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Kirkland & Ellis brings on private equity partner from Jones, Day

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The head of the private equity practice in Jones, Day's Chicago office jumped to Kirkland & Ellis LLP this week.

Kirkland's new partner, Walter S. Holzer, said private equity deals are picking up after a big drop-off during the economic downturn.

"It's been down since the Lehman crisis," Holzer said Wednesday. Lehman Brothers declared bankruptcy in September 2008.

"I would say it's been picking up for the last several months. The financing has definitely loosened up," he said.

He said the banks have begun to lend again and that "the high yield market's definitely loosened up," referring to investors who take higher risks for higher interest rates.

"Banks are still cautious, but deals are getting done," Holzer said. "I think it will come back to a strong level. There's lots of dry powder, a lot of money on the sidelines available to invest in private equity funds."

He said it was unlikely things would

return to the "boom of 2007" soon.

Holzer had been with Jones, Day since he graduated from law school. He was in Jones, Day's Cleveland office for 11 years.

He moved to Jones, Day's Chicago office almost four years ago to expand the firm's private equity practice here, "especially given the number of middle-market, private equity funds based in Chicago," he said.

In advising on more than 100 deals in his career, Holzer said he was often across the table from Kirkland & Ellis lawyers or sometimes on the same side.

"A lot of times, especially recently when two or more private equity funds would invest together in a deal, you're on the same side of the table," he said.

"Kirkland and the partners that I've worked with recruited me" to switch to Kirkland & Ellis, "and that effort took awhile," Holzer said.

"I think this was a better opportunity for my practice and for the clients going forward. I am a pretty loyal guy. I was at Jones, Day for 15 years."

Kirkland & Ellis has 650 lawyers in

Chicago, its largest office, including about 280 corporate lawyers. Eighty percent of its corporate lawyers regularly work on private equity matters.

Jones, Day was founded in Cleveland. Its Chicago office has grown to more than 180 lawyers since it opened in 1987. But Holzer said while Jones, Day has a large corporate practice, it's less heavily weighted to private equity.

"I plan to focus on middle-market, private equity clients just like I did at Jones, Day, and I would be able to utilize the resources of Kirkland, given the firm's expertise with private equity work, primarily on the tax side," he said.

"Kirkland & Ellis clearly has a reputation as a pioneer in the private equity market given Jack [S.] Levin and his creation of many of the private equity structures that are used today."

Jeffrey C. Hammes, chair of Kirkland's firmwide management committee, said: "Walt is an impressive, energetic lawyer with experience and skills that will integrate seamlessly into our premier private equity practice."