
Passing It on from the Inside out

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By Charlie Douglas and Hugh Massie

An in-depth look at advising business owners regarding the importance of adopting an exit strategy and practical ideas for helping them succeed in matters beyond maximizing shareholder value.

For those clients who own businesses, deciding what to ultimately do with them is a difficult decision that often triggers a lot of emotions. So difficult, in fact, that market studies consistently report that the vast majority of business owners do not have an existing exit strategy.¹ With the day-to-day demands of running a company, business owners often put off what they perceive will be time consuming and complex discussions centered on parting with something that has become an important part of them and their identity.

Yet, a well considered exit strategy is crucial to gaining a top sales price, orderly succession, and most importantly clients who are personally satisfied in the aftermath of the transfer. Millions of small-to mid-size businesses owned by Baby Boomers, ranging from \$1M to \$50M in revenue, will

change hands over the next twenty years as Boomers retire into a “buyer’s market” for businesses, due to the large number of businesses that will be changing hands during the same period. Business owners, who fail to adequately address exit planning well in advance of the sale, will have a more difficult time with the transaction.

Advisors often focus primarily on the extensive list of external factors of devising and implementing the exit plan. In the process, they frequently overlook important internal drivers with the owners themselves or within the family unit. Even a short list of external factors to analyze and implement can be daunting:

- Review client’s goals and objectives to maximize sales value;
- Conduct business valuation.

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- Review business plans, marketing plans and research and development plans.
- Consider planning alternatives to minimize transfer and estate taxes including grantor retained annuity trusts, family limited partnerships, charitable lead and remainder trusts, or selling the business through an installment sale to an intentionally defective grantor trust.
- Make sure that key man and buy/sell agreements are in place and funded with insurance for death or disability.
- Confirm that the business operation is ready for sale with sound systems and processes to operate without the owners.
- Prepare and retain key employees and managers who will need to remain with the business during its succession.
- Engage a business broker or investment banker to help find a qualified buyer.
- Develop and circulate the offering memorandum.
- Execute a letter of intent for stock or asset sale with a qualified buyer.
- Conduct legal and financial due diligence necessary to transfer the business.
- Decide how to handle accounts receivable, work in process and prepaid items between buyer and seller.
- Enter into a definitive purchase/sale agreement, covenant not to compete & consulting agreement.
- Address the owner's financial planning by determining how much is enough and how best to invest, manage and pass on the net proceeds from the sale.

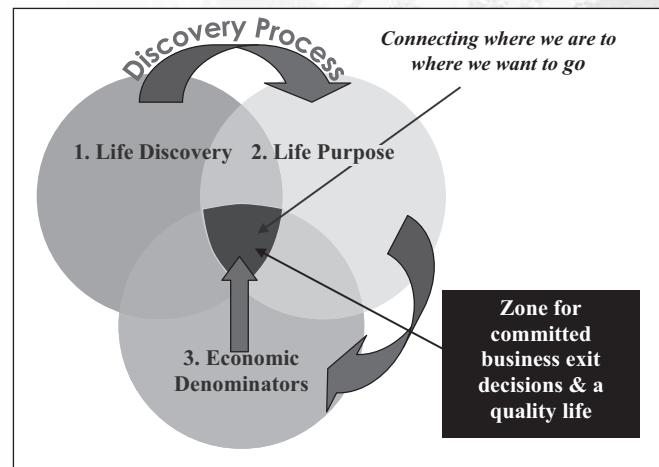
In consideration of these external needs that must be addressed within the pressurized environment of a potential sale/transfer, this is typically not the best time to be addressing the business owner's personal internal motivations and the design of the exit plan itself. Because exit planning decisions are never made in an emotional vacuum, the internal motivations for sale or transfer of the business should be explored and considered several years before implementation, while the owner is still in control of the process.

