

PETER BARACK

Bringing Strong Intellect and Creative Problem Solving to Corporate Law

by Olivia Clarke

Few lawyers can say their résumé includes Princeton, Oxford, Harvard and Northwestern.

But Peter J. Barack can make that claim. Barack came to the practice of law through the gates of academia. Instead of starting his legal career as a traditional associate, he first taught full-time for 10 years in a university setting.

A senior partner and a founder of **Barack Ferrazzano Kirschbaum & Nagelberg LLP**, he practices corporate and securities law, with an emphasis on mergers and acquisitions, and financial planning matters. He regularly represents clients in strategic planning and corporate restructuring.

Howard Kirschbaum, one of the firm's founding partners, says Barack has a tremendous combination of intelligence and business sense. He doesn't just generate business; he provides sound, innovative and practical advice to his clients. As a partner, he possesses a willingness to help his colleagues develop as lawyers and counselors.

"He could have done a lot of different things with his life," Kirschbaum says. "He likes not just the intellectual challenge, but also the problem solving. I hope people understand the kind of value he brings to any problem that he tackles."

Barack (pronounced like military *barracks* without the s) grew up in Glencoe, Illinois, and graduated in 1965 from Princeton University. He had planned to attend law school, but he instead received a Marshall Scholarship and studied economics for two years at Oxford University in England.

At the end of his time there, he needed to make a decision: get a doctorate degree in economics or attend law school. He took what he considered to be the more practical path and decided to attend Harvard Law School.

Before going to law school, he traveled extensively around the world, student-style. In the winter of 1965–66, he drove from England to Egypt. During the summer of 1966, he traveled throughout the Middle East and Asia. His continued interest in travel has led to him collecting maps, which he displays throughout his office and home.

After graduating from Harvard in 1970, he wanted to return to the Chicago area and practice law. He accepted an offer to work at Kirkland & Ellis LLP, but around that same time, Harvard asked him to teach in its business school.

Kirkland's managing partner said if Barack was interested in teaching, he should accept Harvard's offer, but he should work at the firm in the summer and pass the

bar before going to his teaching position. He took him up on the offer.

He taught for two years in Harvard's business and law schools and then received an offer from Northwestern University to teach. He taught full time there for eight years and continues to teach a course each semester there.

Before the Supreme Court

In 1978, while teaching at Northwestern, he argued *International Brotherhood of Teamsters v. Daniel* before the U.S. Supreme Court.

As it happened, a lawyer who was representing a Teamster member who had not received his pension after 22 years of service asked Barack for guidance in 1974. Barack suggested that they argue that an interest in a pension fund was a security and that securities fraud had occurred. They subsequently brought both a plaintiffs and defendants class action securities case.

Only eight years out of law school, Barack argued the case before the Supreme Court, which in the end held that the Employee Retirement Income Security Act (ERISA) preempted any securities laws in this area. Although the case was sent back to the district court for trial, he says it was an ultimate economic success for the Teamster members when it was handsomely settled, 14 years after it was brought.

"I remember the justices immediately peppering me with questions and not giving me time to start off on my prepared remarks," he says. "And I remember them rocking back in their chairs as they asked the questions."

"A lot of people argued that if securities laws were held to apply to this area, the world would come crashing down. We didn't think that would be the case."

During his last few years of teaching full time, he was of counsel at what is today Mayer Brown LLP. He handled international transactions both at Mayer Brown and through work he did with a group he met at Oxford and Harvard who were involved in international investment banking. This group ultimately spawned Apax Partners, an independent global private equity advisory firm.

"I had experience in putting together deals at a different level," he says. "When I switched from academia to practice, I rather immediately had a client base from the work I had done overseas. Not only did I have a client base, but I was involved in structuring transactions at a higher level than I would have if I had just been an associate."

When he made the decision to practice



law full time, he didn't choose to work at Mayer Brown but instead went to a smaller, more entrepreneurial firm, Levy and Erens, because he says he possesses an entrepreneurial spirit.

