

# DEB STETTER

## Turning Complex Estate Issues Into Manageable Decisions

by Olivia Clarke

Debra L. Stetter understands the importance of family decisions—not only in her practice, but also within her personal life.

For almost 20 years, Stetter has concentrated her practice on estate planning and federal estate, gift, and generation-skipping tax planning. Her clients range from individuals and couples to large multi-generational families. And with each family and generation that she works with, she understands how vital it can be to tailor an estate or trust choice to the particular person or situational need.

“I really try to do what my clients want to do and what they are comfortable doing,” says 48-year-old Stetter, an equity partner at **Schiff Hardin LLP**. “I think estate planning is so client specific. Maybe there is one bucket of

2000, and in 2003, she adopted then 9-month-old Jenna from China.

“My children are definitely the best thing I’ve ever done,” she says. “Being a single parent means you are the one responsible for everything, whether it’s all the summer activities, all the after-school activities, what they are going to do, and how the schedule is going to work.

“As I’ve become more senior at work and have more and more clients and have increasingly become the person responsible for things, [work responsibilities] have also increased. It’s very busy, which can be very rewarding, but it can also be frustrating because you feel like you don’t have enough time for everything.”

business and earned an economics degree in 1984 from Bryn Mawr College and her MBA from the University of Chicago School of Business in 1987. But while in business school, she took a couple business law classes that she enjoyed so much that even though she got her MBA, she knew she would head to law school.

“I was somewhat clueless about what a lawyer actually does,” she says. “I just really enjoyed the study of it, and I did take quite a number of wills and trusts and tax classes while in law school. I wouldn’t say I had it in mind to specifically be an estates, wills, and trusts lawyer. But it fit well with my business skills and, because my father is a CPA, I was familiar with estate planning concepts.”

After graduating in 1992 from Northwestern University School of Law, Schiff Hardin hired her. But she didn’t need to select her practice area right away because the firm allows new associates to sample different areas. After a couple months, it became clear that she fit well with the estates and trusts practice.

“My early years in the estates and trusts group were great,” she recalls. “We have a great group and a great practice in terms of the type of work because we are national in scope and we have very interesting client matters. In terms of the intellectual challenge, which is one of the things I was looking for, there was no problem in getting lots of good, quality work as a young lawyer.”

Despite her business background, this practice area came with a very steep learning curve, she says, but the more senior lawyers remained supportive during those early years.

Some young lawyers select estate planning as their focus without really understanding what it entails, she says.

This practice area requires lawyers to think analytically because they must maneuver through technical and sophisticated tax concepts. Lawyers must discern tax laws and codes when a clear-cut answer doesn’t always exist, she says. They must also understand the legislative language and how it applies to a client’s situation.

“You are working so closely with individuals and their family groups and there are so many objectives now which are not legal, financial or tax-related,” Stetter says. “You are balancing out how family members are going to react to something, who is going to succeed to business control, a lot of family dynamics; and



things you use with people, but clients are very different in how they balance, for example, tax saving versus everything else.

“I think I’m very good at understanding what will be a good fit for the client and exposing them to the right level of options in terms of complexity and addressing what their real objectives are.”

In her personal life, Stetter also believes that no one path works for every family. She realized in her early 30s that she “might not be fortunate enough to marry, and I didn’t want that to keep me from having children.” She chose to be a single mother and today has two children. She gave birth to Matthew in

### The Business of Families

Stetter grew up in Wilmette with an older brother and younger sister. They’ve always been a close family and continue to regularly spend time together. She and her children live in Wilmette.

They visit her parents at least once a week and regularly take vacations with her siblings and her parents.

Growing up, her mother worked as a journalist and volunteered for political and social action groups. Her father worked as a certified public accountant and was a partner in a small accounting firm.

She initially planned to go into some area of

you're trying to be sensitive to that and trying to balance out all the different family matters and what the client wants. It definitely takes people skills to understand and have some empathy for what is going on."

## Getting to Know Her Clients

When Stetter first started practicing in this area, she enjoyed coming to her office and spending large periods of time studying a legal issue or immersing herself in a single legal topic.



Stetter with her children, parents, siblings, sister-in-law, and nephews in her backyard at the party she hosted for her parents 50th wedding anniversary in August, 2009.

Today, with the increasing demands of the billable hour and the fact that she now manages many different client matters at once, she must balance her time as she gets pulled in different directions.

When asked for a couple examples of client matters, she could not share the families' names or specific details of their estates. But she could generally describe the types of families she considers clients.

For example, Stetter has worked with a widow and her investment advisers to shift about \$100 million from her and her now-deceased husband's estate to her family members.

"She is, to me, an example that if you are someone who is focused on moving property down to the next generation and are willing to be accepting of what is being proposed to you then you can really accomplish a lot," Stetter says. "We are at the point now where we have told her to slow down. We want to make sure there is never a time where she doesn't have sufficient equity."

Stetter also works with a couple large family groups. This situation can be very rewarding because she's worked with several generations from the same family. She enjoys the history that comes with representing a family for many years.

Stetter worked with a grandmother's estate and now works with that client's children, who

are in their 60s and 70s, and those children's children.

"It's nice to see it all come together," she says. "It also allows you to bring that knowledge to the family when they ask why this was done or how do we all make it fit together. It helps if you've been with the family for some time because you can remind them what prior generations did and what worked or didn't work for the family."

Keeping in close contact with a family when

they spread across the country or the world can be challenging, Stetter says. It can also be difficult to get the younger generations to focus on financial planning when they don't

principal in the financial advisory firm of Brownson, Rehms & Foxworth, for at least 10 years. They met because she represents one of his largest clients, and today they work with several members of that same family.

