

# Sealing the deal

## Business succession from parents to children can be sticky

By Michelle Karas

Conversation at Heather Chandler's family dinners inevitably turns to work topics. This is understandable, taking into account that Chandler, the general manager of Sealstrip Corp., is sitting with three people she works with: her mother, stepfather and husband. Chandler's mother, Jo Anne Forman, is the president of the company. Her stepfather works in research and development. Chandler's husband, Jon, is an engineer there. Also employed at the packaging company are an aunt and two cousins.

"It becomes very hard to relax at family dinners, which can end up being all about work. Especially at times when work is chaotic," Chandler said. "It's hard sometimes to know the boundaries. The positive side is I have the opportunity to

---

**"It's hard sometimes to know the boundaries. The positive side is I have the opportunity to spend every day with people I love most in this world. How could that be better?"**

---

spend every day with people I love most in this world. How could that be better?" In family-owned businesses such as Sealstrip, the children of the owners often join the company, and eventually are poised to take the reins when their parents decide to step down. That's the ultimate goal of Chandler, 36.



**Heather Chandler & Jo Anne Forman  
Sealstrip Corporation  
Boyertown, PA**

But that wasn't always clear to her folks. In fact, Chandler submitted her resignation a few years ago when it seemed like there would never be a leadership role for her at Sealstrip. It was a wake-up call for the Formans.

"Heather and I are closer in age than some people are, so for her to wait until I'm 65 means she would have to wait until she was in her 40s to take over the company," Jo Anne Forman said. "It's been a transition of looking at the business and asking if this is a business that should be sold or should continue on after we retire. We thought, well, (my husband and I) both see her (Chandler) as a future leader of the company."

When Chandler completed her law degree from Temple in the summer of 2001, she was ready to grow with the company. She had been working through her schooling and her title at that point was sales manager. She wanted more.

"Most successors are ready to move ahead. They're not ready to continue with their role as it is," Chandler said.

"We needed to make some changes in order for me to remain satisfied."

Chandler and her parents found guidance through the Delaware Valley Family Business Center (DVFBC) program called Next Generation Learning Labs. The Sellersville-based program, founded in 1989, helps families prepare for passing a family business from one generation to the next. The program is timely as many baby boomers are eyeing retirement.

---

**Chandler and her parents found guidance through the Delaware Valley Family Business Center program called Next Generation Learning Labs.**

---

According to Henry Landes, president of DVFBC, many times parents who own a business want their children to take over at some point, but don't know how to initiate that transition.

"What's happening is many of the moms and dads who have been very successful building their businesses have been working for 30 years and now they want to step back," Landes said in a written statement. "The question for them becomes, 'Who will be the next president?'" Through the Next-Generation lab, Chandler has met monthly for more than two years with a group of 10 others looking to succeed their parents in the family business.

"These are people who are all in the same spot as I am - they are in a leadership role as the business transitions," Chandler said. "Everyone in the group is at different stages. They may be a manager of a division or in a sales leadership position. But everyone's parents are looking to transition a company. We work through problems together."

For those who haven't had much experience working outside the family business, "it's a great way to gain perspectives and advice from other professionals, something that many family business members lack. The entire process also holds potential successors accountable," Landes said.

Chandler said she is grateful to work with family, but admits that sometimes their emotional ties can affect how they conduct business. The Next-Generation Learning Lab has helped Chandler and her family confront some of those issues.

"Seeing what's worked and not for other people is a huge asset," she said. Jo Anne Forman is part of another type of peer group through DVFBC. It's an organization of CEOs who meet and exchange ideas monthly on topics including changes in leadership.

"What happens a lot is that both the offspring and the parents stay on together in the business," said Jo Anne Forman. "We want the business to be a legacy. So we've thought long and hard about how do we make that happen."

A Boyertown native, Forman, 54, started working for the company that's now called Sealstrip 22 years ago, when the firm was based in West Conshohocken. In 1994 she became president of the company, which has been headquartered in Boyertown for 15 years. The company employs 30 at its 200 N. Washington Street facility.

Chandler worked for her parents' company through business school and law

---

**"When Pat and Jo Anne are ready for me to be president is when I'll be ready," Chandler said. "I live day-to-day what I want to do in my life, and that is running a business."**

---

school in a sales capacity, beginning in 1992. While in law school, she decided that she'd rather be in the boardroom than the courtroom.

Chandler became executive vice president of the company in 2002, and recently adopted the title of general manager.

"I do so much of the day-to-day operations now that I'm not worried so much about what comes next," she said.

Through the business transition, what has worked is for the Formans and Chandler to focus on individual strengths and talents and to use them to the company's advantage.

"Heather is a tremendous professional manager. I tend to focus on customer service. I think she's going to be a great president someday," Forman said. "For now, I like to think of us using the geese analogy: the head goose drops back and gives someone else a chance to lead. It's a real relief to me. This allows you to do the things you are good at."

"They (Pat and Jo Anne Forman) mentor me while I'm in an operational role," Chandler said. "I get to take advantage of their expertise. I report to Pat and Jo Anne and they report to me."

Chandler, a mother of two children ages 1 and 2, said she takes the responsibility of being the sole person to run the company someday to heart.

"I have 30 people counting on me," she said. "I take that very seriously."

She's also more willing to wait for that day to come, now that her future with the company has been discussed.

"When Pat and Jo Anne are ready for me to be president is when I'll be ready," Chandler said. "I live day-to-day what I want to do in my life, and that is running a business."

*©The Mercury 2006*

**For more information about  
Next Generation Learning Labs or  
other services, call Delaware Valley  
Family Business Center at  
(215) 723-8413,  
or visit [www.dvfambus.com](http://www.dvfambus.com).**

