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FAMILY BUSINESS NEWSLETTER

A publication of the Delaware Valley Family Business Center



Susan Scott

Fierce Conversations, Inc.
Seattle, Washington

Susan Scott is well aware that the word “fierce” in Fierce Conversations, the name of her company, gets reactions from people. And that suits her just fine.

She defines a “fierce” conversation this way: “It is one in which you and I come out from behind ourselves *into* the dialogue—and make it real.”

Now that Scott has your attention, she and the Delaware Valley Family Business Center are inviting you to a Family Business Forum on Thursday, March 14. The event, which includes a breakfast buffet,

Beyond Shouting, Sarcasm & Silence: Transforming Your Work & Family— One Conversation at a Time

Special Joint
Event with TEC!



Thursday, March 14, 2002
7:30 a.m. to 12:00 noon
Cedarbrook Country Club, Blue Bell, PA

Commemorating the
10th Anniversary of the
Family Business Forum!

will take place from 7:30 a.m. to 12:00 noon at Cedarbrook Country Club, Blue Bell.

Scott’s March 14 presentation is titled “Beyond Shouting, Sarcasm and Silence: Transforming Your Work and Family—One Conversation at a Time.” **Because clear, caring communication lies at the heart of who we are as both families and businesses, members of family businesses should find Scott’s input particularly helpful.**

Based in the Seattle area the past 25 years, Scott clarifies up front what “fierce” is *not* to her, as well as what it *is*: “Fierce” does not mean barbarous, menacing, cruel, ferocious. ‘Fierce’ means powerful, strong, intense, unbridled, unrestrained, passionate, robust.”

One of Scott’s favorite questions is “**What are you pretending not to know?**” The clear implication is that people in all walks of life tend to steer clear of thorny places, taking the course of least resistance instead of gaining the rewards that come from being real. (“I’m darn good at pretending ‘not to know’ myself,” she says with a smile.)

“Ask yourself ... what is the conversation I’ve been unable to have with my colleagues, with my boss, with my customers, with my spouse and, most importantly, with myself ... that, if I were able to have it, might make the difference, allow the shift, resolve the problem ... might change everything?”

“The thought of ‘real’ makes most people nervous,” continues Scott. “Yet, as a result of my work with leaders worldwide, it is clear that we need have no fear of real conversations. It’s

the unreal ones that should scare us to death. As it turns out, talk ain’t cheap! Unreal conversations are incredibly expensive for companies and also for the individual human spirit.”

For 14 years Scott ran think tanks for CEOs and key executives. Before that she worked with a search firm in Seattle and a training organization headquartered in San Francisco. Later this year her second book, *Fierce Conversations: A Guide to Transforming Your Work, Your Relationships and Your Life—One Conversation at a Time*, is slated for publication. Her first book (co-authored) is titled *Brilliance: Uncommon Voices from Uncommon Women*.

Scott nurtures *her* spirit through fly-fishing, gardening, reading, attending movies and theater, and taking long walks. “I work and play internationally,” she says, “and treasure friends around the world.”

She notes that Fierce Conversations, Inc., “is a family business; I have two grown daughters, one of whom works with/for me.”

Media analyst Marshall McLuhan once said, “The medium *is* the message.” Susan Scott now says, “**The conversation is the relationship,**” adding: “Take a deep breath, open both arms and speak the truth.”

It was my privilege to spend two days in training with Susan Scott in Indianapolis last October. Susan is a master instructor who warmly models caring, clear and open communication—the essential glue of effective work teams as well as strong families. She has a special gift of combining humor, poetry and practical, take-home communication tools. Join us on March 14!



