the \$85 billion deal—the largest railroad merger in U.S. history—past the finish line in late July.

Union Pacific and Norfolk Southern had been in discussions for months—navigating uncertainties that stemmed from the first-ever attempt to complete a transaction under revised railroad merger rules dating to 2001—before the leak emerged days before a scheduled Union Pacific earnings call.

“The rumors were so intense, especially around the time we got to the earnings release timing for both companies. A curveball we had was trying to figure out, what were we going to do? Were we going to say anything when we got so close to earnings time?” said Skadden partner Dohyun Kim, part of a team representing Union Pacific. “There's no one rule for it.”

Wachtell partner Jake Kling, who represented Norfolk Southern, agreed about the absence of a clear playbook.

“Leaks happen in M&A from time to time, but usually they happen a day or two before you're ready to sign and announce a deal, and you just speed things up in response to the leak,” he said. “Here, the leak happened almost two weeks before we ultimately signed and announced the transaction, and that put a lot of pressure on both sides to say something.”

Furthermore, the leak opened the door for another major railroad to market itself to Union Pacific, an outcome that could potentially squeeze out Norfolk Southern and put the company at a disadvantage in the market.

“This was an unusual situation where you had a scarcity of buyers rather than a scarcity of target companies,” Kling explained. “There was really one logical acquirer here, which was Union Pacific, but multiple potential targets, and we were focused on making sure that we controlled our own destiny here and not letting another party jump into our deal over the final week.”

Ultimately both sides agreed to put out a press release acknowledging the discussions at the time of Union Pacific's earnings call, while agreeing to a six-day exclusivity period to continue negotiations.

From there it was a sprint to July 29, when the deal was announced, complicated by the fact that there was no existing roadmap for drafting a transaction under the 2001 Class I Merger rules for railroads.

“That put a premium on designing and implementing and negotiating with the other side a bespoke set of contractual provisions to govern the conduct of the regulatory approval process among the parties, and then to balance the risk around the outcome of that regulatory approval process,” Skadden partner Brandon Van Dyke said.

The Skadden attorneys and Kling benefited from longstanding relationships, and Kling's father and stepmother are both retired Skadden partners. That trust made it easier for both sides to agree to the unconventional solution.

“There was a level of collegiality and respect on all sides that really let us cut to the chase, work through issues quickly. And I think that was the only way to get a deal of this complexity and magnitude negotiated in the time period that we did,” Kling said.

Skadden partner Paul Schnell, who has represented Union Pacific since becoming a partner 35 years ago, noted with pride that when the transaction closes in early 2027, it will create a fully integrated transcontinental railroad, something first advocated by Abraham Lincoln over 160 years ago.

“It's transformative when you think of the potential it has to impact the U.S. economy, the U.S. supply chain, even enhancing national security,” Schnell said. “It really is an impactful transaction of really significant consequence.”