Begin with the Business Owner's Core and Plan the Exit Strategy Around It

Exit planning should always begin with consideration of what is important to the owner and

helping him or her uncover that in the midst of the competing demands of running a business. As advisors, adding value to the owner's exit plan is increasingly difficult in a competitive playing field that is leveling out. More frequently, adding value depends upon helping owners align their wealth creation found in their business with what is important to their life on a personal level. This does not mean that external techniques and strategies are unimportant. In truth, they add greatly to the successful transition of wealth regarding business interests. But if we simply help owners design and implement an exit strategy that maximizes market value and minimizes transfer taxes, and this effort ignores the personal principles and familial relationships involved in the business, have we really helped business owners succeed? Many of the major issues may be more about the life of the business owner than about the business itself. Therefore, in designing a successful business exit strategy, the results will be optimized if the owner and his or her advisors will first take the necessary time to pursue business exit discovery. Such discovery should seek to improve the integration of the human issues and relationships within the context of financial and legal solutions.

Diagram 1.



In most cases the process should begin with taking enough time to understand the owner, their goals in life, and what is ultimately important to them about selling and/or transferring their business. Without a true understanding of the human dynamics advisors may fail to learn what the owner really wants. Advisors may devise a plan according to what they think is important, which may not

be a successful plan for the business owner. Still, the owner may not consciously know what he or she wants. The answer is often there, but needs to be gently uncovered until the clarity comes. It may be that the owner will need some coaching to discover the answers in order to make truly committed decisions. In the end, however, truly effective and committed exit planning decisions will come when there has been proper planning from the inside out.

Beginning the Discovery Phase with Powerful Questions

Advisors' biggest contribution may not come in the form of advice given early on, but in the questions they initially ask. Asking powerful questions at the beginning of the discovery process, like the ones set forth below, will not only help give a pulse check on where the owner is at internally, but can also serve as a barometer for his or her business exit readiness:

- What is the vision you have for your life?
- What is most important to you about your business?
- What does retirement mean to you?
- How much longer do you want to actively work in the business?
- What would you sacrifice for business success?
- What passions do you want to pursue in your post-business life?
- How will you know when it is time to sell or transfer your business?
- Do you have an exit plan in place for when you want to retire?
- Who will be your company's successor and what are some of the concerns of other stakeholders?
- What is the one thing likely to keep you up at night about passing on your business?
- Are there any "fairness" concerns regarding your exit and estate plan?
- As you think about passing on your business what do you perceive to be the single greatest danger to be avoided and the biggest opportunity to be exploited?
- What does money mean to you? How much money is enough?
- If you received your ideal price for your business today and you had to give it all away to children, charities or other causes by the end of the day, how would you allocate it?

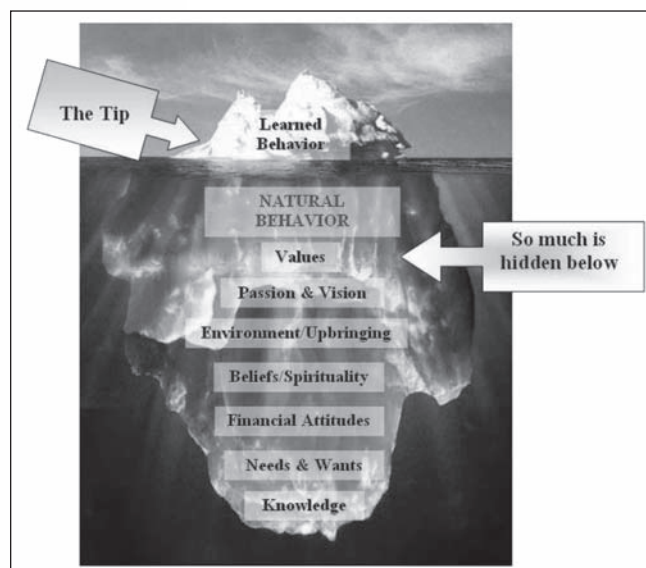
Understanding the Owner's Behaviors

Powerful questions are an important part of the discovery process. Helping business owners discover their personal behavior style is also important. Why do different people, when faced with the same circumstances, think and act in totally different ways? What makes them tick in their individual ways? Why do they have different likes and dislikes, habits, styles, and senses of humor? By helping business owners understand their behavioral style they can better learn and manage their strengths, struggles and blind-spots.

