



Volume 12, Issue 1
March 2004

FAMILY BUSINESS NEWSLETTER

A publication of the Delaware Valley Family Business Center



John Fast Ph.D.
Family Enterprise Solutions
Waterloo, Ontario, Canada

Join us at our next Family Business Forum ...

Managing Intergenerational Dynamics

*Back by popular demand...
Dr. John Fast returns to our Forum
after rave reviews
of his insightful 2002 presentation!*

Wednesday, March 31, 2004
7:30 to 11:30 a.m.
Indian Valley Country Club, Telford, PA
(breakfast buffet included)

“**M**anaging *family* members in a family business is often far more difficult than managing other employees,” says John Fast Ph.D., the featured speaker at our March 31 Forum.

According to Fast, “Managing intergenerational dynamics begins with understanding – understanding ourselves and understanding each other before rushing into unproductive communication patterns where we need to pull our foot out of our mouth. We’ve all been there!”

At the March 31 Forum we’ll learn how to fine-tune the intergenerational communication patterns of your family business by taking a “Personality Style Inventory.” The Forum will provide family members and key executives with increased self-awareness and new strategies for decision making and conflict management.

In a fun-filled session, participants will:

- ◆ **Understand** the strengths and weaknesses of their particular personality style.
- ◆ **Maximize** the complementary power of differences in temperament.

John Fast plans to elaborate on three habits of highly successful family business people:

- ◆ Understanding before judging
- ◆ Breathing into fear
- ◆ Style-flexing

- ◆ **Recognize** dysfunctional communication patterns.

- ◆ **Begin mastering** the habits of highly successful multi-generational family businesses.

The goal of the “Personality Style Inventory” is to build higher trust relationships between the generations. Two keys, says Fast, are greater self-understanding and a reduction in the judgmental nature of many interactions. During the exercise, family members discover, for example, that it’s OK to be vulnerable, that fear is normal and that dads can learn to express their love for their children in more creative ways.

Meet the Speaker

Fast has his doctorate in business ethics from Boston University, was a marriage/family counselor in California and has 20 years of teaching experience. The son of immigrants from Argentina, he has been working full time with family businesses since 1998. Fast has clients in all but two of Canada’s provinces. He and his wife, Esther, have two daughters.

Fast points out that humor can be a valuable commodity as members of business families relate to each other – but humor that is kind, not cutting. He gives an example of the latter from an actual meeting: A father comments disparagingly (in a budgeting session) on his daughter’s propensity for picking only top-of-the-line appliances.

“These sorts of remarks are made regularly in family business settings,” says Fast, “and unfortunately they’re very unproductive.”

Join us March 31 as we learn how to gain increased self-awareness and new strategies for decision making and conflict management.

Successors ... want to fast-track your learning?

To learn more or to arrange to visit one of our Next-Generation Learning Labs, contact Sally Derstine at (215) 723-8413 or sally@dvfambus.com.

“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*



Introducing Rapid Roundtables

Based on member feedback, on March 31 we are introducing a **new feature** for our Forum program, “**Rapid Roundtables.**” Each Roundtable will focus on a topic of current interest to members of family businesses. These interactive, 15-minute Roundtable discussions will be moderated by a Forum member and a professional advisor from one of our Forum Partner firms.



Our initial series of Roundtables will include **What You Need to Know About ...**

- ◆ Prenuptial Agreements
- ◆ Unique Retirement & Benefit Plan Designs for Family-Owned Businesses
- ◆ Fast Tracking Next-Generation Development

Scenes from Our November 20, 2003, Family Business Forum

Uncovering the Strategic Idea for Your Family Business

R. Lee Delp

Former CEO, Moyer Packing Company, Souderton, PA

Lee Delp explains how to uncover the "strategic idea" in a family business and walks attendees through real-life examples gathered through his work as CEO, board chair, and board member.



Scott Landis, third-generation member of **Landis Supermarkets**, comments along with other members of the Next-Generation Learning Lab I.



More than 145 Forum members and guests leave with tools to uncover a vision which will empower their family business to action!



Policy Handbook Highlight at November 20 Forum



Henry Landes, President, Delaware Valley Family Business Center, presents new *Policy Handbook* resources on ownership succession planning, the final stage of the succession journey.

Family Business Highlight ...

2003 Small Business Person of the Year, **Rose Schoch** (second from left), CEO of Schoch's Exxon, Car Wash, and Harley-Davidson in Stroudsburg, shares about their family business success.



Welcome to NEW Forum Members!

