

# The Texas Lawbook

Free Speech, Due Process and Trial by Jury

## The Bezos Divorce: Lessons to be Learned for All Corporate Execs

By Charlie Hodges and Brian L. Webb

(Jan. 13) – The announcement that Amazon founder and CEO Jeff Bezos and his wife MacKenzie are divorcing after 25 years of marriage made worldwide headlines this week.

That's understandable. Bezos, 54, is the world's richest man, with a personal fortune of \$137 billion, according to the Bloomberg Billionaires Index. Perhaps more



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accurately, Jeff and MacKenzie are the world's richest couple. Amazon, the online retailing site that revolutionized how the world shops, is Wall Street's most valuable company, just ahead of Microsoft Inc. In addition, Bezos owns The Washington Post, one of the nation's

most prominent, most influential news organizations.

Still if Jeff and MacKenzie Bezos have done things right – and initial indications are that they have – the news of their marital split should fade quickly from the news, with little if any lasting effect on Amazon, its employees, or its shareholders.

When corporate titans, athletes, entertainers, and other celebrities get divorced, a wise rule for them to follow is: Dot every 'i,' cross every 't,' work out every detail, agree on everything – then announce your plans to the world. The Bezoses appear to have done that. Their joint statement says they've been separated for some time; and during that time, they seem to have thought things through carefully.

"We've had such a great life together as a married couple," they said on Twitter, "and we also see wonderful futures ahead, as parents, friends, partners in ventures and projects, and as individuals..."

Much remains unknown about the details of their divorce – in what state it will be filed (different states

define community property differently), whether they had a prenuptial or nuptial property agreement, whether they've made an arrangement whereby Jeff Bezos would retain voting power over the couple's controlling interest in Amazon, even when his soon-to-be ex takes possession of her share of the stock. (A 50-50 split, by the way, would make MacKenzie Bezos the wealthiest woman in the world, by a huge margin. The Bloomberg Billionaires Index currently lists Francoise Bettencourt Meyers, a major shareholder in cosmetics giant L'Oreal, as the world's richest woman, worth \$45.7 billion.)

And if the Bezoses have their way, much of what's unknown will remain forever outside the view of an endlessly gossip-hungry public.



Brian L. Webb

As two family law specialists who've represented numerous wealthy, high-profile clients in divorce proceedings, we applaud Jeff and MacKenzie Bezos for seeming to have followed the best advice we would give to any potential client:

Get to a divorce lawyer, and resolve differences, early. No one who marries does so with the intent of ending up in divorce court. But if you're going there, go there prepared. Wherever possible, find common ground. Where there are disagreements, settle them quietly – before your first court date. Dirty laundry belongs in a laundry basket in a closet, not on the front page of the supermarket tabloids or social media.

For corporate executives, a good starting point may be your company's general counsel. He or she will have certain conflicts – a general counsel, after all, represents the company, not any individual officer. But a general counsel, generally, is a skilled, trusted, reliable legal advocate. He or she should know, as a starting point, how to put you in touch with a top-

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flight divorce lawyer. But don't expect your corporate counsel to handle your divorce. As in the medical field, you are always better-served with an attorney who has specialized knowledge and experience in family law.

Shut up. Stay off social media. Period. Don't try to delete old posts – that could be tampering with evidence – but say nothing new about the pending divorce, your spouse, your plans, or anything else. As far as your online “friends” know, act as if you've died a sudden death. As we often advise clients, nothing good can come of anything you say publicly after you and your spouse have said, “Goodbye.”

To minimize publicity, avoid publicity-seeking lawyers. The last thing needed in a celebrity divorce is an attorney who thinks he or she is, or should be, the celebrity. Press conferences do nothing but gain publicity for the lawyer who calls them.

Some divorce lawyers try to impress their clients by showing how tough they are, what fighters they are. They'll challenge every claim the other side makes. They'll oppose every motion, every request for information. But our decades of experience have taught us that in the end, the court's division of property will almost always end up just about where it would have been anyway. The main difference is that with needlessly contentious counsel, your legal bills (and acrimony with your soon-to-be ex) will be a lot higher.

Remember: It's business. CEOs are accustomed to making critically important decisions – decisions that involve millions of dollars and affect the lives of thousands of employees, to say nothing of shareholders worldwide.

Smart CEOs make those decisions based on the best available empirical data – never on emotions. That clear-headed perspective can quickly disappear, though, when they find themselves in divorce proceedings. Good divorce lawyers help their clients avoid making stupid, emotional decisions.

In the end, a divorce is a business proceeding: What matters, ultimately, is how the marital estate gets divided. Parties who want to fight can always find a reason to do so. They're much better off, financially and emotionally, finding reasons not to.

If at all possible, part amicably – especially if there are children involved. Jeff and MacKenzie Bezos have four children. That doesn't change once they're divorced. “Though the labels might be different,” their Twitter statement said, “we remain a family...”

Divorce can be a painful, crazy, complicated process. But when it's over, the ability of the two parties to get along is critical to the well-being of their children. Raising those children and staying close to them into their adulthood ought to be a rewarding, shared experience.

We always tell our clients that in one sense, if you have kids, you're married forever. You will be parents together forever. Put another way: It's not about you. Always try to avoid any hint of parental tension and act in a way that puts a smile on your child's face.

*Charlie Hodges and Brian Webb, both based in Dallas, are universally recognized as two of the leading divorce lawyers in Texas, both are board certified in family law by the Texas Board of Legal Specialization, handling complex cases, many of which involve division of assets from corporate holdings, partnerships, real estate and mineral interests, and foreign assets.*