"My wife and I now use her for our own estate planning," Ireland says. "Everything else that I can say about Deb is summed up with that. If we choose to use her to do our estate planning, then that's the best sort of endorsement that I can probably give. ... We wouldn't do that if we didn't think Deb was excellent. We enjoy working with her."

He describes her as very businesslike, with strong technical skills. Two of the clients they share are two widows, each in her 80s. It can be challenging to work with older clients who may have very complex financial affairs, but their lawyer and financial adviser don't want to make things so complicated that they don't understand the recommendations, he says.

"No one likes estate planning. It's like going to the dentist," Ireland jokingly says. "It's also something people do infrequently enough that it's not right at the forefront of their thought process. Estate planning concepts and strategies need to be explained again and again. That's some of what we deal with together."

Thomas W. Abendroth, head of the private clients group at Schiff Hardin, has worked with Stetter since she started at the firm. He enjoyed seeing her grow from a young associate to a high-quality equity partner with a great book of business.



Stetter with her children, Jenna and Matthew, at an overlook in Yellowstone in August 2010.

consider it a priority at this point in their lives. At least occasional face-to-face contact remains an essential aspect of this practice, which can be challenging to convince the client to do.

Stetter has worked with Barney Ireland, a

"I really think Deb has all the qualities needed. She's thorough, attentive to detail, creative, which from a tax standpoint is very important for a lot of our clients," Abendroth says. "On a personal level, she cares deeply

for her clients and is a good listener.”

Within the firm, she acts as a mentor to newer lawyers, especially female lawyers, he says. She’s gotten involved in firm committees that help recruit and retain minority and female lawyers.

“We have worked together,” he says. “Now the work we do together is more the sharing of ideas, which I always enjoy.”

“She’s very good at recognizing that it’s a great value to talk with colleagues and... bounce ideas off of each other.”

Steve Grissom, who runs a family office with multiple family lines and entities, has worked with Stetter on this family’s matters for more than 20 years.

As the family’s attorney, Stetter addresses and provides alternative solutions to financial issues both on a macro basis for the entire family and on a micro level from an individual family member perspective. She also prepares and oversees the specific wills and trust-related documents.

She possesses great technical skills and knows how to communicate with the family office and individual family members, Grissom says.

“The way that she talks to and with them, there is a level of comfort that people have when they have meetings with her,” he says. “She knows this family extremely well. She understands people’s own philosophies and what they want to see accomplished from a financial perspective after the family member is gone.”

He says her communication style involves using examples so that a family member understands what’s occurring.

“She understands the law and the types of instruments she’s recommending and she presents it in a way that people feel comfortable and willing to [for example] establish a trust for \$10 million today that is irrevocable and how to take advantage of certain tax benefits that are available today that might not be available in a few years,” he says.

Stetter says she’s seen the practice of law change over the last 20 years with the increased pressure to bill hours. An unfortunate aspect of the increased focus on billable hours is that it can make it more difficult to build a strong relationship with certain clients, she says.

For example, some clients are reluctant to call to touch base on questions they have about their estate planning or to provide updates about family or professional changes because they are afraid of being billed for those conversations. She tries to be sensitive to that issue by careful billing and by making sure the client sees the value in such communications.

In her specific practice, the federal tax laws



Stetter with her “China Family”—eight other families who traveled with her to China to adopt babies in February, 2003. She is in the middle, with brown hair and a plaid jacket holding infant Jenna. The group is posing in front of Dazu statues.

have been in a state of flux, which causes challenges to advising her clients. Her clients need to know the rules so they can follow them, but that isn’t always possible.

“In many cases, people are paralyzed because they don’t know how to act, which isn’t fair to the client,” she says. “Even though there’s been some great opportunities because of the on and off again nature of estate law, every piece of planning requires a lot more thought and analysis because there aren’t clean cut rules. I, like every other estate planner, wants to provide certainty to our clients and give the best possible advice. That’s made it more difficult.”

### It Comes Back to Family

Being a single mother means finding the balance between family and work.

But that’s a small sacrifice when compared with the great joy she gets from both aspects of her life.

When Stetter began studying her options for having children, she knew she wanted to have one child naturally and one adopted child. Her younger sister was adopted, so even if she had gotten married, she still would have eventually adopted a child.

She also knew she wanted to adopt a child from China and got lucky because shortly after she adopted her daughter, the country changed the rules about allowing single parents to adopt.

In 2003, she and eight other families—three single women and six married—traveled to China for two weeks. All those families live in the Chicago area, and eight years later, they still keep in contact and get together. Stetter calls them their “China family.”

“I have always wanted to have a family,” she

says. “My family was the most important thing to me growing up, and I wanted to have that same experience as a parent.”

Whether it’s her own family or working with other families, Stetter describes the need to find the right fit for each group’s needs.

This means taking complex issues and really breaking them down so that the client feels comfortable with a decision and understands why that decision was made. It’s the same process she used when considering how to create her own family.

After reflecting on what makes a good estate planning lawyer, she adds, “When you asked about why I think I am a good lawyer, and I was talking about understanding the client’s individual goals and sensitivity to tax issues, family issues, complexity, etc.—part of that understanding and the value I offer is being able to describe to a client what his/her plan says or how a specific planning technique works in a simple way.

“I use lots of outlines and flowcharts to do this. Having a one-page illustration can be particularly important to a client, as it is often easier to them to understand their complicated planning if they can see it in picture form. An emphasis on illustrations and summary materials is something I brought to the department when I joined, having had experience creating such materials in my business jobs.”

Estate planning has so many facets—whether it’s family considerations, tax considerations, and the changing law—that it is always exciting and ultimately “never gets old,” she says.

Each situation is so different, and with the law changing, it’s like handling something new and creative each day, she says. ■