Business Succession Planning That Meets the Owner's Needs

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According to the Small Business Administration, 90% of the 21 million U.S. businesses are family-owned, and one-third of the Fortune 500 are either family-owned or family-controlled. Yet only 30% of family-run companies succeed into the second generation, and a meager 15% survive into the third.

In the face of all the political oratory and criticism of the "death tax" that gave us the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") and resulted in attempts to permanently repeal the transfer tax, in over 35 years of practice I have never observed a family business that had to be sold in order to pay estate taxes. On the other hand, I have observed several instances in which family businesses had to be sold because business acumen cannot be transmitted genetically. In short, in my experience, family businesses have been sold typically because the founder or his descendants decided to grasp the opportunity to take advantage of a liquidity event, family disharmony made it necessary for there to be a liquidity event, or the ineptitude or lack of commitment (or both) of succeeding generations made it necessary to dispose of a family business before it withered away in voluntary liquidation or bankruptcy.

Yet even where businesses have been successfully transferred to succeeding generations, by accident or design, it is the exception rather than the rule that formal succession planning is undertaken and implemented, with appropriate assistance from qualified professionals, at a time when such activity can make a difference in the outcome. In some cases, there has been a member of the family who was the obvious successor; in some cases, there has been competition that has been either healthy and productive or unhealthy and destructive; and in some cases, it has been obvious that successor management must come from outside the family.

As Amy Braden has observed, "Being the owner of a plane doesn't mean you have the right to fly it, and being the pilot doesn't mean you can decide which routes to fly." [1](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down1) In other words, ownership succession is different from management succession. We proceed on the assumption that the best approach is to begin the process of business succession planning when the principal owner or owners are still in their 50s and are at the peak of their powers.

Business Succession Planning That Meets the Owner's Needs

The questions are what is the best approach, given the particular family circumstances, and how to effect implementation of the process that is decided upon.

# Background

As I have observed estate plans come to fruition, I have worried that we have failed to help prepare the next generation or generations for the challenges and opportunities that they will confront. The issue is more transitional than transactional, and that issue will remain whether or not the estate tax is repealed. The trusted advisor must be ready to venture beyond the boundary of a narrow legal or financial advisory specialty and help families address the human and emotional issues that are often exacerbated by significant wealth.

A recent study found that only half of family-owned businesses had succession plans and of those about 50% were created by lawyers, 19% were created by the owners themselves, 15% were created by accountants, and the remaining 16% were created by a variety of other advisors and consultants. [2](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down2) In many cases, the focus of advisors and commentators is retaining the role of quarterback. [3](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down3) Other advisors and commentators who are specialists in transfer tax law limit the succession planning discussion to transfer tax rules. [4](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down4)

Much of what we know about business succession planning involving family businesses has been gleaned from newspaper articles or courts' opinions involving prominent families such as the Pritzkers, the Dolans, the Ambanis, the Thyssen-Bornemiszas, the Herzes, the Binghams, the Hafts, the Murdocks, and others. In addition, albeit rarely, we obtain anecdotal information from those families who overcome their penchant for privacy to speak to reporters. [5](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down5) Although it has been observed that the Pritzker family convinced themselves of the great fallacy that a few people at the center can take care of all the problems of a family business, an Alabama entrepreneur who is chief executive officer of his family business spoke to a reporter and admitted at age 68 and after a liver transplant that "I want to continue as long as I can." [6](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down6)

One commentator suggests organizing a nine-member team that includes an accountant, a business appraiser, a financial planner, a psychologist, a banker, an insurance agent, a broker, an actuary, and an attorney. [7](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down7) This is reminiscent of the old saw that a camel is a horse designed by committee. Still another extreme suggestion is to closet family members with one or more mediators in an extensive multi-day retreat. [8](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down8)

Business Succession Planning That Meets the Owner's Needs

Another commentator who is experienced in counseling family businesses expressed the point of view that, "if you protect the viability of the business, matters seem to work out." [9](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down9) He also made the following salutary suggestions:

