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Business Succession

The Advisors

Perhaps the prospect of facing a myriad of thorny issues, some of them emotionally charged, is the reason that only 30% of American businesses have a business succession plan, and particularly a buy-sell agreement, in place. The first step is to assemble a team of family business advisors to facilitate discussions and implement solutions to these succession/sale issues.

Attorney – Serves as counselor and scrivener to plan and document the intentions of the owner and family in collaboration with the other advisors.

Accountant – Applies knowledge of the business operations, as well as the corporate, partnership and income tax aspects of business succession, in reaching viable solutions and setting expectations for the owner and family.

Insurance Advisor – Focus is to address liquidity planning with the best available products; may already have a trusted relationship with the owner.

Financial Advisor – Consults on financial matters affecting the owner and the business (banker for lending, broker for investments, retirement plans); trust officers can also play a critical role in providing stability during interim or long-range transitions to control over the entity.

Appraiser – Required when the business is to be transferred by gift or sale to family members; the fair market value of the enterprise is established by appraisal. An appraiser experienced in valuing businesses and testifying opposite the IRS is a key team member.

Family Business Consultant – In some instances, consultants can motivate and facilitate difficult family business situations, achieving solutions that mix family needs with those of the business. They are often multi-disciplinary, or they can be psychologists who team with the other advisors to focus energies and bring about the open communication necessary for a successful strategy to come to fruition.

For any strategy to be successful, the advisors must have all of the relevant information. Contact us to request a copy of our Business Succession Questionnaire.

Notice - This information is not legal advice or counsel absent an extant attorney-client relationship with the recipient; this information does not create an attorney-client relationship. Seek legal counsel before taking any action on the matters referenced above.