

JERRY HOLISKY

Fine Art of Business Divorce Garneres Rave Reviews From Clients

by J.J. Bailey



The first business divorce Jerry Holisky handled happened in his 20s before he was an attorney. He and a friend owned a movie theater on the edge of the University of Minnesota campus, and Holisky wanted to pick the films.

“He was doing the artsy side of the business, and I was doing the business side, and at one point I wanted to get into the other side,” he says. “As it turned out, the only way I could do that was to buy him out.”

Holisky, now an attorney and co-managing partner at Aronberg Goldgehn, had just finished his undergraduate work at the University of Minnesota. Rather than jump into the workforce right away, he and his partner decided to buy the movie theatre where they held part-time jobs during college.

It was the more artistic version of “we should buy a bar,” and for several years they had as much fun as two friends in their early 20s could possibly have.

“When we would buy movies—we’d play a lot of first-run art films—we always wanted to have the hot film in town, the one with reviews in all the papers on opening night. The buzz

was always more important to us than making money,” he says, breaking into a chuckle. “That’s not a good way to run a business.”

Eventually, Holisky decided it was time for a new challenge. Given his love of academics, especially history and law, he decided to attend The John Marshall Law School in Chicago when he was offered a full-tuition scholarship.

Despite his circuitous path to a career in law, Holisky never regretted his detour into the film world. “It was a heck of a way to spend your 20s. We had a blast, and I learned a lot about business. I also met my wife at the theater.”

When Holisky applied for his first job out of law school, sitting across the desk from him was a person he describes as “one of those stodgy old senior partners from ‘central casting.’”

“He was looking at my resume and trying to come to grips with the fact I had this fallow period on my resume where I wasn’t in school and I wasn’t in law. You could tell he was sort of having trouble with it, almost like he felt sorry for me. And I was thinking about what a great time I had in my 20s. I didn’t feel there was anything to explain or apologize for.”

FINDING THE ART IN BUSINESS

Today, Holisky is far deeper into the business side of things than he was in his theater days. He focuses most his practice on complex ownership disputes and business divorce, and he splits the rest of his work between mergers and acquisitions and serving as general counsel for privately held businesses.

But business involves people, and Holisky has elevated the ability to read people into high art.

“His perception with people is incredibly acute,” says John Mahoney, chairman and CEO of Mahoney Environmental. “The human psyche is built to really pay attention for intention. And he always seems to know exactly where you’re going. He anticipates.”

Mahoney believes Holisky has exceptional command of his area of practice. “In business law, I’ve never seen him not be able to respond off the cuff as an expert in a very knowledgeable way. He never misses the key elements of the matter. But if he didn’t have the human connection, he wouldn’t be as effective as he is. He’s incredible.”

That synthesis of expertise and interpersonal skills has earned Holisky the loyalty of

his clients and engendered long-lasting relationships.

Mahoney has worked with Holisky for 20 years. Today, Holisky serves as the company's general counsel, attends the company's board of directors meetings, and advises its treasury committee. Outside of the company, Mahoney has also leaned on him to handle difficult family disputes.

"Just last month, Jerry was at the table with me and some other members of my family. He led a discussion of some very difficult matters, and he handled it very deftly for all of us. These meetings aren't the type that can be scripted. They don't go in a straight line from A to Z," Mahoney says.

"There are little eruptions, and things go off course here and there, and you may have to guide the personalities back on task. He just handled it so smoothly and professionally that, at the end of the hour and a half session, we were where we needed to be and nobody was hysterical. He's just such a professional."

That professionalism—the ability to control a room filled with contentious personalities—is essential in the emotion-charged atmosphere of many business divorces. So is tailoring the approach.

"One of the things I like about my business divorce practice is that it's not commodity work. It's an art. There's a toolbox to use, sure, but there's an art to how you use the tools, so I never regard my services as fungible," Holisky says.

"With the exact same fact pattern, a little different psychological read on the parties makes the approach you take completely different. If you look at it on the surface and say 'This is like that other case I did, so I'm going to do the exact same thing,' then you're not applying your art to the situation."

A couple of years ago, Holisky represented Alan Dorrian during a buyout of his 50 percent ownership in Integrated Data Storage, Inc.

