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TY FAHNER: Powerful Reputation Earned Through Public and Private Service

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TY FAHNER Leveraging Public Experience For Private Clients

by Olivia Clarke

Throughout Tyrone "Ty" C. Fahner's career he has moved back and forth between the public and private sectors.

With those jumps came career lessons, long-lasting friendships, and unfortunately, great fluctuations in salary. But as he describes his life he can't help but say several times, "I'm just a very fortunate person."

Fahner, 67, has served in various management capacities at **Mayer Brown LLP**, and his practice includes complex litigation, state and regulatory compliance matters, as well as advising audit committees and boards of directors. He has extensive jury trial experience in cases involving financial crimes, tax, securities, regulatory matters, and multi-district and class action litigation.

He's also very active in the philanthropic and political communities as a volunteer, fundraiser and supporter of causes close to him. Those who know Fahner (pronounced fay-ner) describe him as a leader, as well as a kind-hearted person who exhibits great loyalty to his friends and colleagues.

Debora de Hoyos, a partner at Mayer Brown and a former managing partner, has known Fahner at least 20 years and describes him as generous, and as someone who shares opportunities and credit with those he works with.

"One of the terrific things about Ty is that he values everybody in the organization," de Hoyos says. "He learns everybody's name. When we moved into our current building a few years ago, Ty's office was right next to mine. We were not there even a week when he knew the night cleaning staff's names. He was greeting them and asking them how they were. I think he makes everybody feel like they are an integral part of the organization. That is a special gift that not too many of us have.

"I think of Ty more as a leader than a manager. In that respect he has excellent values that he communicates, and a commitment to the firm."

His Father's Dreams

Fahner grew up as one of three boys in a blue-collar neighborhood on the northeast side of Detroit, an area commonly called 8 Mile.

His father worked for Chrysler for 44 years, and his mother worked for Michigan Bell for 30 years. He says many people believe he got his love of talking from his mother.

His father, who he says worked very hard, insisted that Fahner and his two brothers attend and graduate college. Fahner selected the University of Michigan because it was close to his home, and he wasn't eager to move too far away.

He says he performed poorly in his classes during the first two years. A high achiever in high school, when he got to college he says, "I found out I didn't know a damn thing. I also had a lot of growing up to do. I didn't know how to separate the good times from studying."

He introduced himself to his future wife, Anne, in the Michigan library. As they started dating he learned from her the importance of studying. She taught him discipline, and he turned his academics around in his last two years.

He was accepted into the summer program at the University of Michigan Law School, but instead of attending, he went backpacking around Europe with a fraternity buddy and lost his spot in the school. That fall he enrolled in law school at Wayne State University.

He and Anne, who were married by then, managed an apartment building in Ann Arbor while he attended law school and clerked for a law firm that required him to drive 80 miles every day. At the end of his first year of law school he was accepted at Michigan, but a full scholarship kept him at Wayne State. In the process he became friends with the interim dean of Michigan who became the dean of Wayne State. After graduation, he stayed on as assistant to the dean. That friendship made him consider becoming a law professor.

Instead he applied to the Ford Foundation's prosecution and defense program, an LL.M. program at Northwestern University that included free tuition and an \$8,000 tax-free stipend. When applying, he met Jim Thompson and Joel Flaum, who were professors at the school and in charge of the program.

After completing his LL.M. he spent six months working with another lawyer, Bill Martin, as a criminal defense attorney, but he says, "I didn't know how to take a fee. In six months I had a lot of clients and was moderately successful, but I had no money."

A Life-Changing Experience

He applied to be an assistant U.S. attorney under Bill Bauer and Thompson. He was hired in March 1971, around the same time as such people as Dan Webb and Charles Kocoras. The three worked in offices next to each other in the complaint unit.

"That was the start of probably the best part of my professional career," he says. "We would take anything new from the FBI or the IRS. It was terribly exciting. We were all very young and aggressive, and aggressive I'm equating with good. We all wanted to be trial lawyers and this was the golden opportunity.

"We were always very, very busy. People got in early and worked late, usually to 6 or 7 or later. Candidly we were all thinking we were hot shots. We would all have some beers before we went home. But none of us could afford a meal because we were making \$14,000 or \$15,000 a year."