Henry D. Landes, President
Delaware Valley Family Business Center

The Seven Principles of Fierce Conversations

- #1. **Master the courage to interrogate reality.** (“No plan survives its collision with reality, and reality has a habit of shifting—at work and at home. We are all changing all the time.”)
- #2. **Come out from behind yourself, into the conversation, and make it real.** (“No one has to change, but everyone has to have the conversation. When the conversation is real, the change occurs before the conversation is over.”)
- #3. **Be here, prepared to be nowhere else.** (“Speak and listen as if this is the most important conversation you will ever have with this person. It could be. Participate as if it matters. It does.”)
- #4. **Tackle your toughest challenge today.** (“Today is the day to have the conversation you have been avoiding. All conversation is a search for the truth. Stay current with the people important to you. Travel light.”)
- #5. **Obey your instincts.** (“Don’t just trust your instincts. Obey them. Your radar screen works perfectly. It’s the operator who is in question.”)
- #6. **Take responsibility for your emotional wake.** (“There is no trivial comment. Something you may not even remember saying may have had a devastating impact on someone who looks to you for guidance and approval.”)
- #7. **Let silence do the heavy lifting.** (“Insight occurs in the space between words. Memorable conversations include breathing space. Learn to love the sweet territory of silence. Most CEOs die with their mouth open. Do more listening than talking.”)



Member Highlight at March 14 Forum

Since 1971, Accu-Sort, Telford, PA, has been a world leader in automatic identification technology. They’ve helped companies manage materials, collect/analyze data and streamline operations.

Second-generation owners **Ron and David Wurz** are both members of TEC (The Executive Committee), an international community of CEOs.



Ron Wurz, President
Accu-Sort Systems, Inc.

Scenes from Our November 15, 2001, Family Business Forum

The Great Game of Business: Teaching Your Family & Employees about Business with Brad Hams, Lakewood, Colorado



Brad Hams

Over 120 persons gathered for a dynamic morning of learning about creating an organization where everyone is taught the rules of business ... and learns to associate the tasks performed to the profitability of their organization.



Henry Landes and Donald Cafiero, Pennmark Management Company, Plymouth Meeting.



Special thanks to T. H. Properties, Harleysville, a corporate member sponsor of the November Forum: Dale Rittenhouse, Todd Hendricks, Dean Rittenhouse, Karen Hendricks and Tim Hendricks.

I feel very fortunate to have access to all this wisdom, knowledge and experience surround me at these Forums which is freely shared.

Rich Souder, President
Richard B. Souder Masonry, Inc.
Telford, PA



The room buzzed with lively discussion as Brad Hams facilitated a *learning lab*. Each table chose an actual problem within a member company and together developed a "mini-game" and resolution.



Members Comment on November Forum ...

Brad Hams gave an excellent presentation of a challenging, front-line topic. It was clear, concise, down-to-earth, perceptive and challenging.

Keith Heavener, Heavener Supply

I was impressed with the openness of the members of the Forum and their willingness to share ideas, especially on the sensitive topic of compensation.

Bob Richardson, Asher's Chocolates

I found Brad Hams' "mini-game" concepts to be practical.

Leon Moyer, Moyer's Chicks



Sherry Russell & Scott Keller, Alderfer, Inc., Harleysville; John Leidy, Andrew Leidy and Karen Brown, Leidy's, Inc., Souderton.

Lisa Donnelly,
M&C
Specialties
Company,
Southampton.



Phil Blosser, Blosser Electric, Inc., Blooming Glen.



Member Highlights at November 15 Forum

How OUR Top Management Team Is Implementing The Great Game of Business



Dave Asher and several of his managers share the positive results they have achieved during the early stages of implementing *The Great Game of Business*.

"Taming the COMPENSATION TIGER in a Family Business"



Mike McVaugh, Laboratory Testing, Inc., Hatfield, is president of their second-generation sibling partnership. Mike shares how they have adopted a company-wide compensation philosophy with the help of Karl Buehler, compensation consultant, with our Center.



During the "Spotlight on the *Policy Handbook for Business Families*," Henry Landes discusses the importance of compensation policies. Thanks to the McVaugh family for contributing LTI's compensation policies to our *Policy Handbook for Business Families!*

Welcome to NEW Forum Members

Dandelion, Philadelphia
Eagle's Peak Spring Water, Inc., Fountainville
Gaffney Fabrics, Philadelphia
Precision Finishing, Inc., Sellersville
Weaver Companies, Inc., Goodville

News & Notes from Our Director

HOT OFF THE PRESS ... Have you read the news? The Delaware Valley Family Business Center has been a hot topic in the papers lately! *The Philadelphia Inquirer*, *The Inquirer Magazine* and Doylestown's *Daily Intelligencer* have all featured extensive interviews with Henry Landes, citing his expertise in the many challenges faced by family-owned businesses. In fact, the Center has gone "national" as the Associated Press picked up one of the interviews. Also featured in *The Inquirer Magazine* was the McVaugh family of Laboratory Testing, Inc., a member firm.



