



Volume 11, Issue 4
November 2003

FAMILY BUSINESS NEWSLETTER

A publication of the Delaware Valley Family Business Center



R. Lee Delp
Former CEO, Moyer Packing Company
Souderton, PA

Join us at our next Family Business Forum ...

Uncovering *the* Strategic Idea for Your Family Business

Thursday, November 20, 2003

7:30 a.m. to 11:15 a.m.

Indian Valley Country Club, Telford, PA
(breakfast buffet included)

When Lee Delp urges you to find *the* Strategic Idea in your family business, he isn't limiting the potential of your company, he's focusing it. He is the featured speaker at the next Forum, set for November 20 at Indian Valley Country Club.

Back by popular demand, Delp will build on his 1997 presentation to our Forum, "Strategy, Values and High Performance: What We're Learning at MOPAC."

Based on his experience as CEO of Moyer Packing Company, a large, multi-generational family business, as well as his experience as board member/chair of family businesses in the U.S. and Canada, Delp is a strong advocate of clear, concisely worded statements of Values, Vision and Strategy. Trouble is, he says, the ideas in those three elements aren't always linked or clearly understood by employees.

Enter the Strategic Idea.

"The Strategic Idea is a statement that integrates Values, Vision and Strategy," states Delp. "More importantly, the **Strategic Idea becomes a powerful catalyst for action throughout the company.** For example, Lexus uses 'The Passionate Pursuit of Perfection.' If you own a Lexus, you've experienced how their Strategic Idea drives perfected customer service. Delp says the concept of a compelling Strategic Idea can also be found within The Lord's Prayer - 'Thy will be done on earth as it is in heaven.' Note the strong connection to action again. Actions on earth bear the imprint of heaven.

"I have found that there is only one Strategic Idea for a business at any point in time," notes Delp, "but I also believe it may change over time."

The November Forum promises to be more of a practical, hands-on workshop than a theoretical

presentation. A three-part process will be used to help participants come up with their company's Strategic Idea.

- Delp will explain how to develop the Strategic Idea for a business or enterprise.
- He will facilitate a Strategic Idea brainstorming session using a Family Business Forum member firm, as well as members of the charter Next-Generation Learning Lab.

Table groups will start their own business brainstorming, using questions that Delp poses to help get the wheels turning.

Questions that Delp plans to raise include:

- With whom do you compete? Why?
- With whom do you not compete? Why?
- What do your customers "hire" your product or services to do for them?
- What would you have to do to not compete with your competition?

In the face of changing economic conditions and business cycles, successful business families create and regularly renew their Strategic Business Plan, one of the *10 Vital Plans of Business Families.*



Meet the Speaker

Lee Delp grew up in Hatfield in a family business run by his grandfather. Delp graduated from Eastern College, completed a young executives program at Penn State and became a Chartered Financial Consultant at American College, Bryn Mawr.

Lee's positions have included:

- Senior Vice President of National Liberty Corp., Malvern, 1972-1991.
- President and CEO of Moyer Packing Company, Souderton, 1995-2001, when it was sold to Smithfield Foods.
- In 1993 he established R. L. Delp & Co., a management practice working exclusively with boards, CEOs and owners to build businesses through corporate board governance.

Delp notes that "most of the brainstorming is a combination of answering questions, letting the results rest for a while, answering more questions, letting things rest again, then finally testing an idea and refining it."

Join us November 20 and learn more about how you can start uncovering the Strategic Idea for your family business.

Family Business Highlight at November 20 Forum

Rose Schoch, CEO, Schoch's Exxon, Car Wash, Harley-Davidson
2003 Small Business Person of the Year

Rose simply suggested to her husband that their service station diversify in order to flourish. A Harley-Davidson rep and 27 years later, Rose is a legend and inspiration.

Hear firsthand from Rose Schoch about their family business success, achieved through sheer determination to be the best in every venture and through hard work governed by strict adherence to the highest business and life values.

Rose muses on how she leads and revs up momentum for continued success in every facet of her life: "Whatever I do, I never do it alone. I funnel all my ambition into other people to create a desire to have fun while achieving or helping someone in a big way," she says. "Life is all about being an inspiration in some way for others."