Dorrian's partner was difficult to deal with, a situation exacerbated by his lawyer's unusually contentious style. Holisky never wavered and never let the animosity drive his decision-making.

"I was stressed," Dorrian says. "I was frustrated, I was angry, then at a certain point, even confused. I'm not an attorney. I didn't fully understand the original agreements I had signed when I formed the business. Jerry just walked me back from the ledge."

And more, Dorrian says, Holisky tailored his approach to the client and to the situation.

"He's picking the right response in the negotiations because he's not puffing himself

up. He's reading the situation and delivering the best move. I never felt it was 'cookie cutter.' It was unique to me."

ALWAYS WORKING TOWARD A TRANSACTION

What makes Holisky so gifted at choosing the right path, even in caustic situations, is a commitment to the business.

For clients, ultimate goals can get obscured by an emphasis on winning and losing. But Holisky never loses sight of the desired outcome: whatever is best for the business.

"(About) 80 percent of the lawyers in this area are litigators, and sometimes there's a tendency for clients to focus on how they're going to win the fight," he says. "I'm looking to get a win for the business—and for my guy to get as much of the business value as he can possibly get. But it has to be a business win first."

And while he isn't opposed to litigating, Holisky and his commercial litigation partners

a last resort. Work hard to stay out of it." And Holisky's other clients appreciate that level-headed approach.

"A lot of lawyers want to act in a way that will show the other guy (and his lawyer) how tough they are," Dorrian adds. "I don't need that. I need you to do the right thing by me. I always felt that's where Jerry was."

"He was the calmest guy in the room. When you want to bring out the big stick, you want to make sure you're doing it judiciously and you're bringing it out because the circumstances dictate it. What you don't want is someone to say 'I'm a tough guy, and I'm going to push for litigation to show I'm tough.' I never felt like Jerry had anyone's interests at heart but mine."

Even when discussing clients who sell their business, Holisky's passion for his clients' interests is evident. Selling a business usually means losing a client but not the relationship. But Holisky is never ambivalent. "I'm always thrilled to help a client sell their business. It's a satisfying end to an arc, the lifecycle of the business." And it's an objective he's happy to shepherd his clients toward.

"When you help sell a family-owned business, you play a critical role in locking in and preserving family wealth," he says. "That's what we're in this business for: to be a trusted adviser and to help our clients' businesses grow to the point to where they can either transfer the business to the next generation or exit the business and realize the wealth they have created."

The industry seems to be catching up to Holisky's view of complex ownership disputes as a distinct area of practice. The American Bar Association Business and Corporate

Litigation Committee has a Business Divorce Subcommittee. The Chicago Bar Association recently formed the Business Divorce and Complex Ownership Disputes Committee, and Holisky is its first chair. He is also a member of the Institute of Illinois Business Law, a group of "corporate geeks" that has drafted most all of the business entity legislation in Illinois over the last 35 years.

But even with all his professional success, Holisky still can't let go of those dreams from his 20s. On a recent trip to Minnesota, he looked up his old business partner, Bob Cowgill, now a professor of English and Film at Augsburg College in Minneapolis.

The pair drove around town looking at old theaters they could bring back to life, even if that reality is a lot more far-fetched for them now than it was right after college.

"I think about the movie business all the time. But my wife would kill me if I did anything about it," he laughs. "I guess you never really get it out of your system." ■

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use lawsuits strategically. The ultimate goal is almost always a transaction, not a judgment. Not only does that approach help lessen the acrimony, but it also saves his clients time.

"A business divorce is distracting to both management and ownership. And in closely held businesses, they're thinking about it every day. It's a rare client who can compartmentalize," Holisky says.

"But when you come through the other side alive, achieving a good result, you engender a lot of loyalty."

That loyalty is obvious when speaking to his clients. Mahoney trusts Holisky implicitly, leaning on him for all manner of business counsel. They discuss all new professional and business endeavors. And Holisky takes them all on with a business-first approach, something that gives Mahoney peace of mind.

"He's an attorney who works really hard to keep his business clients out of court," he says. "If this goes to court this is a loss, not a victory. He has taught me that court should be