What made the office so special was how they worked together on cases and never shied away from helping each other. That mentality started at the top with Bauer and Thompson, he says.

For example, he remembers during one trial making a borderline reversible error during the questioning of one of the key witnesses. The other side called for a mistrial, and the judge told both sides to research case law and present it the next day. He would then rule whether to go forward with the case.

At 11 p.m., Fahner and several other lawyers were feverishly doing research in the library, looking for something that would save the case, when Thompson came in and said, "I saved your life." He gave Fahner a 1933 precedent and said, "I think this will save us."

"I offered the case up and the judge denied the mistrial, and we went on and got a conviction," Fahner says. "Here is the U.S. attorney, the top guy, (doing research). ...When you are young you make mistakes and Thompson would never be critical of you publicly. He would never embarrass you, and he would always stand by you. But the lesson was 'don't make it again.' He didn't allow for sloppy work. I think that that was part of the esprit that made the office successful and kept us together over the years."

In the office he says he learned "to strike hard blows, but always strike fair blows."

Jenner & Block chairman Tony Valukas met Fahner in 1971 when they both worked for the U.S. attorney's office. They became best friends; Fahner is the godfather of Valukas' son, Paul. They have vacationed together and went on fishing trips with other people in the office.

He says Fahner came to the office like most people did—young and not particularly well tried. But he handled one of the most significant cases to come into the office—involving Alderman Tom Keane.

"He got a conviction, which was singly the most important case in setting the tone in that office," Valukas says. "He was unflappable in the courtroom, and always courteous to the other side, but relentless during cross examination."

They also tried a major case together. Valukas jokes, "I carried him throughout the case."

But in all seriousness, he says Fahner "is



one of the most respected men l've ever met. He's viewed as a person who is a strategist. He bridges the gap between the political and the legal sides so major corporations can be helped with significant problems. They are well served by having Ty be their counselor. He's at the top end of the profession."

"There was a group of us in the U.S. attorney's office who tried a lot of cases together and became very close," says Dan Webb, chairman of Winston & Strawn LLP. "We were all doing the same thing, working 18-hour days trying cases for Jim Thompson and Bill Bauer."

He says Fahner was one fabulous young trial lawyer who worked extremely hard, and also had good judgment. Webb says Fahner was relied upon by Thompson and Bauer as one of the top assistants in the office.

Webb describes Fahner today as "a great lawyer. He's smart and he's very articulate in the courtroom and is always one step ahead of his opponent. That gives him a leg up on almost anybody. He also has a lot of good judgment and common sense that makes him very valuable to his clients."

Although Fahner left the office in April 1975, he maintains a strong relationship with many of the lawyers he worked with during those early days, including Thompson.

Thompson, senior chairman of Winston & Strawn, says when he first met Fahner he could tell Fahner possessed a great presence that would make him a stellar lawyer. Presence is important because it puts clients at ease and it's important when appearing before judges and juries, he says.

He says he finds it amazing how so many people from that office have remained close friends. He attributes that to a mutual respect they have for each other.

"If you would have told me 40 years ago that young assistants of mine like Fahner and Valukas would become chairmen of major law firms in America I would not have doubted it because they had the capacity then," Thompson says. "They were natural leaders. But that's how it worked out.

"My career has been interwoven with Ty's for all this time, and occasionally I would even hire him as a lawyer. He is loyal and generous."

Back and Forth

Fahner joined a small firm, Freeman, Freeman & Salzman, and handled plaintiff's class action cases. He went from earning about \$28,000 a year to around \$48,000 a year.

In his first year, in 1975, he tried an antitrust case to jury in Connecticut where he represented the 50 states in a price-fixing situation. His firm was awarded \$2.3 million in fees, and as a 5 percent partner he received \$175,000. He used the money to pay his taxes and to buy a Porsche and a grand piano for his wife (which she still has today).

But after two years, Thompson, who was then governor, came calling and asked Fahner to become the state's director of law enforcement. He went from making \$175,000 to \$38,500. He oversaw the State Police and the Illinois Bureau of Investigation.

He describes the position as being tough because in those days the "plain-clothes guys and the state policemen were always fighting." And at the same time, everyone didn't trust Fahner because he's a lawyer and not a police officer.