* Keep in mind that this is an iterative process. Have patience....
* Do not sell the softer issues short. Remember, your client, her family members, and business team have never done this before. Be sure that all the relevant people are included in the process, erring on the side of completeness and inclusion.
* Try to get the client and the members of her system to identify their goals, core values, and beliefs.
* Many clients are geniuses at what they do but are not experienced in working with conceptual problems.
* The most important element in the larger transition process is the management succession plan. [10](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down10)

In advising clients, lawyers and accountants have exhibited tendencies to stick to what they know, focusing on the transfer and income tax aspects of business succession planning while giving short shrift to the emotional and relational issues that bind and sometimes confound numbers of families who are bound together by strands of DNA. Many professional advisors tend to shy away from these emotional issues. Many of them confront their clients in their offices and fail to take advantage of the opportunity—indeed the necessity—of getting on the ground, walking around the facilities of a family business with those in control, and obtaining a complete understanding of the dynamics of both the business and the family that controls it.

Almost two decades ago, Gerry LeVan, a lawyer who has become a family business consultant, noted estate planners' myopic preoccupation with documents and tax planning, and suggested that the passing of the family business to the next generation deserves more sensitivity on the part of estate planners and more willingness to seek expert assistance where needed. [11](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down11) LeVan was one of the first lawyers to suggest recognition of the necessary but temporary role of the family business consultant to serve as the facilitator and mediator who helps families resolve their futures and in doing so works himself out of job. [12](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down12)

Byrle Abbin followed by reporting on the results of surveys of family business owners, who ranked the issues that confronted them in the following descending order of importance:

Business Succession Planning That Meets the Owner's Needs

* Organizational structure of the business.
* Capable and supportive key management.
* Motivation of successors and management.
* Accommodation of family members.
* Estate planning.
* Retirement planning for current management.
* Retaining competent professional advisors.
* Operating with a board of outside directors. [13](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down13)

He also reported on another survey that noted the pervasive informality in approaching both the business and the business succession plan, the limited use of a wide circle of advisors outside the family, and the failure to use management tools that are common in public companies. [14](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down14)

LeVan's views are also echoed by Abbin's experience and conclusion that only once the "soft issues" have been addressed, assessed, and attended to, should the typical estate planner's bag of tricks be brought to bear. [15](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down15) That experience and conclusion leads him to recommend an approach that puts the family and business structure issues ahead of transfer tax and legal documentation and providing "holistic estate and succession planning" as the only logical and proper means of serving family business needs and providing solutions based on those needs. [16](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down16)

# Some Approaches to the Process of Planning

While an advisor or a business owner is considering a framework for the process of planning, practical reality dictates that business owners have estate plans. The preparation and implementation of the estate plan cannot be put on hold pending the completion of business succession planning. The business succession plan is a process that requires a considerable investment of time and the possible involvement of non-traditional professional assistance—i.e., the family business consultant. At the conclusion of that process, it is appropriate to revisit the estate plan. [17](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down17)

This process also requires that the attorney adopt the role of the counselor in assisting the owner to plan for the successful transition and transfer of a business. [18](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down18) In embracing the counselor role, both the attorney and the accountant must be cognizant of their obligations and limitations under applicable rules of ethics. [19](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down19) The introduction

Business Succession Planning That Meets the Owner's Needs

of a family business consultant, who is specifically trained in family business dynamics and family relations, can both improve the communications between family members in addressing family and business issues, and also overcome some of the ethical constraints that limit the abilities of attorneys and accountants to do so. [20](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down20)

# Know Your Client

Abbin identifies and categorizes stereotypical basic entrepreneurs, and distinguishes them from technical entrepreneurs. He captures their personalities so clearly and well that his observations are set out at length below:

The stereotypical entrepreneur has enormous ambition, energy and drive that manifests itself into an egotistical, compulsive, obsessive and impulsive nature. Often he or she possesses a mixture of stubbornness and arrogance and also may exhibit eccentricities. The basic entrepreneur is much more likely to exhibit intelligence than intellect, since focus is on intuition. Most have been rather successful in operating that way... Thus, there is little or no system to the decision-making process. Lack of communication is endemic. Lack of teaching, and disinterest in detail, is commonplace in the operations under his approach.