Schoch Inc., started as a small garage and gas station located in Stroudsburg, Pennsylvania, in 1950. Over the years many businesses and products were added. In 1965, a Harley-Davidson Motor Company franchise was added. In 1976, a corporation was formed and the Harley-Davidson store was moved to land the Schoch's owned on newly opened Route 33 in Syndersville. A building was constructed to house the Harley-Davidson business, and a closed gas station next door was opened. Rose's husband, Calvin Sr., sold the Stroudsburg garage in the late 1980s. Rose now manages the businesses in Snyder'sville with the help of her children.

Named one of the **Top 50 Women in Business in Pennsylvania**, Rose was also given the *Woman Entrepreneur of the Year* award from the University of Scranton in 1999, the *Martin Luther King Community Service award* from East Stroudsburg University in 2002, and was named the *2002 Pocono Mountain Chamber of Commerce's Business Person of the Year.*



Scenes from Our September 18, 2003, Family Business Forum

Love, Power and Money: Seven Habits of Highly Successful Successors

Dean R. Fowler Ph.D.

Dean Fowler Associates Inc., Brookfield, WI



Dean Fowler illustrates the seven habits common to the successful transition of family-owned companies.

Over 160 Forum members and guests gather to learn from a leading family business expert.



Multiple families members are strongly encouraged to attend each Forum, so they can learn ... and implement together.



Landis Family,
Landis Supermarket Inc., Telford.

Leidy Family,
Leidy's Inc., Souderton.



Bergey Family,
Bergey's Inc., Franconia.

Members Comment About the September 18 Forum

I liked the seven-step, self-rating handout. It gave you a chance to see specific areas that need more focus. I also liked the examples/stories to explain certain concepts. I really felt we got a lot out of the meeting. I look forward to reading Dean Fowler's book.

Jo Anne Foreman, Sealstrip Corporation, Boyertown

Excellent presentation both in content and style. Looking at Succession from the next generation's view was different and enlightening. We are going to use Fowler's seven questions in our third-generation meeting next week.

Donald Rauch, M&C Specialties Company, Southampton



Elliot Levin and Bill Pfundt, General Machine Products Company, Trevoese.



Michael Morabito, Morabito Baking Company, Norristown.

Unable to Attend the September 18, 2003, Forum?

___ Please send me the audio tapes (set of 2) and handout booklet from the September Forum featuring Dean Fowler Ph.D.: "Seven Habits of Highly Successful Successors." (\$20)

Name _____

Address _____

Please add 6% sales tax and \$3 shipping to the total and make your check payable to Delaware Valley Family Business Center, 1011 Cathill Road, Sellersville, PA 18960, (215) 723-8413.

Celebrating Successors' Day at September 18 Forum



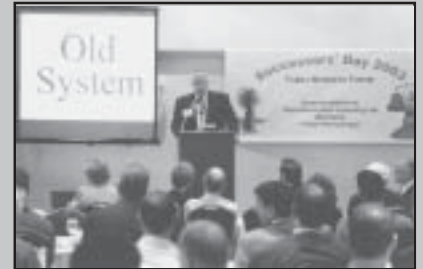
Welcoming everyone to Successors' Day 2003, **Henry Landes**, President, Delaware Valley Family Business Center, introduces the morning's focus on successor development and strengthening family businesses' commitment to philanthropy and community contributions.

Family Business Highlight ...



Philip A. Clemens, Chairman and CEO of The Clemens Family Corp., parent company of Hatfield Quality Meats, Hatfield, describes the values and philosophy which have undergirded significant charitable contributions of their family business for over a century.

Beyond Success: Our Charitable Commitment



Welcome to NEW Forum Members!

Halloran Family

American Refining Group Inc.,
West Conshohocken

Lacher Family

Lacher & Associates Insurance Agency,
Souderton



Frank Bradley, CSR Inc., Sellersville, and
Forum Partner, **Bruce Kenworthy,**
Quakertown National Bank, Quakertown.



Siblings **Sergei Szortyka** and **Nancy Rubin,**
Quaker Maid Meats Inc.,
Shillington.