Jones Family	Jensen Movers & Storage Inc. Hatfield, PA
Martin Family	George's Woodcrafts Inc. Marietta, PA
Pfundt Family	General Machine Products Company Inc. Trevose, PA
Riethmiller Family	Philadelphia Tramrail Company Philadelphia, PA
Ruch Family	George Didden Greenhouses Inc. Hatfield, PA
Smith Family	Smith Insurance Associates Inc. Spring House, PA
Walker Family	Franklin Electric Company Philadelphia, PA
Walter Family	Walter Financial Inc. Buckingham, PA



New members, **George and Ava Lee Martin**, **George's Woodcrafts, Inc.**, Marietta.



Chad and Greg Lacher, **Lacher & Associates Insurance Agency**, Souderton.

3rd Annual Women in Family Business Luncheon



Jo Anne Forman, President, **Sealstrip Corporation**, **Boyetown**, and **Rose Schoch** share valuable insights as they address "A Woman's Touch in Management."

Guests are welcome too!



Guest **Fritz Bachman**, **Bachman Paving and Excavating**, **Chalfont**, and Forum Partner **Bruce Kenworthy**, **Quakertown National Bank**.

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



1. **New Member Orientation.** An **individual** meeting with your family to clarify your objectives and introduce resources to help prepare your business family for another generation of success.



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.**

NEW!

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

NEW!

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

8. **Philanthropy Review** led by Bill Hartman of Menno-nite Foundation/MMA Trust Company.

9. **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*).



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



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

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 \$800. Limited to family firms; subject to review by our Membership Committee. Membership is on an annual basis.

Return This Form to Register for the March 31 Forum

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



March 31, 2004: Managing Intergenerational Dynamics - John Fast Ph.D.

Name(s) _____

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

If paying by check, please make check payable to:
 Delaware Valley Family Business Center, 1011 Cathill Road, Sellersville, PA 18960 USA

If paying by credit card, please complete the following:

Card Type: Visa MasterCard AmEx Discover Expiration Date: _____

Cardholder's Name: _____

Street Address: _____ Zip Code: _____

Card #: _____

Authorized Signature: _____

With my signature, I give Delaware Valley Family Business Center authorization to charge the above stated credit card for the amount indicated.

Unable to Attend the November 20, 2003, Forum?

____ Please send me the audio tapes (set of 2) and handout booklet from the November Forum featuring R. Lee Delp: "Uncovering the Strategic Idea for Your Family Business." (\$20)

Total Registrations (less one FREE) _____ X \$75 = \$ _____
 November 20, 2003, Audiotape (set of 2) _____ X \$20 = \$ _____
 6% Sales Tax for Audiotapes ONLY = \$ _____
 \$3 shipping for Audiotapes ONLY = \$ _____
IF NEW MEMBER, \$800 = \$ _____
TOTAL = \$ _____

Unique Solutions for Family Business Planning Begins with Listening

As financial professionals, we distinguish ourselves not only by listening to what our clients say they need, but by *balancing those needs with the realities of the financial environment* in which we all live and operate.

Not long ago, after visiting with a client (let's call him Joe), we determined that his term life insurance policy – while meeting an important survivorship need – really wasn't adequate to address some of Joe's other financial goals. In addition to protecting his family, Joe wanted to begin setting aside funds to meet financial emergencies, take advantage of opportunities, and supplement his retirement income. He was also concerned about the potential financial hit his family would suffer should he experience a long-term illness.

Unfortunately, Joe didn't have the financial resources to purchase the

different kinds of products he would need to address these concerns and objectives. After carefully considering his needs, goals, and objectives, we suggested that Joe convert his term policy to a permanent plan – one that would generate cash values that could help meet the above goals. But we also suggested that he add a brand new kind of rider to the policy that would allow him to access his death benefit – while he was living – should he develop a terminal or chronic illness.

Shortly after Joe converted to the permanent plan, he was diagnosed with Restrictive Lung Disease – a terminal illness. He was soon confined to a wheelchair and forced to breathe through an oxygen tank. The life insurance company immediately honored the

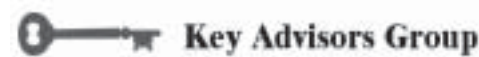
rider and accelerated the policy's death benefit, freeing up much-needed funds the client was able to use to pay medical and other expenses without having to liquidate savings or sell off assets. And although the company was not required to do so, it also allowed Joe to access the death benefit of an older policy he had – one that did not have the new rider attached to it.

Forum Members, have you taken advantage of your complimentary **Estate Planning Fire Drill?**

Today's life insurance products offer so much more than just traditional insurance protection. And at Key Advisors Group, we utilize these features to help clients protect their businesses and loved ones, accumulate assets on a tax-deferred basis, plan for retirement, and conserve their estates. But before we do any of that – we listen.