It follows from this that the entrepreneur does not engage in the classic sense. He leads and does at the same time. Confusion results from poor delegation, with all decisions typically flowing through him. Uncertainty is rife through exercise of a code of secrecy, so little or no information flows down from the entrepreneur, and as a result, little comes back up to him for empirical thought. Domination by him includes all family members, whether in or out of the business, as well as all key employees who essentially are "yes men or women." Thus, the typical entrepreneur is told whatever everyone expects he wants to hear, whether it relates to reality or not. \*\*\*

Inherent also is the entrepreneur's sexist attitude about the business acumen of daughters and the likelihood that, although the best in abilities, a daughter will be overlooked in favor of the less competent sibling-son. The history of family business is replete with the entrepreneur's domineering demeanor resulting in sons who lack the strength of their own convictions, obviously a self-fulfilling prophecy emanating from his activities as a patriarch, both of the family and the family business. Too frequently it includes his conclusion that the daughter married poorly and the son-in-law has to be taken care of, but has absolutely no abilities to provide input into the management of the company. Often this is an emotional conclusion devoid of any objective rationale. [21](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down21)

Business Succession Planning That Meets the Owner's Needs

While the above described entrepreneur is dynastic, always wanting the family flag to fly high above the family business pole, that is not necessarily true of the "technical entrepreneur," whose goal is to build an enterprise, see it grow and prosper, gain financial independence or success, and ultimately "cash in on it" whether by an outright sale or going public. This type of entrepreneur has much weaker emotional ties to the business as it affects his personal attitudes and ego, let alone as it impacts family members, employees and business associates. \*\*\*

It is evident that the "technical entrepreneur's" attitude toward their own children and business often is significantly different, since they have less emotionalism about continuing family ownership of the business. They more likely recognize that their children either are not interested in being successors in management or are not capable and perhaps should not be involved in the business because their own interests in life differ from that of the company. Making this decision about their children's capabilities, limitations and weaknesses appears to be much easier for the technical entrepreneur than for the general business entrepreneur. As a result, often their business succession plans do not consider having their children take over. This more cold-blooded attitude exhibits itself in a mindset that is much less dynastic, i.e., a commitment to keep the family business as a monument that often intrigues and drives the more typical business entrepreneur.

Because the technical entrepreneur is more analytical by nature and training, there is a greater likelihood he or she would be interested in implementing better business procedures. Their business organizations tend to be better organized and on a less intuitive basis than that of the older style business entrepreneur. [22](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down22)

Even so, personality studies show that controlling entrepreneurs, the risk-takers with capital, are primarily concerned about minimizing risk. That accounts, at least in part, for their guarding control and their having difficulty in trusting their best employees or their children. In the second generation, it appears that sibling groups are even more risk-averse than the founder was. Their mantra is to avoid losing their inheritance as opposed to building a legacy for future generations. Succeeding generations may have a greater challenge because they have had no appropriate role models for collective ownership. Thus, the success of those who wish to transfer stewardship and a sense of legacy to succeeding generations has been possible only because "both the generation in charge and the successors were willing to do the hard work of hashing out administrative issues, redefining their mission and designing new structures to serve the broadening and diversifying family." [23](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down23)

Business Succession Planning That Meets the Owner's Needs

The Family Office Exchange has identified and categorized the risks to affluent families and their businesses as follows: business ownership and control, investment concentration, ownership structures, fiduciary exposure, financial oversight, family office, family and philanthropic legacy, and intra-family relationships. It is a difficult challenge to motivate family members to discuss risks and to adopt a process for managing them. Participants in the Family Office Exchange's 2005 "Thought Leaders Roundtable" proposed a six-step framework for family risk management: (1) define the family's objectives for its wealth, (2) identify the risks that threaten those objectives, (3) prioritize those risks according to likelihood of occurrence and level of impact, (4) create mitigation or contingency plans for the most critical risks, (5) commit resources to oversee the mitigation plans, and (6) continuously monitor the family situation and environment to update the risk management plan. [24](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down24)

How may the chances of success be enhanced? One family business consultant, Earnest Doud, suggests that it is critical to recognize that the answers that worked for the last generation may not be the right answers for the next generation. [25](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down25) He has developed a framework for effective succession planning that involves a six-transition model:

1. **The founder's (current leader's) transition.** The founder must have a clear sense of personal direction for the future; become a good teacher, mentor and door opener; and have financial resources independent of the operating results of the business.