News & Notes from Our Director



~ I am pleased to introduce our new administrative assistant, **Jana (Moyer) Scheetz**. When you call or stop by the Center, Jana will give you a warm, hospitable welcome and will be happy to assist you. Jana is a third-generation member of her family business, **Moyer's Chicks, Quakertown**, a member of our Forum since 1995.

~ Please join us for our **Third Annual Women in Family Business Luncheon** immediately following the Forum on November 20. This is open to all women interested in learning from one another and nurturing each other in their respective roles in family business. Stay tuned for more details! (For your convenience, there is a registration form on p. 3.)



Sally Derstine
Forum Director

Moving from Donor to Philanthropist by Bill Hartman

A few weeks ago, I visited a family business owner who was struggling with the not so unique problem of a multitude of too many requests for charitable gifts and not enough time, money or patience to deal with all of them. He had systems for many important areas of the business, but his giving was a mish-mash of "what we have always done", "what my children are involved in" and "who calls most."

Sound familiar ?

Giving part of what we earn to the communities in which we live (whether community services, educational or other interest groups, religious based or

others) is embedded in the ethic or theology of most business owners, in fact, of most Americans. As business owners, your family, or you personally, have an incredible opportunity to give and make a difference, for the recipients and for yourself.

When giving is compulsory, rushed or reactionary, it loses its joy and expression it is intended to give. If your philanthropy and charitable giving feels like it no longer makes a difference in your life or the recipient organization, it's time for a change.

Moving from donor to philanthropist means moving from being reactive and responsive to being **intentional** and **strategic** in your giving.

Phil Clemens of Clemens Family Corporation (CFC), parent company of Hatfield Quality Meats, shared at the September 18 Forum that as CFC grew, its giving became more and more difficult. According to Phil, "gifts were losing their value and becoming a burden." Wisely, company leadership refocused and developed a policy designed to unite the family (all 284 shareholders !), simplify and multiply the philanthropy of the Corporation.



Bill Hartman, JD
Trust & Investment Advisor
MMA Trust Company/
Mennonite Foundation

excess inventory, company stock instead of simply cash may unlock additional opportunities.

Finally, **reduce your plan to a policy**, and store in your **Policy Handbook for Business Families** and periodically review how you are following your policy.

These steps and more are what the **Philanthropy Review** member service by Mennonite Foundation is all about. Two meetings and some great assistance can show you how to make your desire to give a valuable experience and not a burden.

How have you addressed your giving practices?

The first step is to **review what you are doing now**. Are you reacting, giving to someone's pet project, not giving out of fear of some consequence ? Look not only at dollars and amounts but, purposes and mission of recipients.

Next, **look at where your passions are**: your church, your college, community programs, education and schools. Define your giving along the lines of your passions.

Then, **look whether you are maximizing the advantages of certain types of gifts**. For example, giving highly appreciated assets,

NEW Groups Forming!

Launching NEW Next-Generation Learning Labs!

Developing Next-Generation competencies, leadership and management skills.

Interested in exploring membership in this unique professional development opportunity?

Contact Sally Derstine at
(215) 723-8413 or
sally@dvfambus.com

"Over the past year, we have grown to be a group of friends and business leaders that have experienced much growth ... we feel safe to share our issues with each other as we gain confidence in ourselves."

Sherry Russell, Alderfer Inc., Harleysville

Congratulations to our Charter Next-Generation Learning Lab on their 1-Year Anniversary!

"The Next-Generation Learning Lab has been one of the most rewarding groups I have ever been part of ... it's great to know the hurdles we face are not unique to just our companies and family situations. It would be my strong recommendation to others in similar situations to take advantage of the Next-Generation Learning Labs."

Johnathan Rex
Rex Heat Treat Company, Lansdale



Philanthropy Review

Exclusively for Forum Members ...

Are you overwhelmed with a growing number of requests from worthy community, educational and religious organizations?

If you have not taken advantage of your complimentary **Philanthropy Review**, call Bill Hartman at (800) 494-6622 today to schedule this valuable member service!

How Can Family Business Forum Membership Help MY Business Family Thrive?