Consider giving business owners and other key stakeholders a series of behavioral profiles that will help uncover aspects of their life and financial decision-making behavior. It is observed that the behavior exhibited does not necessarily reflect who a person is or what their preferences are. As with an iceberg, 10 percent of an individual's behaviors are visible above the surface and 90 percent are hidden below. Because every person sees the world through their own lens, each will have their own interpretation of events and transactions, their own ideas regarding how to accomplish certain objectives as well as their own definition of success.

The visible part of the iceberg is our public behavior, how we want to be seen in our daily lives.

Diagram 2.



Below the surface is our core naturally motivated behavior, not usually on general display, but having a critical impact on our lives, often surfacing when

critical events take place and critical decisions need to be made.

Having key stakeholders uncover their hard-wiring or natural behaviors will allow them to understand an important part of their makeup and will provide insights into their motivations. Whether one is inclined to build a business empire, is an entrepreneurial junkie, or is more lifestyle orientated and likely to cash out upon receiving the first reasonable offer can be gleaned through behavioral profiles. A very significant aspect that is often overlooked is whether the owner really wants to build and manage a team beyond a certain point. Not all business founders are operationally orientated or are suited to taking their business to the next level.

Passion, vision and core values will always motivate the business owner while running the business and beyond. As advisors, it is important to remember that understanding business owners and other key stakeholders is just as important, if not more so, than understanding the underlying business at hand. In that regard, behavioral profiles offer objective measurements and can help the advisor, owner and other key stakeholders to better understand themselves and each other in relation to life, finances and family decision-making. Understanding these profiles can provide an objective platform for a variety of issues that will impact how the business transfer will be handled.

Identifying the Owner's Life Purpose and Business Purpose

People who labor all their lives but have no purpose to direct every thought and impulse are wasting their time—even when hard at work.

—Marcus Aurelius, *Meditations* (translated by Gregory Hayes)

Once the behaviors and preferences of the business owner have been uncovered, the next step is to identify their life and business purpose. The key to a business owner reaching his or her goals is identifying his or her life and business purpose, whereby, the owner seeks to live in alignment every

day. Anecdotal evidence from research in this area suggests that only a small percentage of the population ever achieve their goals. Writing down one's life purpose often gives greater clarity to better prioritize goals and make more committed decisions. In many ways, a significant source and driver of a person's life comes from naturally motivated behavioral style (natural talents). Understanding the natural talents of the business owner is the best starting point for

discovering who he or she is and how he or she would like to exit their business. This discovery process brings clarity to decision making and empowers the business owner to move forward confident that he or she

has addressed the major issues of the transition in the best possible manner.

Helping business owners discover their life and business purpose is not an easy undertaking. It involves soul searching. To this end, we recommend a five step process that assists the business owner to discover the key drivers of their life and business purpose.

- **Talents (natural behavior):** Identify your dominant behavioral talents.
- **Passion:** Why do you do what you do? What gets you out of bed each day?
- **Unique Gift:** What is your unique gift? This unique gift may be a combination of talent and passion.
- **Values:** What are the values that govern your life decision-making? Identify the overriding principles that make up your values.
- **Life Purpose:** This is the core principle that will govern your major life and financial decisions. Your Life Purpose is the combination of your Unique Gift and Core Values.

Here is an example of one business owner's life and business purpose:

I will honor my family, friends and team members in everything that I do. I will build an online international community that provides a forum for people of all ages, cultures and levels of wealth to obtain unbiased financial and business education. I will strive to help youths find an independent

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voice to provide guidance on their careers, finances and relationships. I will be active in my local, business and international communities that share these visions and purposes.

Take Into Account the Various Stakeholders and Their Competing Interests

There are many stakeholders in a business in addition to the business owners. Even if one owns 100 percent of the business many other stakeholders will be affected by the design and implementation of any exit plan. Among the stakeholders are: shareholders; spouses and children; managers and employees; customers; clients; vendors; and to some extent, the community at large. Although it is the shareholder(s) who will ultimately decide upon any exit plan, that decision should not be made in a vacuum. The views of other key stakeholders must be considered, and where appropriate, integrated into an effective exit strategy. If an exit plan is to succeed beyond simply maximizing shareholder value at the time of sale the goals and expectations of other key stakeholders must first be expressed and considered.

