

Corporate Law Monthly – March 2026

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March 20, 2026

By Scot Patrick O'Brien

An Update on M&A, Private Equity and Capital Markets

The Corporate Law Monthly provides short but substantive abstracts in the bolded headings below followed by brief analysis.

1. M&A Market Resurgence

After a tariff-induced slowdown, 2025 delivered the second-highest M&A value year on record (globally), with \$5 billion in megadeals, setting the stage for continued momentum in 2026.

2025 marked a decisive return to dealmaking with **global M&A value rising approximately 40% to \$4.9 trillion** per Bain & Company.^[i] North America represented just over half of global activity, while Europe and Asia-Pacific countries each accounted for roughly one-fifth. The rebound was notably broad, spanning industries and geographies, with all regions and industries growing by double digits.

Megadeals (transactions exceeding \$5 billion) drove this resurgence, representing more than 73% of the increase in deal value.^[ii] Technology M&A led the recovery, driven by AI. Data infrastructure and cybersecurity transactions also were prevalent.

In middle market deals (valued between \$100 million and \$1 billion) **927** middle market deals closed in the North America, representing a slight decline from the 958 deals recorded in 2024, according to one source.^[iii] Another source, Key Bank, reported that middle market deals were flat from 2024 (1,279) to 2025 (1,289).^[iv]

Valuations in the middle market averaged 7.2X EV/EBITDA across all segments and deal sizes and remained relatively steady from 2024. **Smaller deals had lower multiples and larger deals had higher multiples.**

The **technology** sector saw the highest number of middle market deals at **241**, followed by healthcare (112), industrials (111), and real estate (111).

In lower middle market deals (\$10 million-\$500 million), GF Data reported 297 completed private equity-sponsored transactions in 2025, a **23% decline** from 2024.

Akerman 2025 Deals: Akerman closed 152 publicly reportable M&A deals on 2025. The firm ended the year ranked **4th nationally** for “Law Firms: PE Deals – Most Active in U.S.: Representing Companies” and **16th nationally** for “Law Firms: PE Deals – Most Active in U.S.” by *PitchBook* in their 2025 Annual Global League Tables, reflecting the firm’s sustained momentum and depth across the private equity landscape. Akerman also achieved strong results across additional private equity and M&A sectors and multiple regional markets, including the Southeast, South, New England, Great Lakes, and Mountain and Midwest by *PitchBook* and was also named the “**2026 Leveraged Buyouts & Private Equity Law Firm of the Year**” by *Best Lawyers*.

January 2026 Deals and 2026 Outlook. According to EY, U.S. “January 2026 M&A activity reflected year-over-year (YoY) softness, with announced **\$100m+ transactions declining 7% in value and 21% in volume**, though there were 10% more deals valued at \$1b or more.”^[v] They also reported “the outlook for 2026 remains positive as easing financial conditions and CEO optimism may fuel more deals, especially in tech and healthcare.”^[vi] However, geopolitical pressures, including the ongoing war in Ukraine and the new military attacks in Iran, may cause more conservative investment behavior.

2. Private Equity Focus: The Trillion-Dollar Rebound

U.S. private equity M&A crossed the trillion-dollar threshold for only the second time in history, driven by megadeals, add-on acquisitions, and strategic carve-outs.

After a shaky start to 2025, U.S. private equity surged to close the year with over **9,000 transactions totaling \$1.2 trillion** — marking only the second time annual deal value crossed the trillion-dollar threshold, rivaling the record-breaking peak of 2021, according to Cherry Bekaert.^[vii] Megadeals, valued at greater than \$1 billion, reached a record \$568 billion in value across 150 deals.

Add-on acquisitions accounted for 72.9% of all buyouts in 2025, holding steady with the five-year average. By bolting smaller companies onto existing platforms, GPs continue to build scale and resilience. **Corporate carve-outs** also remained a favored strategy, providing win-win opportunities for corporate sellers seeking to shed non-core assets and sponsors seeking de-risked acquisition opportunities.

Exit activity rebounded significantly, with double-digit year-over-year growth signaling improved liquidity. However, **fundraising** remained the one dark spot, declining year-over-year and making

2025 the weakest fundraising year since 2020. Dry powder maintained record levels near \$1.1 trillion, reflecting an imbalance between robust deal activity and subdued fundraising.

Looking to 2026, **AI adoption** is influencing both investment targets and internal PE operations, making tech-enabled companies highly sought after. Firms with deep operational expertise are gaining an edge as buyouts move beyond financial engineering toward real growth and productivity gains.

3. IPO Market Recovery

U.S. IPO activity accelerated in 2025, with regulatory reforms and interest rate expectations positioning 2026 for continued momentum.