1. **New Member Orientation**. An **individual** meeting with your family to understand your specific family/business/ownership goals and to introduce you to the services, benefits and resources that are included in your membership, e.g., the **Policy Handbook for Business Families**.

2. **Policy Handbook for Business Families**. A practical, how-to handbook designed to educate and help business families meet together to develop their OWN family business policies and plans. Members receive new Handbook inserts at each meeting!

3. **Quarterly Forum Meetings**. Learn from successful business families and experienced family business advisors. **Member companies receive one FREE registration to EACH Forum.**

4. **Learning Labs**. Unique opportunities to focus on specific issues in a smaller learning environment, i.e., Next-Generation, Leading Generation, Women in Family Business, Key Non-Family Managers, Spouses of CEOs.

5. **Estate Planning Fire Drill**. A quick, concise process designed to identify and resolve problems associated with your untimely death, culminating in a valuable written report (\$500 value).

6. **Management Development Review with CEO**. Is the performance of your people in line with your company's strategy? A one-hour consultation to identify your organization's strengths and determine opportunities for improvement.

7. **Marketing Solutions Brainstorming** session with Pat and Peg Walsh, The Walsh Group.

8. **Financial Scorecard**. A complete diagnostic review of your firm's important financial and operational indicators.

9. **Philanthropy Review** led by Bill Hartman of Mennonite Foundation/MMA Trust Company.

10. **Family Business** magazine annual subscription. Written exclusively for owners and managers of family companies focusing on the tough issues virtually all business families must face (\$95 value).

11. **Get instant answers** to almost 100 family business topics through a Searchable On-Line Family Business Library housing hundreds of articles (www.dvfambus.com).

12. **Membership Directory**, which facilitates member-to-member interaction and learning about family business issues.

WHAT is the Family Business Forum?

An **association of about 80 business families** which meets quarterly for educational seminars featuring both renowned business experts/authors and "best practices" of regional business families.

Our FAMILY BUSINESS CENTER

Since 1989, our clearly defined process helps families beat the odds through **The Succession Zone**. Our team of experienced consultants, educators, and speakers helps business families: **TALK** about the real issues, **WORK TOGETHER** in teams and **PLAN** for the future.

Annual Membership Fee. Thanks to the generous support of our partners, the annual membership fee is \$700. Limited to family firms; subject to review by our Membership Committee. Membership is on an annual basis.

Return this Form to Register for the November 20 Forum

Business Name _____
Address _____ City _____ State _____ ZIP _____
Phone _____ Fax _____ E-mail _____ Website _____



Thursday, November 20, 2003
Uncovering *the Strategic Idea for Your Family Business* - R. Lee Delp

Name(s) _____

Total Registrations (less one FREE) _____ X \$75 = \$ _____

Women in Family Business Luncheon, 11:30 a.m. _____ X \$45/member; \$75/non-member = \$ _____

Non-members may attend once as a guest at a \$100 registration fee.

NEW MEMBER \$ 700

Draw check and mail to: Delaware Valley Family Business Center, 1011 Cathill Road., Sellersville, PA 18960
Cancellations must be made two days prior to event. The registration fee cannot be refunded or waived when cancellations are made after that date or when the registrant does not attend.

Total: \$ _____

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Mennonite Foundation and MMA Trust Company are dedicated to helping families make a difference in the world by incorporating their values into their charitable giving and estate planning. We assist families with creative charitable giving and estate planning trust administration. Contact **Bill Hartman** at (800) 494-6622 or bill.hartman@mmapartners.org.



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Kreischer Miller is one of the largest regional certified public accounting and business advisory firms serving family-owned businesses in the Delaware Valley offering an array of value-added services for privately held businesses and their owners. We help clients in the areas of accounting and auditing, taxation, accounting systems, business valuation, and performance improvement. Our goal is to improve our clients' financial performance and the long-term value of their businesses. Contact **Mario Vicari** at (215) 441-4600 or mvicari@kmco.com. Visit us on the web at www.kmco.com.



A company's success depends upon its people. People with the skills and abilities to make better and faster decisions; to run meetings more effectively; to confidently meet challenging situations; and to perform the impossible, everyday. At **Dale Carnegie**, we coach participants to discover their hidden talents and use their potential so they can deliver top performance. Strengthen your people, build stronger families, and improve the quality of life for everyone. Contact **Katie Iorio**, (610) 783-6500, extension 308, or katie_iorio@dalecarnegie.com.



