

# CATHY GRYCZAN

## Influencing Global Corporate Clients and Her Community

by Mike Bailey

Catherine Gryczan lives two lives. And she dearly loves both of them.

By day, Gryczan is one of the foremost corporate attorneys in Chicago at **Faegre Baker Daniels**.

By night, she is a mom, former Little League president, community activist and volunteer, and family trip planner.

At Faegre Baker Daniels, she handles a variety of issues, including merger and acquisitions, employment issues, executive compensation, distribution agreements with international entities, marketing agreements and virtually any kind of corporate matter domestic and international. She was named an Illinois Leading Lawyer from 2007 to 09 and 2012 and an Illinois Super Lawyer in 2006 and 2009.

Gryczan prefers not to specialize in one particular area of the law.

"I do M and A work, but I like to be more general. I like to help my clients with everyday problems," she says. "I do work in a lot of different industries. It's all about getting to know the client's business and what industry it is in."

As a result, Gryczan has experience in energy, manufacturing, retail, and medical and biotech devices and products, both domestic and international. She also works with innovative product developers, start-ups and middle market companies, and serves as outside general counsel for several companies.

"She's just such a tremendous advocate for her clients," says fellow attorney Rick Michaels. "She's a pleasure to work with. I've enjoyed the 21 years we've spent working together although it's hard to believe it's been that long. She has a wealth of experience in health and life sciences and financial services and is such a pleasure to work with."

Gryczan's experience in international business has been particularly valuable for United States-based companies, which may not be familiar with work rules in foreign countries.

"If you want to terminate an employee or a distributor for example, they typically have more rights than in the United States. There are more procedures and they have more protection. The process is different and will involve severance, for instance," she says. "You have to know local practice and custom."

The complexity of Gryczan's work can be staggering. She was, for instance, retained by a U.S.-based medical device maker who initially



used outside distribution to market products, then established direct operations in 60 different jurisdictions. She had to know and understand all the pertinent local corporate requirements and advise her client what type of corporate entity would be best suited to each jurisdiction.

She also needed to determine in detail the various labeling requirements, regulatory issues, marketing, labor and other matters peculiar to each jurisdiction.

"We established local operating companies and regional centers over about a 10-year period," she recalls. "Each country had different requirements and different issues."

### Experiencing the World

She credits her education at Tulane University in New Orleans with preparing her to deal with the customs, mores, and taboos of foreign countries, as well as their laws and requirements.

"I knew in high school I wanted to be an attorney," she says. "I did some informational interviews with a friend's father who was in-house counsel at BP and another attorney who was in private practice in Naperville. I'm the only one in my family who is an attorney."

Her father, James, has a Ph.D. in microbiology and an MBA from the University of Chicago and is an entrepreneur. Her mother, Ella, studied microbiology at University of Tennessee where her parents met. While raising

five children, Ella returned to school for a Masters in Library Science at Rosary College. She worked in a number of places but spent the majority of her career (22 years) with The Ohio State University Agricultural Technical Institute, where she was a faculty member and director of the Library Learning Resource Center.

"My parents encouraged us in our education and supported each of us seeking our individual goals—which is why my four siblings and I each have different careers and live in different parts of the country," she says.

Growing up, the family moved often, living in six different states where she attended four different high schools before graduating from Naperville Central High School. Her undergraduate work was completed at the University of Illinois, where she participated in the study abroad program in Aix-en-Provence, France, honing her love of language and different cultures. She graduated from Illinois with degrees in French and business.

"It was invaluable to walk in another's shoes and speak and think in another language," Gryczan says. "You look at people differently after that. You appreciate those who emigrate to this country."

The subtle nuances of language made for an easy transition to the implied meaning of law, she says, leading her to Tulane, where she graduated as a sort of trailblazer.

"Tulane had a very good reputation as a

university for studying law,” she says. “It was a part of the country I had never been to, and there was that French connection and the international legal studies program that intrigued me. At that time, we (women) were breaking new ground. Just about 25 percent of our class was female.”

Her client list has steadily grown and now includes her father, who is president of medical device maker Oxyrase, a biotech company he co-founded that supplies propriety enzyme system products to clinical microbiology laboratories.