Chuck Creighton
Key Advisors Group



I welcome an opportunity to help you plan for the future. Call me at (610) 891-9700 to arrange a convenient consultation or to take advantage of the *Estate Planning Fire Drill* that we, along with Jonathan Samel of Hamburg, Rubin, Mullin, Maxwell & Lupin, offer to all members of the Delaware Valley Family Business Forum.

Congratulations to Kreisler Miller!

Kreisler Miller ...
one of the Best Places to Work in Pennsylvania!
Kreisler Miller was ranked 6th in the 50 to 250 employees category in 2003.



Mario Vicari presented the benefits of the **Financial Scorecard** at the November 2003 Forum. The Financial Scorecard provides a complete diagnostic review of important financial and operational indicators to help business owners make better decisions.

Exclusively for Forum Members!
Call (215) 723-8413 today to schedule your complimentary review!

News & Notes from Our Director



I'm pleased to announce a dynamic **2004 Forum Program** which promises to bring value to all family members and key executives who attend (see p. 4). This year we are going to learn best practices from the owners and family members of at least three successful multi-generational family businesses, including Wawa, Inc.!

Based on member feedback, you will also have opportunity to select from a variety of **Rapid Roundtables** at the March 31 Forum which address topics of interest to family businesses (see p. 1).

And your Forum investment offers you *even more ... services to help you do your family business work!* I encourage you to *take the time* to schedule the Estate Planning Fire Drill, Financial Scorecard, Marketing Brainstorming and Philanthropy Review which will help you address these questions head-on:

- ◆ What would happen to your family and business in the event of a catastrophe?
- ◆ Is your company in a financial position to support your future plans?
- ◆ Do you need help with marketing/branding issues?
- ◆ Does your legacy plan adequately reflect your values and desires?

For more information or to schedule these services, visit www.dvfambus.com or give me a call. My goal is to help you meet *your* goals so your family and business may thrive!



Sally Derstine
Forum Director

The Family Business Forum is underwritten in part by the generous support of our Partners.

Delaware Valley Family Business Forum Partners



Hamburg, Rubin, Mullin, Maxwell & Lupin is one of the premier Montgomery County law firms, serving the community for more than 30 years. We have helped hundreds of family businesses with succession planning. Our other areas of specialty include business law, estates, family law, real estate and environmental law, commercial litigation, personal injury, and employment law. For further information, contact **Jonathan Samel** at (215) 661-0400, or visit our website at www.hrmmml.com.



The Quakertown National Bank is an independent community bank which provides a full range of banking services to business organizations and families. Founded in 1877, QNB has seven offices located in Bucks, Montgomery and Lehigh counties. Our vision is to help our clients achieve their goals by providing a financial relationship built upon exceptional personal service and a sincere interest in their success. For further information, contact **Bob Wieand** at (215) 538-5600, ext. 5611, or visit our website at www.qnb.com.



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 email him at bill.hartman@mmapartners.org.



Brown Brothers Harriman, founded in Philadelphia in 1818, is the oldest and largest financial partnership 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. BBH helps its clients 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.



The Walsh Group is a team of marketing and creative consultants specializing in marketing plans, web design, logo design, graphics design, e-mail marketing, and web site promotion. Our goal is to make sure our customers benefit from the marketing investments they've made. Please contact **Pat Walsh** at (215) 491-3448 or learn more about us on the web at www.thewalshgroup.com.



Kreisler 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.



Key Advisors Group is a family-owned, independent financial planning organization dedicated to being the premier provider of creative insurance solutions. We assist our clients in establishing and implementing financial and estate plans designed to protect their families and businesses. We take pride in our ability to develop innovative ways to allow your hard-earned assets to continue to work for you and your family. Contact **Chuck Creighton** at (610) 891-9700, or on the web at www.keyadvisorsgroup.com.

FORUM
AFFILIATES



Family
Business
Magazine

Help YOUR family business make wise choices!

Family businesses face unique complexities because family and business issues frequently become entangled ... that's why most don't make it!

Our proven processes help your business family beat the odds, keeping together what you've spent a lifetime putting together.

Call Sally Derstine at (215) 723-8413 today to learn more about how we can help you clarify your objectives, create the necessary plans, and succeed in this generation and for generations to come.

Family Business Forum

An association of over 80 family firms which offers educational seminars featuring renowned business experts and the "best practices" of successful regional family businesses. Designed for all members of the family and key executives. An individual family meeting is included in the Membership Package along with other valuable learning tools and services.