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The President's Corner ... Henry D. Landes

You've Come a Long Way, Baby!



preparing meals or washing dishes, she could be watching the comings and goings of employees and customers around the shop behind her house!

How she did it – and still have the time and energy to take the domestic lead in raising five children, including my father, Henry – is one of life's amazing mysteries. But Susan Landes was a full partner with I.T. Landes in every sense of the word.

Near the conference table in my office is a colorful wall hanging hand-stitched by my grandmother, Susan Alderfer Landes.

The wall hanging is special because "Grammy Landes" made it in her late 80s. She was always working!

In 1929 Susan Landes was a co-entrepreneur with her husband, Isaiah, in founding the plumbing and heating company that was to become I.T. Landes & Son Inc., now a thriving fourth-generation family business. My dad recalls, "She was pretty nearly the boss." Today we might call her the shop and office manager, while Grandpop was more in charge of field operations.

My grandmother was an early riser, usually around 5 a.m., taking care of household duties before starting her office work around 7 a.m. Hers was a long day, often commingling household and business responsibilities. She even had a large truck mirror mounted outside her kitchen window so, while

Most businesses get started on family capital – both money and labor. Women often play key roles in succeeding generations. My mother, Anna, for example, did what many women do: serve as the CEO (Chief Emotional Officer) of the family and the family business – nurturing, mediating and managing the relational aspects of a business family.

My Grammy, Susan Landes, represents the millions of unsung heroines of family business: yes, the women!

The title of this President's Corner is borrowed from the Virginia Slims cigarette ad campaign of a few decades ago when women were being "liberated" – in all too many cases – to take on the same unhealthy habits of their male counterparts. My point is that women, have always played a key role in family businesses (usually as the "invisible partner"), increasingly are stepping up to the plate and being recognized for their talents and contributions.

Nowadays, women are engaged in family businesses in a number of ways: working with their father or husband, leading a business started by a man in their family, or

establishing their own enterprise. Examples include:

- Auntie Anne's Pretzels, started by **Anne Beiler** in 1988 with over 750 locations around the world.
- **Julia Klein**, third-generation CEO of C.H. Briggs Hardware, Reading.



Heather Hartman, Executive Vice President, and Jo Anne Foreman, President, Sealstrip Corporation, Boyertown.

- **Jo Anne Forman**, president of Sealstrip Corporation, Boyertown, which she co-owns with her husband, Harold, who heads research and development. Daughter **Heather Hartman** is being groomed for leadership.
- **Sherry Russell**, recently appointed third-generation president of Alderfer Inc., Harleysville.
- **Rose Schoch**, founder/CEO of the Harley-Davidson dealership in Stroudsburg (see p. 1).

Such anecdotal evidence from this area is backed up by hard data on the national scene. MassMutual Financial Group and the Raymond Institute did a survey on family-owned businesses in the United States. The respondents report that ...

- 10% are led by a female CEO.
- 34% may next be led by a woman.
- Nearly half of the companies expecting their firm to be led by two or more CEOs think one of them may be a woman.
- 52% employ at least one female family member full time.
- Women-owned firms tend to have better gender balance on their boards.

A growing number of women in our quarterly Forums are in leadership in their family business – or are preparing for it. As a way of building on that new reality, a special luncheon for women is being planned to follow immediately on the heels of the next Forum on Thursday, November 20 at Indian Valley Country Club.

The luncheon, which will get under way about 11:30 a.m., is open to all women interested in learning from one another and nurturing each other in their respective roles in family business. For more information, contact Sally Derstine.

Hope to see you November 20 at the Forum – and the luncheon!

FORUM
AFFILIATES



2003 Program Schedule – Mark Your Calendars!

Thursday, November 20

7:30 a.m. - 11:15 a.m., Indian Valley Country Club, Telford
Uncovering the Strategic Idea for Your Family Business
R. Lee Delp, Former CEO, Moyer Packing Company, Souderton, PA



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