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Davisson trims the legal costs

Lawyer takes lead on law matters at KapStone Paper and Packaging Corp.

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Law Bulletin staff writer

A main focus of Timothy P. Davisson's job as general counsel at KapStone Paper and Packaging Corp. involves assessing possible companies to buy.

Davisson also serves as vice president and secretary at KapStone, which manufactures paper, packaging and boxes. He joined the company in 2008.

KapStone, which now consists of 2,700 employees, houses its corporate offices in Northbrook and operates sales offices in Europe and Asia.

Davisson's duties include working on acquisitions, along with corporate governance, securities and compliance matters.

Regarding possible acquisitions, Davisson said his work not only involves due diligence, "but sometimes I have to put on my business hat and give opinions on the business prospects."

Late last year, KapStone purchased U.S. Corrugated Inc., a leading independent corrugated packaging producer. U.S. Corrugated consisted of a paper mill in South Carolina and 14 box and corrugated sheet plants.

Davisson said he remains proud of his work on the U.S. Corrugated Inc. deal.

"I tried to do as much work as possible in-house in order to keep outside legal costs down," he said.

Andrea K. Tarbox, a KapStone vice president and its chief financial officer, called Davisson's work on that deal "invaluable."

"He keeps the external legal fees minimal," she said. "He has extensive (paper and packaging) industry knowledge and that makes him even more effective."

He initially worked for three years at his cousin's law firm and then joined William E. Jegen's firm.

Davisson then joined Stone Container Corp. in 1988 as a corporate lawyer. At that time, Roger Stone served as CEO of Stone Container Corp., while Matt Kaplan served as an officer of that company.

Stone Container Corp. merged with Jefferson Smurfit Corp. in 1994 and became Smurfit-Stone Container Corp. He worked there until 2006.

At that time, he got recruited to work at Altivity Packaging LLC in Elk Grove Village. He developed that company's law department and remained there until it got sold two years later.

After learning that Davisson left the company, Stone called and asked if he wanted to work for KapStone, Davisson said.

Stone remains chairman and CEO of KapStone, while Kaplan serves as president and chief operating officer.

The company sells paper for retail and industrial purposes, including bags to hold sugar, salt, cement and chemicals, Davisson said. The company also sells boxes.

Last year, the company registered \$906 million in revenue, Davisson said. With the purchase of U.S. Corrugated, the company ex-

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Timothy P. Davisson

Vice President, Secretary and General Counsel, KapStone Paper and Packaging Corp.

- **Location:** Northbrook.
- **Size:** \$906 million in revenue in 2011.
- **Law department:** One lawyer.
- **Age:** 55.
- **Law school:** The John Marshall Law School, 1982.
- **Interests:** He enjoys dining out. "My motto is too many restaurants, too little time."

pects revenue will exceed \$1 billion this year.

Kevin F. Blatchford, a Sidley, Austin LLP partner, worked as outside counsel with Davisson at Stone Container Corp. Blatchford and Sidley represent KapStone on corporate securities and other matters.

Blatchford compares Davisson to an "old-school" general counsel.

Davisson gets "involved in every legal matter for a billion-dollar market capitalization company," he said. "The breadth and scope of what he gets involved in is really old school."

Davisson said he finds working for a company more satisfying than the matters he handled while in private practice.

"Instead of working for a client, I'm also the client," he said. "So, it feels good when we're successful in

an acquisition and to help be a part of it."

While Davisson built KapStone's legal department by himself, he expects another lawyer to join the company within the next two weeks.

When he started work at KapStone, Davisson looked at compliance issues to make sure employees became well versed with the company's code of conduct, along with antitrust law, he said.

The company faces little litigation, he said.

In addition to advising management and employees on legal matters, Davisson works with suppliers, customers and outside counsel.

Timothy A. Davis, managing partner at Constangy, Brooks & Smith LLP's Kansas City, Mo., office, works on labor and employment matters for KapStone.

"Tim has a deft hand when it comes to managing projects that are within and not within his area of expertise," Davis said. "He's a quick study on employment matters and is able to apply the KapStone policies and philosophies to employee issues."

Tarbox, KapStone's CFO, said Davisson earns high respect because he listens to workers and tries to resolve their issues.

"He's clearly one of the team, working with operations, sales and whoever else to help them achieve the results they're looking for," she said.

Davisson, 55, grew up in southwest suburban Hometown. His father and other family members worked as grocers. He majored in economics while attending Eastern Illinois University.

He said he became interested in a legal career because he looked up to several older cousins who practiced law.

His round-trip driving commute from home in southwest suburban Orland Park to work takes about 2½ hours each day.

Davisson said he spends much of the commute conducting business while talking hands free on a cell phone.

Davisson continues to review possible target companies.

"The goals of the company are to grow through acquisitions to \$2 billion in sales annually," he said. "The majority of that growth has to be done through acquisitions, it can't be done organically."

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