

How To Scale Your Company And Succeed Together Across Multiple Generations



A MANAGEMENT SYSTEM
FOR FAMILY BUSINESSES

Bradley G. Fisher

FAMILY BUSINESS ABUNDANCE

HOW TO SCALE YOUR COMPANY
AND SUCCEED TOGETHER ACROSS
MULTIPLE GENERATIONS

Bradley G. Fisher

Copyright © 2020 by Bradley G. Fisher
All rights reserved.
Printed in the United States of America.

No part of this publication may be reproduced or distributed in any form or by any means without the prior permission of the publisher or the author. Requests for permission should be directed to permissions@indiebooksintl.com, or mailed to Permissions, Indie Books International, 2424 Vista Way, Suite 316, Oceanside, CA 92054.

The views and opinions in this book are those of the author at the time of writing this book, and do not reflect the opinions of Indie Books International or its editors.

Neither the publisher nor the author is engaged in rendering legal, tax or other professional services through this book. The information is for business education purposes only. If expert assistance is required, the services of appropriate professionals should be sought. The publisher and the author shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused directly or indirectly by the information in this publication.

ISBN: 978-1-952233-20-3
Library of Congress Control Number: 2020915388

Family Business Management System™ is a pending trademark of Bradley G. Fisher.

Scalability RoadMap™ is a pending trademark of Bradley G. Fisher.

Family Business Growth Engine™ is a pending trademark of Bradley G. Fisher.

The use of the family business names and logos of Ford, Target, SC Johnson, Corning, Schilling, Rand McNally, Hallmark, Doubleday, Kendall-Jackson, Fidelity Investments, Andersen, and Campbells are the property of the respective companies are cited for educational purposes only, and the use of their company names does not imply endorsement of these companies for this book or the work of Bradley G. Fisher.

Designed by Joni McPherson, mcphersongraphics.com

INDIE BOOKS INTERNATIONAL, INC®
2424 VISTA WAY, SUITE 316
OCEANSIDE, CA 92054

www.indiebooksintl.com

TABLE OF CONTENTS

Chapter 1	Your Family Business Journey.....	1
Chapter 2	A Brief Overview: The Family Business Management System.....	11
Chapter 3	Contrasting Stories: Two Car Guys	21
Chapter 4	Mindset #1: Family Business Abundance	33
Chapter 5	Mindset #2: Family Business Vs. Family-Owned Business	45
Chapter 6	Mindset #3: Family Business Growth Engine	55
Chapter 7	Family Business Abundance Manifesto.....	69
Chapter 8	Building Block #1: The Principles Of Engagement.....	71
Chapter 9	Implementing Engagement	87
Chapter 10	Building Block #2: The Principles Of Clarity	101
Chapter 11	Implementing Clarity.....	117
Chapter 12	Building Block #3: The Principles Of Scalability ..	129
Chapter 13	Implementing Scalability.....	143
Chapter 14	Conclusion.....	165
Appendix	Scalability RoadMap Discussion Outline	169
Acknowledgments	183
About The Author	187



CHAPTER 1

Your Family Business Journey

Thank you for joining us on the path to long-term family business abundance. This journey may extend beyond your lifetime. But don't let that stop you. If you see your part through, the rewards for you and your family will be immense.

Powerful families have gone before us, big and small; families have been succeeding together for thousands of years, and they do so to this day. You need vision, strength, and courage to join them, and you will judge for yourself, nearly every day, whether the climb is worth the view.

We believe it *is*.

We believe that for the right people, family business is the best way to become wealthy, to cultivate human capacity, and to make an impact on the world. It can be incredibly satisfying, and at times, even fun to work with the ones whom you love the most.

Rewarding, satisfying, and sometimes even fun. But not *easy*.

Your aspirations, your family, and your business. Few things in life are more important. Family business provides the opportunity for you to integrate all three. And if you set the proper foundation in place, you can generate abundance for a hundred years or more.

Do you want to build a successful, multi-generational family business? If so, this book is for you, for the people with you today, and for future leaders, yet unborn, who will carry on your mission with purpose and gratitude in their hearts.

There are two core assertions in this book:

Over the long-term, family business is the most rewarding path you can take. If you approach it right, you and your family can thrive together across multiple generations.

The natural state for a well-tuned business is to grow. You can achieve natural growth and sustainable profit by building scalability into your organization.

This book is about how to *lean in*. How to make a family business *work*. Why it's *worth it*, how to make it *grow*, and how to make it *flourish*. Because when they succeed, family businesses generate long-term abundance.

Consider this a lifeboat for family business owners. If you resonate with our core message, or even if you're simply curious, then welcome aboard.

This book isn't for everyone, and it isn't meant to be.

Most business owners consider their companies a means to an end, a career choice, a gateway to status and respect. They intend to make a good living and then sell their businesses someday. Cash out. Achieve their *liquidity event*.