According to Nasdaq, all U.S. equity market IPO activity accelerated, with approximately **354 companies pricing IPOs in 2025**, up 136 from approximately 218 in 2024.^[viii] These IPOs included both U.S. and non-U.S. issuers in the U.S., which accorded for a variance in reporting.

With Nasdaq focusing on technology-based companies and with Nasdaq capturing 81% of new IPOs, as with M&A activity (discussed above), **most of the IPOs were by technology-driven companies**, including those specializing in digital infrastructure and cybersecurity.

According to PwC, “traditional IPOs raised **\$33.6 billion in 2025**, their best year since 2021.”^[ix]

The legal and regulatory environment shifted meaningfully over the past 12 months. The SEC under **Chair Paul Atkins has signaled a more permissive approach to capital formation**, emphasizing capital access and reducing compliance burdens for emerging growth companies.^[x]

Pending legislation called the **Clarity Act would reduce ambiguity around crypto asset regulation.**^[xi]

The NYSE and Nasdaq have refined their **direct listing** frameworks, with more companies considering hybrid structures combining elements of traditional IPOs, direct listings, and private placements.^[xii]

Per PwC, “looking at which **sectors will lead IPO activity in 2026**, interest is strongest in AI infrastructure, where continued investment in chips, data centers, and power capacity is driving a robust pipeline. Insurance and specialty risk companies also remain well positioned after strong 2025 debuts and software — particularly AI-enabled platforms — continues to be a top investor preference.”^[xiii]

4. AI Due Diligence in M&A

Buyers are increasingly scrutinizing targets' internal AI use, expanding diligence beyond traditional areas into governance, compliance, and workforce practices involving AI.

Companies rapidly expanded their internal deployment of AI across business functions in 2025, creating new diligence imperatives for buyers in M&A transactions.^[xiv]

Companies operating in regulated industries face elevated expectations, particularly in financial services and healthcare, where regulators increasingly expect documentation demonstrating how AI tools operate and how risks are managed.^[xv]

In the hiring space, **AI-based hiring tools continue to draw scrutiny**, driven by concerns about algorithmic discrimination, fairness, and transparency.

For buyers conducting due diligence and for sellers preparing for due diligence, **AI diligence now commonly addresses** governance policies, tool inventories, data flows, risk assessments, bias audits, and vendor reliance.

AI is also impacting **representation and warranty insurance** as underwriters are requesting more detail on its use by the target, including data sourcing, model governance, and internal controls.

5. Antitrust: Continuity, Transactional Approach, and Mini-State HSR Laws

**The 2023 Merger Guidelines and new HSR Form remain in effect under the current administration, but procedural changes signal a more transactional approach, while states begin to enact mini-
HSR laws.**

Many stakeholders anticipated the new administration might rescind the 2023 Merger Guidelines and new HSR Form, but neither came to pass, and both are expected to remain in effect. The new HSR form requires significantly more information, documents, and time from both parties and counsel, as reported in this Newsletter in November 2024.

According to Austin Ownbey, Antitrust Partner at Akerman, after nearly a four-year hiatus, the **administration reinstated a policy of granting early termination** of the HSR waiting period for facially non-problematic deals, granting early termination to roughly 300 deals by the end of 2025. The agencies have also demonstrated **willingness to enter into settlements**, including behavioral remedies. As announced by the FTC, for example, in Boeing's proposed acquisition of Spirit Aerospace, the FTC required divestitures but also required Boeing to provide

transitional services to Airbus and continue selling to competing contractors.^[xvi]

State-level developments warrant attention. Some states have been enacting “mini HSR” laws requiring parties to send copies of HSR filings to state attorneys general if certain thresholds are met, including Colorado and Washington.

See also [Akerman HSR update](#) on 2026 HSR Act Thresholds, HSR filing fees, and Interlocking Directorates Safe Harbor.^[xvii]

6. Delaware Feels the Heat of Texas Competition

Delaware faces continued competitive pressure from Texas and Nevada as states compete to attract corporate formations.

The long-established choice of law rule called the “internal affairs doctrine” has held that “the internal affairs of a corporation are governed by the law of the state where it is incorporated.”^[xviii] One author argues that the commerce clause, which prevents “states from unduly obstructing commerce beyond their borders” could provide grounds for challenging Delaware as the primary corporate formation state.^[xix] Regardless of whether this argument is ultimately successful, other business-friendly states are giving Delaware a run for their money. Consider the **recent competitive actions by Texas and Nevada:**^[xx]

- In 2026, the newly created Texas Stock Exchange began making trades and accepting listings.
- Texas also created a statewide business court modeled after Delaware’s Court of Chancery.
- Texas amended its corporations statute in 2025 to allow corporations to waive jury trials for internal entity claims and to codify the business judgment rule for public corporations.
- Nevada has also facilitated corporate online filings by new companies.

