



JAMES H.M. SPRAYREGEN

- PARTNER, KIRKLAND & ELLIS; CHICAGO
- BANKRUPTCY: BUSINESS
- ILLINOIS SUPER LAWYERS: 2005–2006, 2010–2016; TOP 10: 2012; TOP 100: 2005–2006, 2010–2014

AMPED

Perpetually moving bankruptcy attorney James Sprayregen can't be outworked

BY WILLIAM WAGNER PHOTOGRAPHY BY COREY HENGEN

JAMES H.M. SPRAYREGEN IS A MAN ON THE MOVE.

His corner office at the Chicago headquarters of Kirkland & Ellis has no desk, at least not in the traditional sense. Instead there's a treadmill with a large standing desk attached to the front. "I can get a workout in while I'm doing conference calls," the 56-year-old restructuring and bankruptcy attorney says nonchalantly. "It's very convenient, and I stand up a lot anyway."

Then there's his work schedule, which puts him on the road for about 150 days per year. Legal work has taken him to six continents, approximately 30 countries and countless cities. "I probably travel between 300,000 and 400,000 miles annually," he says.

And then there's Sprayregen himself, whose

internal motor runs so fast that he seems to be burning calories even on the rare occasions when he's sitting. One can almost imagine steam rising from his shaven head.

"His energy level is the stuff of legend, and I mean that sincerely," says Glenn Tilton, who was chief executive officer of United Airlines when Sprayregen represented the company in the early and mid-2000s. "I don't know of anyone who can keep his travel schedule. And the way he's able to maintain that schedule yet make you believe you're his only client is rather remarkable."

When Sprayregen arrived at Kirkland & Ellis in 1990, the firm's restructuring and bankruptcy practice had only a handful of attorneys and little national profile. Within 15 years, he had played

the principal role in building the group into an international juggernaut. Yet he deflects much of the credit. He calls his rise to prominence mostly a matter of being in the right place at the right time and is quick to heap praise on his 20 partners and the 80-plus people working in the group.

Others are more than willing to speak on Sprayregen's behalf.

"Jamie is very entrepreneurial, and he has an insatiable appetite for marketing," says Jeffrey Hammes, chairman of the Global Management Executive Committee at Kirkland & Ellis. "He is kind of a force of nature, has limitless energy. He was a young guy [when he started at the firm] who was really hustling; he was trying to create value rather than sitting back and waiting for the

phone to ring. When you do that, seeds start to germinate. He's always been a leader."

Adds Bryan Marsal, co-founder of New York-based Alvarez & Marsal, a management consulting firm that has worked with Sprayregen's group on several occasions: "There is no one more prominent in the bankruptcy and restructuring legal practice than Jamie and he is the hardest-working lawyer that I have ever met."

As an undergraduate at the University of Michigan, Sprayregen followed his interests and majored in history, even if it wasn't the most practical of subjects. During college summers, he channeled his energy into working construction or operating his own painting and moving business. He enjoyed it to the point where he considered making it his permanent occupation upon graduation. Only on a near-whim did he enroll in law school at the University of Illinois.

"Sometimes I still wonder if [the painting and moving business] would have worked out better," says Sprayregen, who grew up in Glencoe. "I don't know. There are so many different ways you can go in life, and I don't spend a lot of time looking back."

After graduating from Illinois, Sprayregen went to work for Chicago-based Lord, Bissell & Brook in 1985 with an eye on being a real estate lawyer. When that idea didn't pan out, he simply charged forward.

"They told me they weren't very busy in real estate and asked if I could do a little bankruptcy until real estate got busy," he says. "I said, 'Sure.' So 30 years later, I'm still waiting for real estate to get busy."

Those three decades have brought Sprayregen a slew of honors, including being named one of "The Decade's Most Influential Lawyers" by *The National Law Journal* in 2010 and being inducted into the Turnaround Management Association's Turnaround, Restructuring, and Distressed Investing Industry Hall of Fame in 2013. Mostly, though, the years have satisfied his intellectual wanderlust.

"I tell young lawyers that I consider restructuring the last bastion of the generalist," he says.

"Restructuring is just the process and procedure of working out whatever the substantive problem of the company is. It could be a tax problem or a real estate problem or an operational problem or a criminal problem or an asbestos problem. So every deal I do, I'm still learning a ton because we roll through different industries. You're dealing with massively different areas of the law and massively different kinds of businesses. That keeps life interesting."

The 30 years have also satisfied his heart: "You can make a difference in a company's life, in people's lives," he says. "You can save jobs. You can give a company a new lease on life and a new opportunity to succeed."

And, of course, they have satisfied his clients: "Jamie opens the lens very, very wide," Tilton says. "He's strategic-minded. He considers the consequences of every decision from a broad perspective, which is probably why his style as a lawyer lands him in the position of trusted counselor-slash-adviser

beyond the letter of the bankruptcy codes."

Not that it's always been easy. By definition, restructuring and bankruptcy law isn't supposed to be.