2. **The family transition.** To achieve the goals of business prosperity, family harmony, and personal well-being, adult family members must have the ability and willingness openly to confront issues that may have a high emotional content.

3. **The business transition.** To achieve operating efficiency, change must be embraced where it is indicated, and management teams must be strengthened. The family must define and abide by the rules by which it will manage both the family and the business relationship. In addition, a strategic vision is necessary to achieve the discipline of participating in systematic strategic thinking.

4. **The management transition.** A determination must be made as to whether a family member can succeed to the chief executive's position and, if so, he or she must be identified. If not, other options to family management must be considered. Competency and potential must be addressed objectively.

5. **The ownership transition.** It must be determined who should have ownership and how to transfer ownership to the future owners in a manner that is both tax-effective and respectful of the needs of the business. In addition, a sense of responsibility must be inculcated into the family members who will succeed to ownership.

Business Succession Planning That Meets the Owner's Needs

 Remember that fair is not equal and equal is not fair; the sooner that the ownership transfer decision is made, the more flexibility is available; and the sooner that the transfer occurs, the more tax-effective it can be, but the plan should not necessarily be tax-driven.

6. **The estate transition.** While equal is not fair in the division of business ownership among family members, estate transfer decisions typically emphasize the family value of equality. Hence, the estate transition should follow decisions with respect to the ownership transition, which must ensure fairness and business continuity. An exit strategy is essential for those who do not participate in ownership of the business. [26](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down26)

Finally, Doud suggests that the following qualities are required to succeed in pursuing the framework described above:

* Vision: knowing what the family stands for.
* Values: knowing what the family stands on.
* Voice: having and using the ability to communicate effectively.
* Vehicles: designing the mechanisms by which to implement decisions.
* Viability: knowing whether the required financial, management, and personal resources are available or are able to be developed when needed.
* Volition: commitment and guts. [27](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down27)

Jay Hughes, a distinguished lawyer and counselor to family businesses learned from his father that businesses rarely failed due to a failure of their financial practices, but rather they most often fail because of poor long-term succession planning. [28](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down28) Hughes suggests that the proverb "Shirt sleeves to shirt sleeves in three generations" (or its Chinese and Irish analogs, "Rice patty to rice patty in three generations," and "Clogs to clogs in three generations") results from a classic three-stage process of business development: a period of creativity, a period of stasis, and a period of decay. [29](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down29)

Hughes observes some of the reasons why those proverbs come true in some cases:

1. Wealth preservation has connoted wealth measured as financial capital. Few families have understood that their wealth consists not only of financial capital but also of human and intellectual capital; and "Even fewer families have understood that, without preservation of their human and intellectual capital, they cannot preserve their financial capital."

Business Succession Planning That Meets the Owner's Needs

2. "Families fail to understand that the preservation of their wealth is a dynamic, not a static, process and that each generation of the family must be the first generation the wealth-creating generation."

3. Families lack the discipline of patience and, therefore, fail properly to measure the time frame for successful wealth preservation. The result is that planning for the use of the family's human and intellectual capital is far too short-term and individual, and family goals for achievement are set far too low.

4. "Families fail to comprehend and manage the external and internal liabilities on their family balance sheets." A family business that is trying to preserve wealth may be in a blissful state of status quo, but in fact what is developing is a state of entropy or decay because liabilities were not managed properly in the earlier stages of the family's lives.