That is a fine perspective. It's all-American, a cornerstone of the economy.

Most family members share a similar perspective. They're aware of the company, of course; it is part of their lives, an element of their identities. But for them, it's a means to an end as well, someone else's business. The company belongs to their mother, their father, or their grandparents, but not to *them*; it's related, of course, but separate from their future lives and careers.

If your goal is to sell your business or pursue a different career, we applaud you. In fact, we believe every owner should run his or her business so it is ready to be sold at any time, optimized for the best price and the most positive legacy. If you're thinking about selling your company please continue reading, because you will improve your chance to achieve a successful transition. The chapters on clarity and scalability will prove especially helpful as you grow your company prior to sale.

However, please keep your mind open, and be aware that social pressure may be influencing your perspective. Today's culture, led by the media and countless pundits, expects and encourages business owners to *get out*. Sometimes it seems like you can't even boot up your phone without encountering an article, an ad, or an email that yells at you to *sell*. It's almost as if retirement, going out to pasture, is the only option we have.

Consider the lawyers, the accountants, the valuation experts, the investment bankers and business brokers who are hungry for their next transaction.

Entire industries exist to help us sell.

What about the wealth managers, eager to invest the proceeds of our liquidity event? What about the private equity firms who want to

control what we have, pay the lowest possible price, and then benefit from the profits and growth we might have achieved on our own?

Come now. Let's be fair; please don't get me wrong. There are many wonderful advisors and private equity professionals out there. Many are our friends, and some of them are reading this book right now. If you're in this game for the right reasons, you should be proud of the value you bring to the world. We mean no disrespect, and we love collaborating with you.

There is a right time for everything, including the sale of your business. But be thoughtful, take your time, and manage the process carefully. If you play your cards right, you will achieve a much higher price. You will avoid unnecessary taxes, and you will enjoy much more satisfaction down the road.

And by the way, when you *do* sell, you can reinvest the proceeds into other ventures that will perpetuate your success across multiple generations.

This book provides an alternative to the conventional point of view, a voice in the wilderness, for those of us who want to remain entrepreneurial, who intend to build family business growth engines that can enable us to thrive together across multiple generations.

By the way, the “*we*” in this book refers to a small group of us, growing by the day, who belong to the Featherstone firm and tribe. We are entrepreneurs, business owners, family members, advisors, and friends who believe that the family business journey is worth all the effort. We are intrigued by the notion of a Hundred-Year Family, and some of us aim to make it happen. When you read the word “*we*” in that context, feel free to consider yourself one of us—or not. Your choice.

Consider these numbers:

100 years, 100 people, \$100 million

Totally doable. It has a nice ring to it, does it not?

One hundred years? Think about that. Imagine the relationships you could build in that amount of time, the experiences you could share, the wealth you could accumulate, the impact your family could have on the world.

One hundred people? Certainly. Given five or six generations, it is entirely reasonable to assume that your family and your roster of key executives will expand to include at least that many folks, perhaps substantially more.

One hundred million dollars? That is a *no-brainer*. If you, your current team, and your descendants work it right, the math indicates far more than that. We will do that math together in a bit. Meanwhile, remember these numbers:

100, 100, \$100 million

What do you ultimately want for your family, for your company, and for yourself?

This book presents a *management system* for family business, a set of concepts, tools, and techniques that can help you strengthen your family and your company, so you can build and sustain both across multiple generations.

On the surface, the *Family Business Management System* is simple. It consists of three *mindsets* and three *building blocks*. The mindsets will give you the perspective you need to focus your attention and sustain your conviction when the challenges get tough. The building blocks provide concrete guidelines and techniques you can use to create a sustainable foundation for your family and your business. We will devote a chapter or two to each.

Mindsets:	Building Blocks:
1. <i>Family Business Abundance</i>	1. <i>Engagement</i>
2. <i>Family Business vs. Family-owned Business</i>	2. <i>Clarity</i>
3. <i>Family Business Growth Engine</i>	3. <i>Scalability</i>

As our friend Mark LeBlanc would say, “What you need to know, and what you need to do.”

A quick note about *stories*. Every family and individual has one, and so does every business, including yours. Some of the stories inspire us; others sound a warning call. Some are deceptively simple, while others weave complex tapestries across continents and centuries.

This book is filled with stories, all essentially true, but we owe our friends and clients the debt of confidentiality, so we’ve disguised and intertwined most of them.

What is the story behind *your* company? Did you launch it yourself? Perhaps someone passed it to you across a generation or two. How does your business saga blend with your family story, with your personal tale? Where is the drama, the pain, the conflict? How about the joy, the collaboration and payoff?

How will *your* story play out, one hundred years from now? Are you up for it?