Keep in mind that the roles and expectations of various stakeholders are not necessarily the same. For example, if I am a business owner my primary concern may be driven more by return on investment. If I am a manager, my primary concern may be tilted toward building a culture of performance-based teams and systematic processes that will profitably provide exceptional service and quality products to customers over time. And if I am a family member, my main concern may be maintaining healthy familial relationships and having a quality of life, regardless of profitability or performance. This is why family owned businesses, in particular, have such a difficult time keeping roles straight and competing interests coordinated. Crafting an effective exit plan is often an emotional process that causes one to consider these competing interests, where the road to failure may be paved by trying to please everyone. As the next case study regarding the Estee Lauder family will il-

lustrate, family-owned businesses, regardless of their size, face unique and complex problems in keeping family and business roles running smoothly.²

Beauty May Run Skin Deep, But Family Tensions Often Run Deeper

Since its founding in 1946, Estee Lauder, a family-run enterprise, turned skin cream into a cosmetics concern worth billions of dollars. But under increasing business and family pressures cracks began to surface for this beauty conglomerate. William Lauder, 47-years old, recently abdicated the CEO position he had long been groomed for. From a business standpoint, the Lauder brand had been built on the backs of department stores and leveraging relationships with them. In recent times, however, mega-department stores like Macy's began to squeeze Lauder for better terms. Realizing that the strength of its brand

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name could no longer be counted upon to dictate such terms as display space and promotional timing, William considered making an acquisition of another company that would allow Lauder to enter the cosmetic mass-marketers of the world. The primary purpose of the acquisition was to reduce dependence on department store sales by providing access to mass-marketing distribution channels like CVS. The strategy sounded simple enough, until other family members, namely, Leonard and Ronald Lauder began to weigh in.

Leonard Lauder, 74, is the father of William and has been credited with much of the company's success since its inception. As the former CEO, Leonard is now Chairman of the Board and the company's biggest single shareholder (note, the Lauders still own in excess of 80 percent of the company's publicly traded voting stock). Although no longer at the operational helm, Leonard still took an active interest in the business, met with William weekly, and sent him numerous hand-written notes in between times. Having seen the business built on the cornerstone of leveraging department store relationships, Leonard feared alienating them and was against the acquisition.

Ronald Lauder, 64, is the company's second largest shareholder and is the younger brother of Leonard (uncle to William). Although Ronald worked in the business for approximately 20 years managing such product lines as the Clinique brands, he is better noted within the family for his lavish lifestyle, which in no small way has been supported by selling sizable amounts of Lauder company stock. For example, it has been reported that Ronald has had in excess of \$200M in debts and just a few years ago paid \$135M for a rare painting, then the highest known price ever paid for a painted work of art. Ronald, believing the acquisition would be good for sales and the stock's share price, was in favor of the acquisition.

In deciding what to do, William, was caught between the company's two biggest shareholders and also at odds with his family and other stakeholders. William was often quoted as saying, "In my job as CEO, I have a responsibility to all shareholders. Virtually all of my family members have heard that, even though they don't appreciate it." Commenting further, "It isn't easy to have board members who remember you as a child and can call you at home at any time." Then last year, at an August board meeting, William stunned the board by revealing that he wanted out as CEO and that he wanted the new CEO to be brought in from outside the family. William spoke for many at the helm of family business when he stated, "It is managing all the things the CEO has to manage while managing the relationships with people to whom you are related and to whom you are devoted to in terms of affection over your entire life."