"Bankruptcy and restructuring is about breaking promises," Sprayregen says. "People are contractually committed to do things they're not able to live up to. Many times it's hard to divide up a pie when there aren't enough slices to go around. So the most challenging aspect is persuading people that whatever solution we come up with is the best one available or, most times, the least worst."

Yet Sprayregen always seems to deliver, particularly when the glare of the spotlight is brightest. He's brought his expertise to some of the highest-profile bankruptcies of his generation: Chiquita Brands, Inc., United Artists Theatre Company, Zenith Electronics Corp., Reader's Digest Association, Inc., and United Airlines.

The United Airlines case was especially intense because it received, as Sprayregen recalls, "an outsized amount of public attention. Since everyone flies, everyone has a view." His group represented United during its Chapter 11 case from 2002 to 2005, and at one point, says Sprayregen, the outlook was so grim that liquidation was a possibility, which would have been catastrophic for the company's nearly 100,000 employees. But United weathered the storm.

"So many bankruptcies have been unsuccessful in this sector," Tilton says. "I think at the time we filed [in 2002], there had been 153 bankruptcies since post-deregulation in 1978 in the airline passenger sector. And there had been something on the order of three successful reorganizations.

"If ever a filing needed a high energy level, together with a sense of the strategic and an intense focus on detail, it was this one. Jamie brought all of these attributes to a bankruptcy and restructuring that needed every one of them."

Early in 2006, United's restructuring plan was approved in court, and the company emerged from bankruptcy.

Equally momentous was the work Sprayregen did on behalf of General Growth Properties, the second-largest mall operator in the country, which filed the biggest real estate bankruptcy in U.S. history in 2009 after accumulating \$27 billion in debt. Sprayregen helped to ensure that slices of the proverbial pie were distributed to everyone involved.

"They got caught up in the [global] financial crisis," he says. "We took that company out of bankruptcy and paid all the creditors in full and had a big recovery for the old equity. It was gratifying to do a case where everyone actually did get paid."

Sprayregen takes as much pride in some of the lower-profile deals he's engineered. In mid-2009, auto parts manufacturer Lear Corp. filed for bankruptcy after laying out a plan to restructure its \$3.6 billion debt burden—and it says something about Sprayregen's career that such matters can be considered "lower-profile."

"There are a bunch of auto suppliers we represented, like Lear, where we helped those companies downsize and get their houses back in

order," he says. "Now those companies are thriving."

Indeed, upon Lear's emergence from bankruptcy protection late in 2009, the company's chief executive, Bob Rossiter, told *The Wall Street Journal*, "We are a tighter, leaner company that will never make some of the mistakes we made in the past."

Whether the case is large or small, high- or low-profile, Sprayregen's success can be traced to this notion: He views himself as a service provider first and foremost. He says of the group he leads: "Everyone's willing to run through brick walls to get done what we need to because we're in the service business."

Adds Marsal, "Jamie's very responsive. If I call him at 9 a.m., he's back to me by noon. If I need a meeting with him, he makes time available on the weekend. He's extremely client service-oriented. It's all part of his style of hard work."

That hard-charging style led him out of the law altogether in 2006, when he left Kirkland & Ellis for a time to co-chair the restructuring group for multinational investment banking firm Goldman Sachs. In many respects, it was like starting over.

"I'd been a lawyer for almost 20 years at the time, and I had four large cases that were winding down," he recalls. "Ultimately, I thought change would be good. I was part of a lot of stuff [at Goldman Sachs] that lawyers never see, like the way loans are approved and how investors think about investing. So it gave me another layer of knowledge. It wasn't legal practice at all."

By the end of 2008, however, he was ready to return to his roots. And true to form, he wasted no time in doing so. Says Sprayregen, "I literally finished at Goldman Sachs in the morning of December 9, 2008, got into a cab and went over to Kirkland & Ellis for the afternoon of December 9, 2008."

He felt his work at the firm wasn't complete. First, as Marsal puts it, "The thing I find interesting about Jamie is that he truly wants all the business. He likes to compete against the other law firms. I say, 'Jamie, don't you have enough?' And he says, 'No, I want all the business.'"

Second, strangely enough, he wanted to make himself obsolete.

"The way we work at Kirkland & Ellis, the ultimate success is making yourself irrelevant over the long term," Sprayregen says. "By that I mean I have 20 awesome partners—I have 100 awesome people in the group. We're about empowering the younger people and developing their talent so that they can go out and do all the things I do. If I rode off into the sunset and things went bad [at Kirkland & Ellis], I would feel as if I hadn't done my job. And to me, it's fun watching all these people develop into senior lawyers themselves. It's very rewarding."

And when he does achieve that final goal? There's his wife and their three adult children, as well as his recreational pursuits.

"I'm a big skier," he says. "I've skied all over—out west in the United States, Europe, Japan. I also do a lot of running—marathons and half-marathons. I've done the Chicago, New York and Boston marathons, probably about 18 marathons in all."

Even relaxing, Sprayregen can't sit still. [S](#)