5. "Families fail to understand that the fundamental issues of wealth preservation are qualitative, not quantitative. Most families manage themselves to attain quantitative goals. These families measure success based on the size of their financial balance sheet...Unfortunately, this exercise omits the preparation and review of the family's and each individual member's qualitative balance sheets." Without a description and a valuation of a family's and its individual members' human and intellectual capitals, the family and individual balance sheets are incomplete in measuring success in meeting the family's wealth preservation mission and goals. The following questions are critical in assessing whether a family is actively wealth preserving:

* Is each individual member thriving?
* Is the family social compact among the members of each generation providing an incentive to the leaders of each generation to stay in the family and to listen to the individual issues of those whom they lead so that the latter choose to follow?
* Do the individual family members know *how* to leave the family wealth management business so that they do not feel that they *have* to leave?
* "Are the selected representatives of the family meeting their responsibilities to manage the family's human, intellectual, and financial capital in order to achieve the individual pursuits of happiness of its members, and does each individual member perceive that they are doing so?"

6. Families fail to tell the family's stories that relate the family's history and its values.

Business Succession Planning That Meets the Owner's Needs

 7. "Families fail to understand that the preservation of family wealth over a long period of time is unbelievably hard work—with a tremendous risk of failure balanced by the highest possible reward. Most of us know that process is essential to the successful achievement to any endeavor. Most of us also know that leaving the process too soon, because it seems too hard, is the most common reason why the process fails. Families who choose to enter the process of long-term wealth preservation face the daunting fact that their process will never end if they are successful. They have to decide to stay in the process literally for all the generations to come." [30](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down30)

# Other Approaches to Business Succession Planning

One answer to the question posed above of how families can be organized around a vision and values that includes both a summary of Hughes' points and a thoughtful reaction to them is offered by Gerald LeVan. [31](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down31) That response includes the organization and operation of a family council.

A family council is simply a meeting of multiple generations of family members that occurs regularly in order to educate family members and help them to make informed decisions on issues of interest to the family. [32](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down32) It creates its own rules of operation and, hopefully, adopts a mission statement and a values statement. It can provide linkage to the boards of family-controlled operating entities, it can provide a voice for non-active family members to express their views, and it can provide linkage to estate planning entities and structures. [33](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#down33)

It is sometimes difficult for solution-oriented experts to avoid a rush to solution and instead acknowledge the importance of and embrace the concept of process. [34](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down34) The hardest step is the first one, for procrastination is the greatest risk not only to estate planning but also to business succession planning. In my experience, most entrepreneurs would rather address the issues in a business transaction, that might involve a minor part of the assets of the business, rather than address the problems of, much less engage in, estate planning and succession planning that involve essentially all that they have. The best weapons with which to attack procrastination are talent as a counselor and persistency.

Regardless of whether a family owns an operating business or whether the operating business has been sold and other assets have replaced it, family governance is important. In 2003, JPMorgan published an excellent portfolio entitled, "Effective Governance: The Eight Proactive Practices of Successful Families," in its *Challenges of Wealth* series. While the circulation of that portfolio was limited, recently the practices

Business Succession Planning That Meets the Owner's Needs

 that are described in the portfolio were enumerated and elaborated upon in an article that is accessible easily to everyone. [35](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down35) The authors suggest that governance is important and that the issue is appropriately addressed by families when family members are committed to a collective identity (sharing a compelling economic and social reason for being connected), see themselves as stewards rather than owners, and are dedicated to empowering individuals. [36](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down36) The eight proactive practices of successful families are as follows:

1. Articulate a clear vision. This requires defining the company's mission and setting forth the values that guide the family in conducting the business or, when there is no business, the purpose of the family wealth.

2. Cultivate entrepreneurial strengths.

3. Plan ahead to reduce risk and act on opportunities.

4. Build unifying structures that connect family, assets, and community. This might involve a family constitution and a family council, as well as a family office, trusts, private investment funds, and philanthropic activities.

5. Clarify roles and responsibilities. It is important to distinguish between the responsibility of individuals as family members and their duties as asset owners or enterprise managers.

6. Communicate. This must be a studied activity rather than one left to chance.

7. Help individuals develop competencies. Doing so will foster individual fulfillment as well as family harmony.

8. Foster independence and provide exit options. [37](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16" \l "down37) The ability to exit gracefully without recrimination should make a trip to the courthouse unnecessary.