Love Doesn't Conquer All When Business and Family Come Together

As the Lauder case makes clear, family issues and business issues usually do not mix. No matter how much a family may say that they love one another that is still not enough to run a business and successfully design an exit strategy. It takes shared financial goals, cooperative consensus on the plan of how to achieve them, and lots of straight forward communication as business partners for a family business to make it, let alone to be successfully passed on to the next generation. Not surprisingly, it has been estimated that only about 40 percent of family businesses make it to the second generation, 12 percent to the third and three percent to the fourth according to research cited by

the Family Firm Institute, a Boston-based organization that provides education for family businesses.³

Selecting a family successor is particularly difficult. Giving up control to the next generation can likewise be challenging. So, too, is separating the history of family dysfunction that each family member grew up with from the business matters at hand. The fact is that all families are dysfunctional in one way or another; it is just a matter of degree. As an advisor, it is often best to deal with family matters separately from business matters. Family issues typically need to be addressed apart from businesses issues or the two lines can easily become heatedly entangled. Holding a family meeting at an offsite location to openly learn more about one other, develop effective communication and build a bridge between the different family members toward a cohesive purpose is well worth the time and expense.

Engaging an independent facilitator to run the family meeting brings efficiency and a high degree of impartiality to the process. Such an engagement depends on the sensitivity of the family dynamics and the family budget, but if this can improve the results of the meeting, the family may decide it is worth the additional investment. Some advisors also hire psychologists or trained family facilitators to assist them in this delicate process. Others prefer establishing more formalized Family Councils, which act like a board of directors for families.

Regardless of the process chosen the point is to have some structured forum to voice concerns and to allow family members to have meaningful input regarding how to deal with personal issues surrounding the family business. Holding regular meetings to communicate with each other about the family's issues, legacies, and each other's financial well-being will go a long way toward enabling the business exit plan and wealth transfer strategies to hold together as intended.

The process of managing family dynamics within an exit plan should seek to maintain mutual respect and trust, where each family member must have an understanding of their own and other family members' strengths and struggles. Crafting personal and family mission statements around core values will help bring families together with a new sense of family identity forged on common ground. Ultimately, the key to a successful business exit strategy is that the business owner is able to build a quality life by pursuing his or her own life purpose, while also empowering other family members to do the same.

Communicate Truthfully, Transparently, Early and Often

Many difficulties associated with exit and transitional planning stem from inadequate communication among the various stakeholders, where trust is lost and with it the chance for healthy compromise and resolution. Businesses from every aspect of life face these critical matters of communication. As the following case study involving Hershey Co. will illustrate, failure of communication can be calamitous.⁴ Over a century ago Milton Hershey became the real-life Willy Wonka of a model community and chocolate factory that to this day bears his name in Hershey, Pennsylvania. Deeply saddened that they were unable to have children of their own, Milton Hershey and his wife founded a school for orphans—the Milton Hershey School.

Hershey gave his entire personal fortune to the Hershey Trust Co. (the trust still owns almost 30 percent of Hershey stock and controls about 79 percent of the voting shares) which still administers the school they had jointly envisioned and established. The 9,000-acre campus houses, nurtures, and educates thousands of boys and girls in social or financial need with the same goal today of teaching and developing their skills to prepare them for meaningful, productive, and successful lives. Among the skills necessary for leading successful lives are the ability to communicate, to tell the truth and to foster trust in one's relationships. Ironically, it is these very skills that were recently shown to be deficient between Hershey Trust Co. and The Hershey Company.

For decades Hershey Co. and Cadbury Schweppes of the United Kingdom toyed with the idea of entering a joint enterprise. However, it was only in recent times that the two talked in earnest about combining forces and creating a “global confectionary powerhouse.” The trouble was that Hershey Co. apparently discussed the potential merger in much detail without ever engaging Hershey Trust Co. in the process. It is worth noting that in recent years, Hershey Co.'s shares had declined significantly as it increasingly lost market share to rival Mars Inc. In view of that, the trust had been eager to find an international partner like Cadbury in order to help Hershey Co. reduce its dependence upon U.S. sales, which accounts for about 80 percent of its revenue. Although merger talks never actually got off the ground between the two confectionary titans, there was a total breakdown in communication and trust among the various stake-

holders of the Hershey Trust and Hershey Co. The end result was the subsequent departure of eight Hershey Co. directors in what local newspapers termed, “the Sunday night massacre.” As the trust's Chairman of the Board wrote sternly to Hershey Co., “The lifeblood of collaboration is truth.”