Learning Labs

Since we believe successor development is the key to successful transitions, our Next-Generation Learning Labs provide a proven, fast-track learning environment for successors. Experienced facilitators guide the development of successors from non-competing businesses to run their businesses more effectively through a combination of speakers, peer processing of real issues and individual mentoring and goal setting. Learning Labs for non-family executives, leading generation and women are also under development.

Consulting

Our family business specialists provide customized coaching to help business families talk about the real issues, work together in effective teams, and plan for another generation of success. Engagements may include:

- ◆ Family Meeting Facilitation
- ◆ Conflict Resolution
- ◆ Succession Planning
- ◆ Successor Assessments
- ◆ Strategic Business Planning
- ◆ Compensation Issues
- ◆ Shareholder Education
- ◆ Board Development



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

Letting Go: Painful but Essential



I learned once again recently – up close and very personal – what it's like to let go, to give up something that is near and dear to my heart. In January I resigned from my deeply satisfying work as Chair of TEC 341, a group of 16 remarkable CEOs from all over the Delaware Valley.

TEC stands for The Executive Committee, an international association of CEOs based in San Diego. The worldwide leader in CEO development,

TEC now has more than 9,000 members in 15 countries.

My initial appointment as a TEC Chair came in 1993. For the first five years it was my privilege to chair two TEC groups. In addition to our monthly full-day group meetings, I met individually with each CEO monthly for executive coaching. Since the mission of TEC is to increase the effectiveness and enhance the lives of CEOs ... we talked about everything from key indicators to kids!

TEC members are a special breed of high-performing CEOs, deeply committed to their own personal and professional development and to the growth of their companies and people. I found my work with them exhilarating and enriching.

For the past year, however, my board of directors has been urging me to focus more of my energy and time on

the Family Business Center. After overcoming significant internal resistance, last October I began the painful process of saying goodbye to a powerful CEO learning community – relationships I have valued deeply over the past 10 years.

In my work with families who are in business together, I frequently counsel senior owners that a well-timed succession plan is essential, that knowing when and how to step aside is a gift to themselves, as well as the business and other family members. I've never said it was easy. Yes, it's tough to give up a cherished role when the time comes, to bow out gracefully.

Leadership transitions are tricky – for the "leaving" leader, for the new leader, and for all the members of the group or business. I've often said a leadership transition is a dangerous opportunity, a critical choice point that can either enhance or diminish group or business performance.

Of course, the proper preparation and thoughtful selection of a competent and committed successor is paramount. But it's also important to acknowledge the normal grief, the feelings of loss (sometimes even anger or depression) that accompany almost all significant transitions.

Over the past several months it has been helpful to me and to group members to talk individually about the past years ... to honor valued relationships, to

express appreciation for our journey together and to begin to envision a new future.

At our regular TEC monthly meeting on January 8, these reflective conversations culminated in a powerful "ritual of transition." By chance (or maybe not), my last meeting with TEC 341 was hosted by member Mark Worthington – whose company, Worthington Associates, specializes in building churches – at the Mt. Airy Church of God in Christ, Philadelphia.

It was with deep satisfaction and high expectations that I passed the baton of leadership to the new Chair, Hank O'Donnell, a longtime member of the group. At Hank's direction, senior members of the group (including Peter Wright, a charter member since 1986) reviewed the evolving culture of the group, with special focus on the "Henry Era." Then it was my turn ... I addressed each member individually, noting what they had taught me, their gift to the group and my vision for their future. These were holy moments for me – full of laughter and tears!

Yes, it's true. Letting go is hard. But letting go is a normal and necessary part of the cycle of living, loving and learning. It's a time of confusion and uncertainty, celebration and sadness, excitement and anticipation.

2004 Program Schedule – Mark Your Calendars!

Wednesday, March 31

7:30 - 11:30 a.m., Indian Valley Country Club, Telford
Managing Intergenerational Dynamics
 John Fast Ph.D., Family Enterprise Solutions, Waterloo, Ontario, Canada



Wednesday, May 19

7:30 - 11:30 a.m., Location TBA
Enduring Values at Wawa: the Wind Beneath Our Wings
 Richard Wood Jr., Wawa Corporate Headquarters, Wawa, PA



Wednesday, September 15


7:30 - 11:30 a.m., Location TBA
When the Entrepreneur Invites "Dad" Into the Business
 Rod Lefever, Founder of OneMain.com
 Allon Lefever, Director, MBA Program, Eastern Mennonite University
 Harrisonburg, VA



Wednesday, November 17

Special Dinner Meeting, Byers' Choice, Chalfont, PA
Building the Legacy at Byers' Choice and Leidy's Inc.
 Tom and Terry Leidy, Leidy's Inc., Souderton, PA
 Bob Byers Jr. and Jeff Byers, Byers' Choice, Chalfont, PA





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