The Delaware Supreme Court’s 2025 decision in *Tornetta v. Musk* did not help its public image by upholding **Elon Musk’s \$1 trillion compensation package**, through its interpretation of remedies doctrine.

In February 2026, the Delaware Supreme Court upheld several efforts by Delaware to update its management and controlling stockholder-based law by amending its Delaware Corporate Law to provide:

- new safe harbor protections for directors, officers, or controlling stockholders or control groups;
- a limit on the materials a stockholder can request to inspect as part of its stockholder recorders inspection rights; and

- a limit on the liability of controlling stockholders and control groups such that they cannot be held liable for monetary damages for breach of the duty of care. (See amendments to § 144 of Title 8 of the Delaware Code).

For the moment, Delaware is still home to approximately **two thirds of Fortune 500** companies, according to one Delaware state report.[xxi]

Akerman LLP (M&A, Corporate and Capital Markets Snapshot)

- 24 Offices
- 39 Public Companies represented on regular reporting basis
- 44 States licensed to practice in
- 150+ M&A Deals announced in 2025
- 150+ M&A and investment deals (confidential) in 2025
- Corporate and Securities Transactional Attorneys
- 700+ Lawyers and Business Professionals

Ranked by:

- *Best Lawyers* as 2026 Leveraged Buyouts & Private Equity Law Firm of the Year.
- *The Legal 500* as a first-tier law firm for mergers and acquisitions in the M&A: Middle Market (Sub-\$500 Million) category – one of only eleven firms in the United States to maintain this distinction
- *Chambers USA* as among the top Corporate, Bankruptcy/Restructuring, and Litigation Practices, among others
- *PitchBook* as one of the most active M&A and Private Equity law firms in the United States based on the number of private equity deals completed

[i] Bain & Company, “M&A Report - Looking Back at M&A in 2025: Behind the Great Rebound,” dated December 2025, by Suzanne Kumar, et al.

[ii] *Id.*

[iii] Mid-Market M&A Slips in 2025, Dealmakers Look to 2026 for a Reset

[iv] Key Bank, “A new chapter: Middle market M&A activity expected to gain momentum in 2026, dated February 2026 by Jeff Johnston

[v] EY Parthenon, “US M&A activity insights: January 2026”, dated February 19, 2026 by Mitch Berlin et al.

[vi] *Id.*

[vii] Cherry Bekaert, “The Trillion-Dollar Rebound: Private Equity 2025 Trends and 2026 Outlook,” dated February 25, 2026.

[viii] Nasdaq, “IPO Market Gained Strength in 2025”, dated February 5, 2026 by Phil Mackintosh, et al.

[ix] PwC, “US Capital Markets 2026 Outlook: IPO Markets Look Primed to Accelerate in 2026”, dated December 12, 2026 by Mike Bellin.

[x] U.S. Securities and Exchange Commission, “Remarks at the Small Business Capital Formation Advisory Committee Meeting”, dated February 24, 2026 by Paul S. Atkins, Chairman.

[xi] Congress.gov, “Crypto Legislation: An Overview of H.R. 3633, the CLARITY Act”, dated September 30, 2025 by Paul Tierno.

[xii] Nasdaq, “Nasdaq Direct Listings”. and NYSE, “Choose Your Path to Public”

[xiii] PwC, “US Capital Markets 2026 Outlook: IPO Markets Look Primed to Accelerate in 2026”, dated December 12, 2026 by Mike Bellin.

[xiv] Bain & Company, “New Diligence Challenge: Uncovering AI Risks and Opportunities” by Benjamin Farmer, et al.

[xv] ABA, “Diligencing AI-Enabled M&A Targets: Seven Things to Understand”, dated January 29, 2024 by James Hu et al.

[xvi] FTC Release ” FTC Requires Boeing to Divest Several Spirit Assets to Proceed with Merger” dated December 3, 2025.

[xvii] Akerman Practice Update, “2026 Adjustments to HSR Act Thresholds, HSR Filing Fees, and Interlocking Directorates Safe Harbor” dated January 15, 2026 by Austin A.B. Ownbey.

[xviii] Harvard Law Review, Dormancy and Delaware: An Emerging Threat to the Internal Affairs Doctrine, dated January 2026 (139 Harv. L. Rev. 799).

[xix] *Id.*

[xx] The National Law Review, “Delaware’s Fight to Remain Preeminent Home for Corporations” dated March 13, 2025 by

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