## Developing Global Relationships

Her love of international language, tradition, and customs has come in handy at Faegre Baker Daniels, which has offices in Beijing, Shanghai, and London.

China, particularly, made a huge impression on her.

“I traveled to Shanghai, and I was very impressed. It makes Chicago look kind of quaint. The pace of construction is phenomenal. They work around the clock and on weekends until it is completed. If the government decides to do something, it gets done.”

One of the major differences in the business culture between the United States and China is the pace of the relationship. “In America, when you do business with someone, you rather quickly share confidences. In China, it takes more time to develop a relationship.”

The Chinese are generally quite open to American businesses and view them as customers. “They welcome us with open arms,” she says. “They don’t view us as competition as much as a resource.”

But just because Chinese businesses embrace their American counterparts, American companies still approach China with caution out of concern about enforcement of intellectual property rights in the evolving Chinese commercial legal system.

“If they (American businesses) have to rely on an outside vendor to manufacture a product in China, they won’t reveal their entire process, calling it a trade secret. Or they will only share older technology, not the newest generation until they feel comfortable.”

Japanese customs and traditions require a different mindset.

“For example, when you are in a business discussion, and they nod, that means they hear you, but it doesn’t mean they agree. Overall, I’ve had a very good experience with the Japanese. One of my early mentors called me his secret weapon because the Japanese treat women (more reverently), and they couldn’t get mad at me,” she says with a laugh.

The secret to international business, Gryczan says, is to make an effort to get to know your business partner and develop a strong relationship to avoid problems. “A good contract is a good weapon in court, but that’s the last place you want to end up.”

“You need to clearly define in plain English the expectations of both sides, break down the complex language and clearly define the roles and responsibilities. We want everyone to understand what the goal is and have the contract well administrated. I am a transactional attorney. My role is building relationships, something that is not true in litigation.”



Gryczan and her family enjoy mini-golfing during a vacation to northern Michigan in 2011. From left: Son Dylan; husband, Garry; Gryczan; daughter Tatiana; and son Cole.

## Anticipating and Solving Problems

Clearly defining expectations is also true in domestic contracts, something Phil Krone, owner of Productive Strategies in Northfield, appreciates in Gryczan.

“We’ve been her client for about eight or nine years,” he says. “Cathy handles transactional documents for our independent sales people. She never makes something bigger than it needs to be. She foresees potential problems and uses language in the contract to address them. We’ve never had an issue with one of our contracts. She writes them in a way that clearly addresses all issues.”

Partnership and shareholder agreements, while seemingly simple to draw up, are a minefield of potential problems down the line, she says. “Sometimes, there are majority and minority interests, or one member or officer may become unable to serve, or not everyone

exits the business at the same time.”

All of these issues must be addressed in the original partnership, shareholder, or LLC operating agreement, which also must anticipate situations concerning voting rights in case of the death of a member, rights to purchase interest, etc.

“We have to consider what would happen if someone was hit by the proverbial bus. A surviving spouse and the business partners could have opposing views. What do we do if someone falls ill or dies? Do we transfer the interest in the business to the family but not the vote?”

Addressing and specifying a course of action before the business begins operation avoids costly, time consuming, and emotional litigation later.

Krone can attest to Gryczan’s thoroughness. “We invested (in a business) and there was a squabble between the other partners that we were not involved in,” he recalls. “She made it very clear they knew what our role was and was not. She is very bright and very honest and an expert in her area.”

Gryczan shares her knowledge and experience in a number of ways. She is a member of the Chicago Advisory Board of The Entrepreneurship Institute, an organization that hosts an annual symposium for company presidents, business owners, and decision makers of middle-market businesses. The symposium allows people in decision-making roles to share strategies and tactics, gather to learn information from presenters, and network. The event will be held in October and is being coordinated now.

“It’s a chance for people to talk to others who face similar challenges and learn how they attacked similar issues. We usually have between 150 to 200 participants.”

Topics might include how to acquire or sell a business, something that business owners need to fully explore before proceeding because of capital gains tax laws, maximum valuation strategies and other issues, such as the buyer’s rights of recourse after the sale.