Now more than ever, communication and transparency are the rule, rather than the exception, when it comes to stakeholders of both public and private corporations. With respect to foundational corporate matters, whether they are the founder's vision, marketplace or financial problems, or devising exit plans, generally the earlier communication is opened in a truthful and transparent fashion, the better.

Exit planning discussions and decisions are never easy. It is just that they are almost always easier and produce better monetary and emotional results for the family when the parents are alive and when the decisions are not being made under the pressure of a pending sale or transfer. It is an unintended legacy to be in a room with adult children who are facing for the first time exit planning decisions. With a parent's untimely demise surrounding a family business, there may be little or no direction about how that parent felt about the business being sold or who should be its successor within the family. Generally, the burden on the family of selling a business after a parent's unexpected death results in the family receiving a much diminished value for the business.

Can the importance of early and effective communication be overstated? Not if you take to heart the findings of Roy Williams and Vic Preisser, whereby, in a study of over 3,000 families, 60 percent of the failure of multigenerational families to retain wealth across generations was due to the breakdown of trust and communication. Interestingly, only 15 percent was due to tax, legal, clarity of mission or other structural issues.⁵

Make Sure Heirs Have Enough Financial Skin in the Game

Among the key goals for all parents in crafting their exit and estate plans is to ensure that their children become and continue to be emotionally mature and responsible adults. Most parents want their children to have adequate self-esteem, to be motivated, to have self-discipline and to have a direction in life where they derive personal satisfaction as a byproduct of being of service. One of the surest ways to hinder children from realizing their potential in this

regard, however, is to have exit and estate plans that bail children out financially or to use family wealth to such an extent that the heir does not have enough of their own financial skin in the game. The result of these mistakes is often poor behavior on the part of the heirs. It is clear that this is just not a problem confined to a few family circles. Rather, this is a massive concern that is going on in the marketplace today. Consider that in recent times, both the stock and real estate markets have been sent reeling from the effects of sub-prime lending woes. Yet, the root cause of the marketplace's mayhem is greater than sub-prime mortgages simply gone bad.

The sub-prime lending crisis may be viewed as just the external symptom of the underlying issue of moral hazards, which occur when parties who are mostly insulated from risk behave differently from the way they would normally behave if they were fully exposed to the risk. Simply, moral hazards often result in sub-par behavior stemming from not having enough skin invested in the game. Today, the marketplace is full of a variety of "moral hazards."

- Societe Generale trader Jerome Kerviel's and his staggering \$7.2 billion dollar loss from unauthorized trades. Kerviel, who sought a bonus for himself, continued to bet the farm when in a hole because he was paid only for profits and could simply walk away from losses.
- The 2008 government spending plan, which has a projected deficit of around \$500 billion (not including costs of the wars in Iraq and Afghanistan) and spending on entitlement programs like Social Security, Medicare and Medicaid, which are growing far faster than we can afford. Both are prime examples of passing the burden for the bill onto younger generations.
- The current bailout of our fragile economy through a combination of fiscal and monetary policy. Generous bailouts, however, typically help set the stage for the next round of speculative excess because every time we repeat the bailout cycle, we get bigger and riskier bubbles. It should not be forgotten that the tax rebates and the lowering of interest rates earlier this millennium to help bailout the dot.com bubble, in turn, helped fuel the ensuing housing bubble.
- CEOs who are "paid for performance" on an annual basis time and again do what it takes to bolster the bottom-line today, which may be at odds regarding what is best for the company and other stakeholders over the longer term.

In the case of sub-prime lending, a moral hazard occurred precisely because the players within it all profited by making imprudent loans, without bearing the burden of making good on the loans if they went bad. From mortgage brokers who loaned money that was not theirs, to banks who sought to sell the investment risk on to others in the form of high-yielding mortgage-backed securities, prudent mortgage standards were shirked in exchange for profit as the risk was passed on.

