MEET THE DEALMAKERS

Jeff Hechtman

Jeff Hechtman is a partner in Kilpatrick's Corporate Mergers & Acquisitions (MASC) group. His practice is primarily focused on privately held businesses, mergers and acquisitions, private equity, venture capital, and recapitalization and financing transactions. Jeff represents private equity funds, venture capital firms, finance companies, financial services companies as well as a variety of privately held manufacturers, distributors, service companies, software and technology companies, finance companies and marketing businesses in transactional matters, financings, and corporate matters. Jeff also acts as general counsel to numerous funds (private equity, venture capital, turnaround, mezzanine, and real estate), investor groups, lenders, executives, and family offices. In this role, he manages all aspects of client transactions and legal matters.

Given his extensive business experience having managed HMB Legal Counsel for nearly a decade and having served on several corporate boards, Jeff has also become a strategic advisor to leaders of privately held companies with respect to issues related to operations, governance and board decisions, strategic business, tax, and ownership planning, structuring, joint ventures, and strategic alliances, as well as structuring complex ownership and management transitions, incentive, and retention plans.

Prior to joining Kilpatrick, Jeff was Managing Partner, a member of the Board of Directors, and a partner in the Business and Finance Group at HMB, a well-established, corporate-focused law firm based in Chicago, Illinois.

Jeff is listed in the 2025 and three years immediately preceding editions of *The Best Lawyers in America®* for Corporate Law. He was named a "Leading Lawyer" in 2023 and 2024 for Closely and Privately Held Business Law by *Leading Lawyers* magazine.

You are known for your work with private equity. Can you please describe your private equity practice?
I focus my practice on middle and lower-middle-market private equity transactions and matters. This section of the market is dynamic and touches practically every industry in the economy. We handle fund formation as well as transactions—financing, buying, and selling companies. We also provide general counsel services to our fund clients and their portfolio companies, taking on the role of outside "in-house" counsel for smaller companies that do not have their own legal departments or supporting in-house counsel for companies that have internal legal functions.

On what aspects of deals do you advise private equity funds?
We assist fund clients in evaluating, structuring, and completing potential investments and divestitures. Our primary role is to help clients understand the issues presented in deals and the alternatives available to address those issues given the business, financial, regulatory, and legal landscape. Often, our counseling consists of a combination of business and legal advice.

Typically, we get involved in deals early in the evaluation process on the buy side, discussing critical issues such as structure and taxes and key points related to employees, customers, vendors and regulatory requirements. On the sell side, we focus on liability concerns, tax matters, and operational items that need to be addressed either prior to or as a part of a transaction.

How do you work with private equity clients in managing their portfolio companies?
As a general matter, private equity funds plan to hold a portfolio investment for a discreet period before exiting the investment. During that period, the private equity fund will seek to grow the business and bolster the management team of a portfolio company for the purpose of improving performance and valuation. From a private equity fund perspective, counsel can provide consistency among portfolio companies and keep portfolio companies better prepared for an exit transaction. Representing these portfolio companies requires keeping a more forward-looking perspective on legal matters because such matters will likely be scrutinized by potential acquirors and their counsel. In particular, we are mindful of assignment provisions that enable a portfolio company to transfer its rights and obligations to third parties and change of control provisions that trigger terminations, defaults or changes of terms of a relationship. In addition, we work with portfolio company clients to establish employment structures that will be easy to port to an acquiror. Finally, we educate management about the legal aspects of operating their businesses that may potentially be impactful on the exit process.

What are the primary reasons that private equity clients choose to work with you specifically?
First, having operated a business for 10 years, I have more extensive experience and a more in-depth understanding of the inner functioning of businesses and the issues they confront than many other lawyers. I have had the opportunity to act not just as a lawyer but also as a principal in addressing personnel, client, vendor and financing issues. I also managed through market upturns and downturns, a pandemic, and an exit transaction. In doing so, I have had many of the same successes, failures, and experiences as my clients. I use that practical operational experience to inform the legal counsel I provide.