Congratulations to Asher's Chocolates who recently received the the American Tasting Institute's Award of Excellence!

A personal note ... I look forward to welcoming you to our kickoff Forum on March 14, whether you've been attending the last 10 years or whether this will be your first time! I'm eager to work together with Members and Partners as we develop *smaller learning labs* to focus on specific business family topics. See you on March 14!



Sally Derstine
Forum Director

Unable to Attend Last November's Forum?

___ Please send me the audio tapes (set of 2) and handouts of the last Forum featuring Brad Hams, "The Great Game of Business: Teaching Your Family & Employees About Business." (\$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.

Your Legacy: One Size Doesn't Fit All by Bill Hartman, Mennonite Foundation/MMA Trust Co.



Many times persons tell us: "I would like to support my community and charities more, but I am not pleased with the limited options my advisors suggested. Do I have other options?" There are many options. Most importantly, your legacy plan should reflect your particular personal, business and charitable needs. Like buying a good suit, one size does not fit all.

As persons in business, and owners in particular, we are stewards of resources destined for numerous future purposes. Have you given thought to what ALL those future purposes may be? Do those purposes reflect your values, your faith, your mission ... or are they only ones assumed by your professional advisors or that are available in the general marketplace?

Most business owners have a unique opportunity to leave their legacy in many ways. The most obvious one is to successfully pass the business to capable, prepared family owner/managers, with minimal emotional and financial loss. The next is often to care for non-business descendants in a fair and realistic manner. This is also an opportunity to pass your values and mission on to future generations. There

is more to one's legacy than just money and business ...

We are called to give back to society in some form. There is a mandatory societal return in the form of estate or inheritance taxes. Many persons desire to leave a lasting legacy to our community and world through our church or other charitable organizations. Often, the gift of a legacy is complimented by significant tax benefits, as the U.S. tax system encourages this as part of what we give back. Can we have a "zero-estate tax plan?" Yes.

There are many tools and strategies that business owners can use to leave a lasting legacy, beginning during life and extending past our death. These strategies allow significant direction by you, the benefactor or your company or family.

Q: What are the benefits of a charitable legacy?

A: There are significant tax and financial benefits that depend on the strategy. But as important, or more important, are the benefits to you and your family of a legacy of giving and sharing and ongoing support for the causes and missions that are important to you. Of course, continuing your work into the future is the greatest advantage.

Q: Must I disadvantage my family or the business to leave a charitable legacy?

A: No. There are many ways to share such a legacy that provide

significant financial, emotional and values-based benefits to your family.

Q: My friend has a charitable foundation that seems like a lot of work, and is costly to operate. Are there other options?

A: Yes. There are many, many ways to leave an enduring, significant legacy of the type we are describing. A private charitable foundation is just one. A legacy plan is like a good suit, one size doesn't fit all.

What is your legacy? Is it complete, and does it reflect your values and desires? **Mennonite Foundation/**

MMA Trust Company offer a complimentary Legacy Review for Forum members. We would be pleased to review and discuss your current legacy plan, and look at opportunities to expand your legacy. Contact Bill Hartman, Arlin Lapp or Steve Hunsberger, Mennonite Foundation/MMA Trust Company at (215) 256-1510 for more information.

Welcome to NEW Forum Partner Firms

Walsh & Nicholson Financial Group
Bala Cynwyd, PA
Brown Brothers Harriman & Co.
Philadelphia, PA



Kevin Nicholson (above)
Brian Walsh
Walsh & Nicholson
Financial Group



Tom Saunders
Brown Brothers
Harriman

We are excited about the essential technical counsel that our two new Partner firms bring! Please join us in welcoming **Brian Walsh & Kevin Nicholson** from Walsh & Nicholson Financial Group and **Tom Saunders** from Brown Brothers Harriman. Read more about how they help business families on p. 4, or talk to them at the March 14 Forum!

Members!

Take advantage of **complimentary** membership benefits ...

Estate Planning Fire Drill—A quick review to assure short-term protection for your family and business. Call Brian Walsh or Kevin Nicholson at (610) 664-4400.

Legacy Review—A quick review to determine if your legacy plan adequately reflects your values and desires. Call Arlin Lapp at (215) 256-1510.