He spent four years at Levy and Erens, but then he and three other lawyers decided they could do it better. They founded what is today Barack Ferrazzano—a firm that has grown to about 100 lawyers.

"I was always concerned about 'will we have enough business? Will it work out?'" he says. "One of my partners, Dennis Ferrazzano, always said it was not a question of having business, it was a question of having good people. If you have good people, the business will come. As it turned out, he was right. If you have good people and the clients know who the good people are, then the business will come."

Walking through the halls of Barack Ferrazzano, a visitor might notice that suits and ties are not a requirement. All the attorneys work hard and at a sophisticated level, but they have freedom to express themselves, he says.

What makes his firm special, he says, is

that it operates with a friendly, informal culture. The firm tries to remain leanly staffed in terms of administration, and does not subscribe to the idea of creating lots of committees.

Dennis Ferrazzano, also a founding partner, says they come from different disciplines—Ferrazzano has practiced mostly commercial real estate, while Barack has practiced more corporate and securities, but both have taught at Northwestern. When they started the firm, they possessed a reasonable amount of confidence in their ability to create a successful firm, he says.

"Peter is a brilliant, hardworking guy who is one of the best business lawyers I've ever met," Ferrazzano says. "He has encyclopedic knowledge of the relevant law, and he's a tough negotiator and a superb draftsman."

"The first thing you notice about Peter is his intellect. When you talk to Peter, you know you are talking to a guy who is very, very bright. He's a good friend, and he's become like a brother to me over the course of our relationship. I trust him with everything."

Representing Luxury

Even though Barack Ferrazzano is a mid-

size firm, it continues to represent big-name clients, which many say is, in good part, due to Barack.

For the past 30 years, Barack has represented Bernard Arnault and his corporation, LVMH Moët Hennessy Louis Vuitton—the world’s largest luxury goods empire. In the late ’70s, he met Arnault through several Harvard and Oxford friends.

He acts as a general counsel to Arnault and his corporation, which Barack says allows him to think strategically and also work on large transactions.

Several years ago, for example, LVMH Moët Hennessy Louis Vuitton purchased Donna Karan International. Barack says that transaction involved much strategy, tactics and intricate work. He describes the transaction in his Northwestern mergers and acquisitions course because it’s a good teaching example.

He says it involved “how to satisfy Donna Karan individually, who had a large stake; how to satisfy the public shareholders; how to protect the deal from hostile interlopers; [and] how to assure that the deal would close. Between signing and closing, the tragedy of 9/11 took place, so we also had to review the transaction from that point of view.”

Arnault says Barack’s teaching skills help him be a precise lawyer who can explain the intricacies of U.S. law. He says they’ve worked on many deals together over the years, and Barack always does a good job foreseeing any problems and offering sound advice for moving forward.

For example, when LVMH Moët Hennessy Louis Vuitton was purchasing a vodka company, it turned into a complex transaction because there was a concern that the company it purchased did not own its brand.

“When I learned about it, I told my people to go back to Peter and ask his advice,” Arnault says. Within a year, the problem was solved, he says.

“Working with him, I am relaxed because I know that he’s giving me good advice,” Arnault says. “When we have a legal problem, he is always trying to settle things and trying to find a solution instead of going to court.”

Barack and his wife, Elise, have three children. He enjoys skiing and tennis, but he particularly loves his large perennial garden, which he finds peaceful and beautiful.

He describes himself as “very intense. I think it’s fair to say. And I’m very focused. Being smart is crucial, but being smart is not enough. You have to work hard too, and I think I work very hard. But I think you have to be creative in problem solving.”

Barack often refers his students to William of Ockham, a 14th-century philosopher, for “Occam’s Razor.” He somewhat freely translates this maxim as: “If there are more than two solutions to a problem, the more elegant and simpler solution is the true and better solution.”

“Don’t make it so complicated,” Barack says. “The idea is to get the deal done, while obviously protecting your clients’ interests.” ■