Investment magnate Warren Buffet has some compelling advice for heirs in this regard. Buffet believes that a child's development is not facilitated by starting a 100-yard dash at the 50-yard line. In line with this thinking, he and his wife are giving the vast bulk of their estate to the Bill and Melinda Gates Foundation. Buffet's philosophy is a simple one: "Give enough money to your kids so they can do anything, but not enough so they can do nothing." Among the most important decisions to be made by business owners in crafting exit and estate plans is how much money is needed to support the owner's lifestyle after leaving the business; and thereafter, how much money may be needed to assist children with making it through a potential retirement lasting four decades or more in an environment where entitlement programs are in trouble.

Trying to Make It Fair When Life Isn't Fair

Among the more difficult challenges facing parents who own businesses is how to devise equitable exit and estate plans when some children or one child works for the business and others do not. Treat children impartially and fairly has always been challenging. Children want what they want when they want it with little regard for boundaries of fairness. One memorable mother's solution to try to bring about fairness and to stop her kids from bickering over an apple was to have one child cut the apple equally in two while the other child got first choice as to the which half he or she wanted.

As adults we generally have a better understanding regarding what is fair for all concerned. Still, if fairness were easy then courtrooms would not be packed every day all across our nation litigating the notion. And for family members in particular, childhood memories of unfairness never die, they persist in subtle and unacknowledged ways.

How should fairness be achieved? In many cases, selling the business outright to a third party may produce the fairest result. It is difficult to argue with dividing cash evenly among the heirs. But that may not be fair to a child or children working in the business who may have been instrumental in increasing the value of the business over the course of his or her career. In addition, it may not be fair to children who are employed there and may lose their jobs and business purpose upon a sale to a third party.

Here are a few exit and estate planning options aimed at achieving family fairness:

- If a child or children have been instrumental in increasing the business' value try to get an independent appraisal regarding the increase of value and the date on which that occurred and distribute a higher percentage of the estate or assets to that child.
- Transfer the business to those active children who are working there, and if the estate is big enough, transfer other non-business assets to the other inactive children in order to equalize.
- If the estate is not big enough, consider buying a life insurance policy owned by an irrevocable trust in order to supply the funds necessary to equalize for the inactive children.
- Transfer the voting shares to the active children who are participating in the business, while issuing non-voting stock and transferring these shares to the children who are inactive.
- Give the children who are working for the business the option to purchase the parent's or the inactive childrens' shares.

It is worth noting that studies routinely show that a majority of typical business owners want to transfer their businesses to their children. In reality, less than a third do so. Notions of fairness and difficulties in achieving it play no small part in that reality. Keep in mind that in advising business owners with respect

to fairness one can only be so fair. Generally, there is no one alternative that is completely fair to all, just various shades of fairness to consider. But it is almost always better to have business owners craft and implement exit and estate plans that may be 70 percent to 80 percent fair to all stakeholders, than to see that owner become paralyzed waiting for the perfect plan to emerge.

Exiting Thoughts on Exit Plans

Helping business owners pass on what may have taken a lifetime to build is a highly personalized and technical process. Being a trusted advisor at the heart of a multi-disciplined and collaborative process among attorneys, accountants, financial planners, insurance professionals, family facilitators, business brokers and investment bankers is a privilege.

Advisors have a unique responsibility in helping owners pass on their most prized possession in a way that will affect other stakeholders for generations to come. By helping business owners craft exit plans early that are based on the owner's core values and the interests of all the other stakeholders, and by keeping family and business roles aligned through transparent communication that seeks fairness, advisors can greatly enhance the success of passing on the family business from the inside out.

ENDNOTES

- ¹ Richard Jackim and Peter Christman, *The \$10 Trillion Opportunity*. Palatine, Illinois: The Exit Planning Institute, Inc. 2005.
- ² Ellen Byron, *Tensions Roil Estee Lauder Dynasty*, Feb. 27, 2008, http://online.wsj.com/article/SB120406413598194599.html?mod=todays_us_page_one.
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