

Rising Star: Latham's Adam Kestenbaum

Law360 (August 1, 2018, 1:33 PM EDT) -- Latham & Watkins LLP's Adam Kestenbaum has helped craft the benefits and executive compensation components of major deals, including playing a key role in Morgan Stanley Infrastructure's acquisition of Delaware Basin oil and gas assets, making him one of five benefits attorneys under age 40 honored by Law360 as Rising Stars.

A STANDOUT DEAL:

Kestenbaum was part of the deal team for Morgan Stanley Infrastructure in its acquisition this year of Brazos Midstream Holdings LLC's Delaware Basin subsidiaries for \$1.75 billion, working to "ensure continuity of employment and benefits coverage for Brazos employees." While his work was just one element of the larger deal, it was a particularly important component in this case.

"[The transaction] was a sale process that was driven by the management team. That really put a lot of my stuff front and center in making sure our client was able to actually win the bid," Kestenbaum said.

The negotiations resulted in a rollover of around "\$80 million in management equity proceeds," according to the firm. The management team had done well, and it was vital to get that element correct, he said.

"There was a lot of value that management had created for their prior sponsor that they could have taken off the table," Kestenbaum said. "A key aspect of that deal was keeping management with skin in the game going forward."

WHY HE BECAME A BENEFITS ATTORNEY:

He did not originally focus on this area of law, thinking in law school he was going to be a mergers and acquisitions attorney. Then, he went to Latham around 2007.

"To some degree, it was really the right place at the right time," Kestenbaum said.

**RISING
★ ★ ★ ★ ★
STAR**



**Adam
Kestenbaum**
Latham

Age: 37

Home base: Washington, D.C.

Position: Partner

Law school: UCLA School of Law

First job after law school:
Clerkship with the Delaware Court of Chancery

At that time, he said, there was a rush to close a lot of deals “and then things really fell off a cliff.”

After the recession hit, there were a lot of new executive compensation rules, he said. He fell into benefits work and learned the ins and outs, which involved a lot of negotiating and figuring out how compensation can comply with the law and work for both sides.

Kestenbaum noted that it's an area focused on problem-solving.

“That’s something I’m actually very good at. Usually, I’m pretty good at coming up with ways to make people on both sides of the deal happy in ways that they may not have thought of,” Kestenbaum said, adding that after eight or nine months of doing the work, he realized it was a good fit.

WHAT’S NEXT FOR BENEFITS LAW:

According to Kestenbaum, politics can significantly impact legal work in the benefits field. He said over the last decade or so, new legislation and regulation have placed new rules and guidelines on the practice that lawyers have had to interpret and apply.

And he said lawyers will have to keep adapting, staying abreast of rule changes that potentially involve other areas of expertise, such as securities or employment law.

“I see it becoming more interdisciplinary,” he said. “There will continue to be new interpretations and regulatory refinements ... in the coming years that will keep benefits lawyers on their toes.”

PROUDEST MOMENT AS AN ATTORNEY:

In his practice, Kestenbaum isn’t the person running the deal, but he handles a piece of it. The focus is on the client.

“What I do is I get people paid,” he said, adding that he often deals with a lot of the same people.

At one point, he was representing a client who was on the sell side of a deal and going up against a person on the buy side who was normally a client.

“Two weeks after that deal closed, the party that I was adverse to in this particular deal calls me up and says, ‘Gosh, I really wish you had been on our side,’” he said. “I said, ‘Great, next time I will be.’”

— *As told to Michael Phillis*

Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2018 Rising Stars winners after reviewing more than 1,200 submissions. This interview has been edited and condensed.