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BUSINESS

Hammes to take helm at Kirkland

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Chicago Law

Promotion another sign of firm's shift to corporate law

Kirkland & Ellis, whose sterling reputation was built by trial lawyers, will have a new chairman next year who made his name handling multi-billion-dollar buyouts.

Jeffrey Hammes will head the firm's worldwide management committee, replacing Thomas Yannucci, a litigator out of Washington who held the role since 2001. Kirkland has not made a public announcement about the leadership change but confirmed Hammes' new role.

It's not as seismic a shift in leadership as it sounds for Chicago's most profitable big law firm, but his appointment speaks to the evolution of the firm into a corporate law powerhouse. The firm is nationally recognized for its private-equity practice. In Chicago alone, the firm has about 200 lawyers who represent clients in private equity and venture capital. The firm has about 1,500 attorneys worldwide, and per-partner profits in 2008 were \$2.47 million.



Jeffrey Hammes

Hammes, one of the private-equity stars, joined the firm in 1985 from Northwestern University School of Law. He, like many of Kirkland's young corporate lawyers, looked up to Jack Levin, a partner who began handling private-equity transactions in the mid-1970s when it was a new area of the law. Kirkland has long-standing relationships with two of Chicago's leading private-equity firms, Madison Dearborn Partners and GTCR Golder Rauner.

Hammes has helped Kirkland extend its market share in private equity beyond its Midwest base. His main client is Bain Capital, a Boston-based private-equity firm. In 2005, Hammes worked on two big corporate deals involving Bain. In the first, Bain teamed with Kohlberg Kravis Roberts & Co. and Vornado Realty Trust to buy Toys R Us for \$6.6 billion. Bain and three other private-equity firms also purchased Warner Chilcott PLC, a pharmaceutical company, for \$3.1 billion.

Hammes also is credited with establishing Kirkland's presence in San Francisco and Silicon Valley and still spends some of his time in California. His rainmaking has earned him greater influence on firmwide issues. He is vice chairman of Kirkland's 15-person management committee.

The financial downturn has slowed the pace of top-end deals for Hammes and Kirkland, yet the firm has had a steady flow of middle-market trans-

actions, according to Chambers and Partners, a legal research firm. In November 2008, Hammes led a team of lawyers that represented San Francisco-based Golden Gate Capital's acquisition of U.S. Silica Co. for \$337 million.

"Jeff's had great success in corporate and private-equity work, which is a significant part of the firm's profitability," said James Munson, who spent 33 years as a Kirkland partner before retiring two years ago. "It makes sense that he would have the (chairman's) job."

Hammes was not available for comment Monday.

His fingerprints already are on the firm's strategic direction.

The firm's expansion into Asia in 2006 with a Hong Kong office was at Hammes' urging, according to Mark Tresnowski, a former Kirkland partner who is Madison Dearborn's general counsel. Kirkland announced in September that it will open a second Asian office, this time in Shanghai.

Hammes also played an influential role in bringing Jamie Sprayregen back to the firm last year. The prominent bankruptcy lawyer left Kirkland in 2006 for Goldman Sachs.

In making decisions, Hammes is considered a hard-charger, but then again Kirkland is not known for its cuddly culture.

"When Jeff decides on a course of action, he doesn't let anyone stand in his way," Tresnowski said.