But during the first two years he helped reorganize the department and joined the

two sides together.

"I lobbied and got the state police their first raise in four years," he says. "They didn't like me at first. I was just a guy with too much long hair, and I was not even a policeman. When I left I was the greatest thing since sliced bread because I got them a raise."

Wayne Whalen recruited Fahner to Mayer Brown in 1979. He says he was going along famously trying cases and making money when public service called again.

The state attorney general, Bill Scott, was convicted of tax evasion and left office in July 1980. Thompson appointed Fahner to complete Scott's term.

Again Fahner saw a shift in salary, from six figures to about \$50,000. He lost the election in 1982 and returned to Mayer Brown in 1983.

Valukas says Fahner was a fabulous attorney general, but a terrible politician because he was too honest and straightforward, and he believed in good government. He refused to play the political game. Valukas says Fahner wasn't going to hire people who weren't qualified, a belief that doesn't always work well in politics.

"I love public service and I would do it again," Fahner says. "I would have done it my entire life if I could have afforded it. That doesn't mean I don't love the private sector. This firm...I love it dearly and I have great allegiance to Mayer Brown.

"But I still have to say that the most gratifying job I ever had wasn't being attorney general. As much as I love the private practice of law, it was being an assistant U.S. attorney. You were representing the United States of America. You were the good guys.

"It was never a bad day in the U.S. attorney's office. It was always exciting and

wonderful. It was about feeling good about yourself. I know that sounds hokey, but it's true."

Today's Practice

Fahner typically gets into the office around 7 or 7:15 a.m. and doesn't leave until about 6 or 6:30 p.m.

He served on the management committee of Mayer Brown LLP from 1985 to 2007, including serving as co-chairman from 1998 to 2001 and as chairman from 2001 to 2007.

"In the old days relationships were as important as ability, and I'm not just talking about individuals, but also institutions," he says. "When I first came to Mayer Brown I was hired as a partner for my trial experience. People weren't expected to work at least 2,200 hours a year in those days. You had more time to think, more time to enjoy your colleagues, and more time to reflect, and of course, rates were much lower. People, I think, were more driven by the prestige of practicing law with a good group of lawyers. And the amount of money you made was important, but it was secondary in those days. I really believe that.

"Over the years it became tougher in the marketplace. Big law firms then were like 150 or 200 lawyers. It has changed from then to now. It is an evolving global economy. About 15 or 20 years ago, U.S. firms figured out that they were losing significant business overseas to English firms...so there was this big drive for expansion. Clients want you to know their business and they don't want you to only service a part of their business and then have to hire someone else."

He says the recession has caused dramatic changes in the practice, and many



As Mayor Daley looks on, Fahner thanks former Speaker of the United State House of Representatives, J. Dennis "Denny" Hastert of Illinois for his service to the country in 2008.



Fahner speaks with his friend, former Illinois Congressman and two-time Secretary of Defense, Donald Rumsfeld at a Washington, D.C. Congressional reception.

clients don't want to pay the higher rates that large firms historically charged.

Increased movement in firms means lawyers have become "like baseball players," he says.

"I was talking about the wonderful camaraderie and loyalty in the U.S. attorney's office," he says. "But in recent years we've acquired a lot of great lawyers, and we've lost a number of great lawyers to other firms because of the money. And that, I think, doesn't necessarily take away from the luster of the firm if you maintain a standard of excellence. But it makes maintaining loyalty and collegiality more difficult."

Today he handles class action work, audit committee matters, and attorney general investigations principally in the pharmaceutical and financial industry. He has represented Mayor Daley in various Shakman-related matters involving the city's hiring, promotion and termination policies, working in conjunction with the corporation counsel.

"From time to time, I represent companies when they have issues with various state attorneys general," he says. "In those matters, as a measure of success, it is important to keep your client out of the media."

Another aspect of his job involves putting together business pitches for the firm. He spends much of his time trying to nurture old relationships and create new client relationships in conjunction with his colleagues.

Mayer Brown partner Vince Connelly first met Fahner about 35 years ago when he

entered the U.S. attorney's office and Fahner was moving on to his next position. Their paths crossed again at Mayer Brown.

Connelly says one of the best descriptions of Fahner is author Malcolm Gladwell's quote about people who bring together others from different spheres of life. Gladwell calls them connectors, he says.