Dressed up in whatever technical garb there may be, the problems that cross our desks are essentially the problems of human beings. In order to serve our clients well, we must understand the panoply of issues facing them and the waves of emotion on which they float.

[[1]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up1) "Preserving Family Harmony," JPMorgan Private Bank Portfolio, pp. 14, 18 (Fall 2005).

[[2]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up2) Grove and Prince, "What, No Succession Plan?," 143 Tr. & Est. 69 (Sept. 2004).

[[3]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up3) Coplan, Jones, and Painter, "Succession Planning for Wealthy Family Groups," 133 Tr. & Est. 31 (Nov. 1994); Dreux, Etkind, Godfrey, and Moshier, "Succession Planning and Exit Strategies for the High-Net-Worth Business Owner," 69 CPA J. 31 (Sept. 1999).

[[4]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up4) Conway, "Current Issues in Business Succession Planning," 2003 Ohio ACTEC Meeting; Bourland, "When the Kids Won't Play Well Together: Tax-Free Corporate Divisions in Family Business Succession Planning," 38 U. Miami Heckerling Inst. on Est. Plan. Ch. 14 (2004); Bourland, "Implementation and Documentation of the Family Business Succession Plan," Univ. Tex. Sch. of L., Private Companies—Tools to Make Them Thrive (1/13-14/05); Hess and Haylik, "Attitude Adjustment," 144 Tr. & Est. 56 (Apr. 2005).

[[5]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up5) Hazlett, "All in the Family," 143 Tr. & Est. 54 (Feb. 2004).

[[6]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up6) Id . at pp. 55, 56.

[[7]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up7) Basi, "Professionals in Business Succession Planning," ABA Tax Section 2001 mid-year meeting.

[[8]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up8) Gage, Gromala, and Kops, "Holistic Estate Planning and Integrating Mediation in the Planning Process," 39 Real Prop., Prob. & Tr. J. 509, 538 (Fall 2004).

[[9]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up9) See Dreux, et al., supra note 3, at p. 35.

[[10]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up10) Id .

[[11]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up11) LeVan, "Passing the Business to the Next Generation: Before Estate Planning Begins...," 14 Prob. Notes 257 (1987).

[[12]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up12) LeVan, "Passing the Family Business to the Next Generation: Handling Conflict," 22. U. Miami Heckerling Inst. on Est. Plan. ¶1408 (1988).

[[13]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up13) Abbin, "Here a GRAT... There a GRAT—The Mass Merchandising of Estate Planning by Acronym—Planning for Family Business Succession Requires Much More," 29 U. Miami Heckerling Inst. on Est. Plan. ¶1103 (1995).

[[14]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up14) Id . at ¶1105.3.

[[15]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up15) Id . at ¶1114.

[[16]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up16) Id . at ¶1126.

Business Succession Planning That Meets the Owner's Needs

[[17]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up17) Koren, "Preserving the Patriarch's Patrimony for the Prodigal and Other Paranormal (or Normal) Progeny: Non-Tax Considerations in Family Business Succession Planning," 31 U. Miami Heckerling Inst. on Est. Plan. Ch. 12 (1997).

[[18]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up18) Id . at ¶1202.3; LeVan, "... and Counselor-At-Law," ACTEC ListServe (6/16/04).

[[19]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up19) Koren, supra note 17, at ¶1205; Koren "Non-Tax Considerations in Family Business Succession Planning, Estate Planning for the Family Business Owner, " pp. 17 et seq. (ALI-ABA, 8/1/02).

[[20]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up20) Koren, supra note 17, at ¶1205.1F.

[[21]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up21) Abbin, supra note 13, at ¶1108.1.

[[22]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up22) Id . at ¶1108.2.

[[23]](http://nationalunderwriteradvancedmarkets.com/articles/fc030109-a.aspx?action=16#up23) Hamilton and Kaye, "High Net-Worth Families—Wealth Creators' Dilemma: How Much to Delegate?," 142 Tr. & Est. 42, 44-45 (May 2003).

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