Business owners need to prepare for the unknown, like what happens after the sale if a major roof leak is discovered or other defects are alleged.

“During due diligence, everything must be well organized and well documented,” she says. “Obligations to employees’ pensions, contracts, relationships with key vendors, etc. must all be spelled out clearly. If there is any lack of certainty, it can really hurt later on.”

If a business owner is determined to sell quickly, Gryczan will still work with him or her, but if all of the key details are left unaddressed,

it can severely affect the purchase price. She also encourages clients who sell businesses to address their estate plan at the same time so there is some strategy for what happens after the sale is complete.

## Sharing Her Passion and Commitment

Outside of the complexities of corporate law, Gryczan enjoys life as a mom, wife, and community volunteer.

The president of the Riverside Little League for six years, she has always been interested “in advancing the interests of our children. This was a chance to create a great community experience for kids. My role as I saw it was to set the tone for the parents and the children.”

Some of the managers, she confides, were more difficult to deal with than corporate attorneys, but in the end, she convinced them that 50 years from now, the experience—not the scores—would be remembered.

Her husband, Garry, is a consultant and CPA with an MBA from the University of Chicago who also started a bass guitar amplifier business. They have three children, Cole, a freshman at Mt. Carmel High School; Dylan, a seventh-grader; and Tatiana, a sixth-grader.

Gryczan also is active in the Riverside Junior Women’s Charity that supports local and national causes. It provides meals for families who experience health issues or loss of a loved one and sponsors social events like a community house walk.

“Riverside is just a gem,” she says proudly. “It was designed by Frederick Law Olmsted, designer of Central Park in New York. He designed it as a weekend getaway from the city. Serpentine streets are lined with gas lamps. Its population is about 9,000. We look out for each other.”

The number of moves she and her family endured growing up makes a place like Riverside even more dear. “It’s home,” she says simply.

John Allegretti, general counsel for the Cook County Treasurer’s Office and fellow Riverside resident, says Gryczan and her husband are two of the most selfless people he has ever known.

“She and her husband volunteer for church activities, book sales, ice cream socials...the number of hours they put in are just incredible,” he says. “She and Garry are examples of why Riverside is such a special community.”

Her commitment runs deeper than just to the community, he says.

“She dedicates her time and energy to a number of formal causes, but she is also available for anyone who needs help. If I need someone to pick up my kids from soccer or someone to watch my (seventh grader) while

my family travels to an out of town funeral, she will do it, no questions asked.”

Allegretti has also consulted with her on a professional level on matters outside his area of expertise. While she is an exceptional attorney, he says, her dedication to her family and community is what stands out the most in his mind.

“I don’t know how she does it,” he says.

Like many American families, the Gryczans enjoy family vacations, including a two-week RV trip through the west in 2010 and a trip to northern Michigan last year.

“It was wonderful,” she recalls. “We saw Mt. Rushmore, Yellowstone, the Tetons and we went to a rodeo in Cheyenne. It was truly a family bonding experience.”

Juggling the demands of high-powered clients and an active family is not easy.

“I sometimes have to stay at the office very late to get things done,” she says. “I always give my family my fullest attention, but I’m on call at all times. I have to be accessible and reachable.”

One of Gryczan’s passions is mentoring young attorneys at her firm and law students entering the profession.

She tells them what she believes are the three most important keys to success.

“First, get to know your classmates and stay in touch with them. You can help each other and create a foundation for client referrals and resources.”

“Secondly, when you are a new lawyer, get involved with groups and causes you want to support. Do something outside the office, outside of billable hours. Make a difference somewhere. It will help you build skills and relationships.”

“Third, you can be a working mom. It is possible to have a family and a career. You have to learn to multi-task, but it is so worth it.”

Still, even though she has reached the pinnacle of her profession and has helped create a solid experience for her family and her community, Gryczan is not complacent.

“At times, it’s hard to feel as though you have it all under control,” she says. “Striving to provide top-notch service to clients and the best experiences for my family are equally challenging, but I have shown that I’m up to the task.” ■