Perhaps you're not interested in an extended time frame. Rather, you may be focused on the here and now. That's fine. You can employ the building blocks to double the size of your business, while increasing your profitability and enhancing your quality. The management system will enable you to achieve a higher valuation and take-out price, when you decide to sell your business.

If you *do* decide to build and share an enterprise with your family, one that lasts across multiple generations, how can you stack the deck in your favor?

In this book, we will explore each of these questions. Then we will show you how to develop a *Scalability RoadMap* you can use to guide your progress.

Successful multi-generational family businesses are rare, but with the right perspective and tools, yours can be one of them.

Personal Note—Your Guide

I am committed to this work. It brings me great joy. This may or may not become apparent to you as the book plays out, but that's not important. This book is not about *me*. I'm not interested in a book like that, and neither are you. This book is about *you*. About you and your *family*.

Think of me as your river guide, much like a veteran you would hire to run the Colorado river. You could travel it by yourself, of course, but you would expose yourself to dangers and delays—rocks, rapids, waterfalls, poison ivy, mountain lions—that you may not wish to handle on your own. At best, heading down alone would take too long, and at worst, your raft could capsize, causing you to lose everything.

I have been navigating family business waterways for decades. I don't claim to know every rock, bend, and pool, but I've paid attention along

the way. I've survived steep, narrow passages, led many companies, worked with wonderful people, and learned *so* many lessons.

Some of the perceptions I gained the hard way might streamline *your* challenge, so you and I will set aside a bit of space at the end of most chapters. Sub-sections like these, brief messages, from me to you, followed by thought exercises, designed to lock it in.

These are thought exercises, so relax. I won't ask you to pull out a notebook. It usually rubs me the wrong way when authors do that, and besides, most readers don't comply even if you ask them to. If you *do* feel inclined to write a few things down as we go on, please go ahead. You'll get more out of the exercises than the people who don't.

By the way, Albert Einstein loved thought exercises. He would close his eyes and revel in them for hours at a time, which is often how he encountered his groundbreaking insights. I am no Einstein, and neither are you, but it's fun to know he would approve.

FOOD FOR THOUGHT EXERCISE – YOUR PERSONAL JOURNEY

Whether we like it or not, we all belong to a family, and the *notion* of family is crucial to our discussion. But make no mistake; this book is about *you*. No matter what generation you belong to, no matter how functional or crazy your family is today, no matter what stage of development your business is in, this book is for you. We are here to help you understand what is *possible*, to help you decide how you want to *fit in*, and where you want to go.

We are at the headwaters now, you and I, pushing off from shore. Before the current catches us, before we pick up speed, please take a moment to consider the journey itself. Think about where you are today and try to visualize your destination.

What are you afraid of? Where do you wish to *go*?

Close your eyes and *imagine* the journey. Give it a few minutes of reflection. The scene is foggy, I suppose. But don't worry. The air will clear as we proceed.

I hope life is good for you today. Not perfect, perhaps, but a fine place to start. You're facing a problem, though, or you wouldn't be reading this. Perhaps it's an aspiration you're burning to achieve, an obstacle you need to overcome, something you hope to learn, or a conflict you wish to resolve. What is it? What do you want from this book, and from your journey?

Your motivations will reveal themselves soon enough. For now, please know that we have a *plan*. As we drift through these pages, you will refine your destination, and together,

we will harness a system to engage your family, clarify your circumstances, and achieve multi-generational success.

You are the hero of this movie. But remember, it's not a solo, lone-wolf feature. Your family is right there with you.



ABOUT THE AUTHOR

Brad Fisher works with entrepreneurial families who want to thrive together across multiple generations, focusing upon transforming and scaling their companies. He is the co-founder and managing partner of Featherstone Holdings.

Brad has devoted most of his professional career to entrepreneurship and family business abundance. Most recently, he led the acquisition of Elevated Billing Solutions, LLC and Recovery Help, LLC in Salt Lake City. While serving as CEO of those companies, Brad developed a passion for the behavioral health sector.

Prior to Featherstone, Brad served as the CEO and chief investment officer of Springcreek Advisors LLC, a California-based multi-family office, and he previously served as a general partner and the Chief Operating Officer for Pemigewasset Capital, a Connecticut-based family office and hedge fund.

Brad built multiple ventures during his early career, including Aim 21, Incorporated, a software company that developed enterprise multimedia database systems for advertising agencies and their clients. After selling Aim 21 to Reuters in 1997, he founded Tailwind, Incorporated, an online resource center for entrepreneurs and small

business owners. The American Towns Network acquired Tailwind in 2001.

Brad Fisher received an MBA from Stanford University and a BS in Economics from the University of Minnesota. He is or has been a board member or Trustee of many companies and non-profit institutions, including Saybrook University, Perrot Memorial Library, ARI of Connecticut, and the Purposeful Planning Institute.

He lives in Salt Lake City, Utah with his wife Kim. Together, they have two sons, Tucker and Brooks.