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

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

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!**

NEW! 3 Learning Labs. Members meet in small groups to discuss topics of common interest, i.e., Successors in Training, Women in Family Business, Key Non-Family Managers, CEO Spouses, Retooling CEOs.

NEW! 4 Family Business magazine annual subscription. Written exclusively for the owners and managers of family companies focusing on the tough issues virtually all business families must face (\$95 value).

5 Get instant answers to almost 100 family business topics through an exclusive on-line library housing hundreds of articles (www.dvfambus.com).



6 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).



7 Introduction to the Family Meeting Process. An individual meeting with your family to introduce the family meeting process, how to use the **Policy Handbook** and other resources.



8 Legacy Review. A quick review to determine if your legacy plan adequately reflects your values and desires.

9 2001 Membership Directory, which facilitates member-to-member learning.



Annual Membership Fee. Thanks to the generous support of our partners, the annual membership fee is \$600. Limited to family firms; subject to review by our Membership Committee. Membership is on an annual basis.

WHAT is the Family Business Forum?

An association of about 90 business families which meets quarterly for educational, informative, interactive programs to help **strengthen** families and **build** high-performing businesses.

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.

Return this Form to Register for March 14 Forum



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



**March 14, 2002 Beyond Shouting, Silence & Sarcasm:
Transforming Your Work & Family - One Conversation at a Time - Susan Scott**

Name(s) _____
Total Registrations (less one FREE) _____ X \$75 = \$ _____
Non-members may attend once as a guest at a \$100 registration fee. **NEW MEMBER \$ 600**

Draw check and mail to: Delaware Valley Family Business Center, 1011 Cathill Rd., Sellersville, PA 18960
Cancellations must be made 2 days prior to event. The registration fee cannot be refunded or waived when cancellations

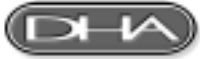
Total: \$ _____



The **Delaware Valley Family Business Center** has helped over 400 business families to thrive through family meeting facilitation, strategic business planning, team building, succession planning, mediation, mentoring successors, outside board development, compensation. Call (215) 723-8413.



Hamburg, Rubin, Mullin, Maxwell & Lupin is one of the premier Montgomery County law firms serving the community for more than 30 years. Our areas of specialty include Business Law, Corporate Law, Health Care Law, Taxation, Estate Planning, Estate Administration, Family Law, Real Estate Law, Commercial Litigation, Personal Injury, Environmental Law, Products Liability and Labor and Employer Law. For further information, contact **Jonathan Samel** at (215) 661-0400.



Detweiler, Hershey & Associates, P.C., believes success is a result, not a goal. And succeeding takes more than great ideas and hard work. You need wisdom and counsel from trusted advisors. Someone who understands where you want to go ... with the experience and training to get you there. For more than 56 years our individual and business clients have enjoyed financial success using timely advice from our team of consultants. Contact **Bruce Detweiler, Bob Schoen, or Jim Rittenhouse** at (215) 723-8901 or visit us on the web at www.detweilerhershey.com.



Founded in 1877, **The Quakertown National Bank** is an independent community bank providing a full range of banking services to business organizations and families. With seven offices located in Bucks, Montgomery and Lehigh counties, QNB strives to be the financial service provider of choice to our clients within the markets we serve. For further information, contact **Bob Wieand** at (215) 538-5600, ext. 5611, or visit our website at www.qnb.com.



MMA
Stewardship Solutions
MMA Trust Company



Mennonite Foundation and MMA Trust Company are dedicated to helping families make a difference in the world by incorporating their goals and values into their estate planning. We assist families with charitable/noncharitable estate planning and trust administration. Contact **Arlin Lapp** or **Steven Hunsberger** at (800) 332-4141 or **Bill Hartman** at (800) 494-6622.

Walsh & Nicholson Financial Group, an independent financial planning firm in Bala Cynwyd, tailors financial plans for your cherished family business to support your current success and keep you competitive for future generations. We focus on the dynamics of your unique family and industry, and work with you to create financial harmony and balance based on your family goals and structure. Contact **Brian Walsh** or **Kevin Nicholson** at (800) 433-5532, or on the web at www.WNFG.com.