Fahner is a connector who can bridge different groups that may not know how to work together. He helps them put aside different ethnicities or political beliefs so they work together, Connelly says. This skill helps him be successful in his practice and successful for his clients, he says.

"He's very well-respected," Connelly says. "I think (the firm) appreciates that he's got a lot of real-world, practical experience. But he also exercises a great deal of balanced judgment."

As a manager, Connelly says, Fahner was always "very inclusive, very open-door, very forthright and very communicative. He's open to other people's suggestions, and he keeps his eyes firmly in place on what he's ultimately trying to accomplish for the client."

Mayer Brown partner Rick McCombs has known Fahner for 23 years and describes him as a leading lawyer from a number of different perspectives.

"I think he is someone with great wisdom of experience since he started in the U.S. attorney's office and as the state attorney general. Anything related to regulatory and criminal matters, he's seen it all and done it all," McCombs says. "He has relationships with Democrats and Republicans in prosecutory positions. That's rare in a partisan atmosphere to have someone who is bipartisan."

McCombs says Fahner has been an excellent leader of the firm who helped Mayer Brown transition from a U.S. firm to an international firm. About a decade ago McCombs wanted to build an international arbitration practice, and while some people were skeptical of this idea, Fahner believed in it and helped push it to fruition, he says. **Outside the Firm**

Throughout his career, Fahner has developed a deep love for politics and government. He stays active in Republican political campaigns and recently ended a stint as financial director of the state Republican Party. But he says he's careful to support people he likes and admires, not just those who share a common political party.

Scattered along his walls are photos of him with such people as President Reagan, Gov. Thompson, President George W. Bush and Mayor Daley.

"Some of the people I got involved with—Thompson, Edgar and Jim Ryan are the kind of people I believe in, who have the right values, who I really want to support," he says.

He also supports various philanthropic causes. He and the firm financially support Perspectives Charter School, and today the school's first students have headed to college. He is a trustee at Northwestern University School of Law, a director of Children's Memorial Hospital, and a trustee of the Shedd Aquarium.

He also supports Chicago Legal Clinic. Going back to his days at Northwestern he was taught the importance of representing the criminally indigent, and he continues to believe in supporting such efforts.

For the last 15 years he's owned a Toyota dealership. His love of cars goes back to his childhood in Detroit.

"I used to find junkers and fix them up because that is all I could afford," he says.

In his personal collection he never has more than five or six vehicles. Right now he has a Lexus 460 AWD; an Aston Martin convertible; a Callaway Corvette; and a 1968 Dodge Charger, which is the same model as the first new car he and his wife owned after they were married.

Each Saturday he heads to his dealership in Fox Lake to meet with his managers and talk about any issues that came up during the week.

"If there is one common thread in all of this," he says, "it's that I'm very selfish. I only do things I like to do. If I'm practicing law or playing with cars or involving myself in politics, it's something that candidly gives me a lot of gratification. I'm very lucky."

He and Anne have been married for 44 years. They have three children, Margaret, 36, Dan, 34, and Molly, 32. He and his wife have always lived in Evanston and have had three different homes during their marriage. He says Anne wanted their children to grow up in Evanston so they would be exposed to different ethnicities and different types of people.

Dan Fahner, a lawyer at Greenberg Traurig LLP, says he and his father regularly attend White Sox games together, go on fishing trips and play golf (even though his father isn't the best golfer).

He says his father remains very modest despite his many accomplishments. Dan doesn't even know everything his father has done because he keeps many things to himself. Dan says his father would have supported him in whatever career he considered, but his father was pleased that he became a lawyer.

"I routinely seek advice from him as to where my career should go and how to be a good attorney," he says. "He continues to have a significant influence on my development as an attorney.

"I think he's driven, but that's because of where he's come from. He comes from modest beginnings. My grandparents weren't particularly wealthy by any measure. Throughout most of my father's childhood they struggled to make ends meet. He considers himself very lucky. A lot of his accomplishments he's earned, but he's the first one to tell you that he was in the right place at the right time a handful of times."



Fahner and his wife, Anne, with University of Michigan Athletic Director, Bill Martin, and his wife, Sally at a recent University of Michigan alumi event at Fahner's home.