The second reason client work with me is creativity. I have been involved in numerous matters involving unusually complex structures and issues and have been able to collaborate with clients and others to develop atypical solutions to successfully complete the projects. Developing these solutions has required creatively resolving the unique business, legal, tax, and other issues for that particular client and matter. Because of my operational experience, I look at these issues through a different lens that helps me bring atypical creativity to problem solving.

Finally, I think clients work with me because I care about them and their success. That may sound trite, but I believe it significantly impacts relationships.

What are the sources of your creativity?
I think the most significant components of creativity are open mindedness, a desire and willingness to learn, and an ability to think outside the box. Those traits have helped me to learn and improve from each experience, success, and mistake.

In addition, over my career, I've had experience with so many different types of companies and industries that I learned to spot common threads that run though many businesses. On first glance, manufacturers may appear to have little in common with service companies, however, there are similar issues in dealing with financing, human resources, vendors, and clients. Experiencing issues in different contexts provides perspective and insights into effective strategies and tactics to successfully resolve matters.

A significant reason why I became a lawyer was that I viewed it as a profession in which the learning curve never flattens. I have learned something from, and I take all of the lessons from prior matters into every new matter, redeploying them into new solutions to new problems.

How has the merger between HMB and Kilpatrick impacted your practice?
The merger has afforded me the opportunity to expand the ways in which I can meet client needs. Kilpatrick's larger platform has a broader array of practices and more depth in a number of areas in which my clients need counsel. The ability to do more for clients that like working with us was one of the primary reasons that we sought to combine with Kilpatrick.

The other significant aspect of the combination was the ability to have greater management resources. A smaller platform has limits on the tools it can provide for its employees. Kilpatrick's larger platform-enables it to provide more resources to lawyers, management, and staff than HMB was able to offer. As such, I can now focus on practicing law and delving into new opportunities rather than splitting my time between my practice and managing a law firm day-to-day.

Finally and not insignificantly, I'd say that the Kilpatrick culture has made work more enjoyable for me. Working with such a large group of nice and talented people, who want me to succeed, has made my work experience more enjoyable.

You had mentioned that you're now free to pursue new opportunities. Can you elaborate on that?
One of the areas that my practice has seen significant growth in is litigation finance. Litigation finance is a rapidly evolving area, and it is very interesting to be a part of a dynamic industry that directly affects the legal industry. Sophisticated professional investors have realized that they can generate significant returns on investment when financing legal assets and their growing investment in legal assets is changing the legal landscape and the manner in which law firms manage and finance themselves. I believe that the financing will cross disciplines into transactional and other non-litigation matters within the next few years and eventually impact the ownership and operations of most law firms.

Does your love of learning influence your choice of which community organizations to support?
Absolutely. I was heavily involved with the building and endowment of the Illinois Holocaust Museum & Education Center. I joined the board in early 2002, not long after 9/11. The museum had not yet been built yet —the organization just had a piece of property and a dream to build a world class museum.

I was initially drawn to the museum based on its mission of teaching against intolerance. Illinois requires the teaching of the Holocaust to every student in the state and one of the things that the museum had was to put traveling trunks with artifacts from the Holocaust and send them throughout the state with staff members so that students could have experiential learning. In addition, the museum was an early user of holographic interviews, preserving conversations with numerous Holocaust survivors.

Ultimately, I was able to get involved in projects related to the building of the museum, fundraising, design, hiring, and operations. Through it all, I learned a great deal not only about the Holocaust but also about the functioning of an education based not-for-profit.

It was very gratifying to be involved with an organization that stands against intolerance. The Museum's focus is teaching people that differences are to be appreciated and embraced and that, when we celebrate our differences, society is healthier and more successful.

To learn more about Jeff and the firm's nationally recognized M&A Team, please visit *ktslaw.com*