Brown Brothers Harriman, founded in Philadelphia in 1818, is the oldest and largest privately owned bank in America. The firm maintains offices across the U.S. and in the world's major money centers. BBH focuses on substantial, privately held companies, and their owner-managers. We help our business clients particularly in the areas of capital formation, mergers, acquisitions, divestitures, wealth management, and the intergenerational transfer of assets. Contact **Thomas J. Saunders** at (215) 864-1869, or on the web at www.bbh.com.

FORUM
AFFILIATES



Family
Business
Magazine

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

Looking Back ... Moving Ahead!



The year 2002 marks a special time in the life of the Delaware Valley Family Business Center. It's the 10th anniversary of our Family Business Forum, which many consider the heart and soul of the Center.

As some of you know, I grew up in a family business myself. I. T. Landes & Son, Inc., of Harleysville is now in its fourth generation. So naturally when I established my management

consultation firm in 1989, nearly all of my clients were family businesses!

Over the next few years, a dream began to emerge ... a dream of creating a place where business families and their advisors could together learn to harness the high-octane energy of family business. To borrow a phrase from "Field of Dreams," a movie about baseball, "If you build it, they will come."

And 120 members of family businesses *did* come to our first Family Business Forum in October 1992 hosted by Sandy Alderfer at the Alderfer Auction Center in Hatfield. John Ward, a leading family business author and researcher, was our first speaker. The Chicagoan, who has presented at the Forum another four times, has become a valued friend of mine and our Forum community.

To help me set up and run that first Forum, I invited Sally Derstine

aboard. She has been with the Center—and its Forums—ever since and now serves as our very capable Forum Director.

Initially, our Forums were all-day meetings with fairly heavy input from academicians. We soon discovered that our members were most interested in hearing from other business families. And not taking all day to do it.

Today our Forums feature at least one business family (and sometimes three or four) who candidly share how they "do the dance," how they combine the business enterprise and family life. Many of these presenting families have been consultation clients of our Center with whom we've walked through some pretty deep waters. I very much appreciate their willingness to graciously offer their counsel, expertise and experience. For me personally it's exciting to find others who share my passion for helping business families.

Since 1992 it has been our pleasure to offer more than 50 Forum programs serving 400-plus family firms. With the strong support of our Forum Partners (listed above) and members, the Family Business Forum has become a vibrant "research and development lab" for families in business—a place to learn and practice new skills, to cross-pollinate, to give each other

ideas, to network and to provide mutual support. *Thank you* for your support of the Dream.

Moving Ahead ... Creating the Next 10 Years!

Yes, we will continue to offer excellent Forum programs (see our 2002 Forum program schedule in the box below). In 2002 we also envision the development of smaller "learning labs" where members can focus more directly on topics of common interest. These labs will be developed out of member interest and may include "Successors in Training," "Retooling CEOs," "Women in Family Business," "Key Non-Family Managers" and "CEO Spouses." Stay tuned!

Since most business families need *customized* support at key points of transition, we are also expanding our range of executive coaching and consultation services. From family meeting facilitation, successor mentoring, mediation, strategic business planning, compensation, team building and outside board development, our "family friendly" advisors are ready to walk with you on your journey.

One of my TEC Chair colleagues in San Diego likes to say, "If you want to know the future, create it." As our Forum moves into its second decade of serving business families, we invite your help in shaping it, as well as other services, to better serve you.

2002 Program Schedule—Mark Your Calendars!

Thursday, March 14

7:30 am-12 noon, Cedarbrook CC, Blue Bell

**Beyond Shouting, Sarcasm & Silence:
Transforming Your Work & Family
Relationships—One Conversation at a Time**

Susan Scott, Fierce Conversations, Seattle, WA



Wednesday, May 15

7:30 am-11:15 am

**What We're Learning About Succession—
the Good, the Bad & the Extraordinary**

The Davis Family, L. D. Davis Industries,
Huntingdon Valley, PA



Thursday, September 19

7:30 am-11:15 am

**SOBs/DOBs: Heartburn,
Heartbreak or Heaven-Sent**

John Fast, Ph.D., Centre for Family Business/Conrad
Grebel College, Waterloo, Ontario, Canada



Thursday, November 21

7:30 am-11:15 am

**The Secret(s): Tools & Choices for the Leaders of
Today & Tomorrow**

Walter Sutton, W. G. Sutton International, Ltd., Seattle, WA



Delaware Valley Family Business Center

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