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Family Business Quarterly



Center For Family Business

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Helping Family Businesses Achieve and Maintain Success

Dear Member:

We hope you and your family had an enjoyable, safe and prosperous summer. With summer vacations for the most part over, and the children heading back to school, this is the time of year where we refocus our attention back on business. Here at the Center we are doing the same and we have an exciting program series lined up for the year. Our kickoff program in October will feature a nationally known speaker, Drew Mendoza. Drew will lead a discussion on how to Create Effective Family Firm Shareholders. Other programs this year include: Developing an Effective Board of Advisors for Your Family Business and Developing the Company Culture in Your Family Business.

I had a great opportunity to meet with many members through the recent months and hear tremendous stories about the value the Center has provided for them, their businesses and their families. It is rewarding to be part of a group that is dedicated to improving the lives of families and businesses and has made an untold difference for so many. As we move forward I would like to ask you to consider other family businesses that you know, as many of them would benefit from our services. Please reach out to them and let them know about the Center, invite them to attend our meetings as your guest, or make a connection between them and the Center. This connection could make a tremendous difference for both them and the Center.

We are looking forward to this next program year at the Center. We are excited about working with you and providing valued services for your families and your businesses. We appreciate your feedback, input, suggestions and are eager to hear from you. Please feel free to contact us and to let us know what we can do to support your family business.

Sincerely,

Ted Clark
Executive Director

Northeastern's Center for Family Business

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Member Booths



Kayem Foods treated members to some of their leading food products at a recent Executive Breakfast Meeting. Kayem Foods, Inc. is the largest meat processor in New England, making over 500 products under eight brand names. The privately-held and operated company has been owned and operated by the same family since 1909.



Center For Family Business

Helping Family Businesses Achieve and Maintain Success

The Northeastern University Center for Family Business is a membership organization that provides education, networking opportunities, and support to business families.

Adding the complexities of a family and its needs to the dynamics of a competitive business can be a formidable challenge. The Center for Family Business helps business families identify and avoid potential pitfalls, solve complex interpersonal and family business issues, and plan for future family business success in an ever changing and increasingly more competitive environment.

By providing high quality educational support, networking opportunities, and individual business counseling in a supportive and confidential environment, we help our members navigate the complex landscape of the family business to create greater harmony within the family and ensure continued success for the business.

For membership information, please contact us at 617-373-7031

Feature Article

A Secret About Secrecy

by Drew S. Mendoza

The question we used to hear most frequently was "why have a family meeting?" Now we hear "how do we do it and who should attend?"

Entrepreneurs tend to be closed-mouthed and close to the vest. They see information as power and a competitive edge, so they protect it carefully. Moreover, given the crushing time demands of a growing business, they have little time for the meetings and memos that are required to share information. While a powerful entrepreneur can achieve considerable business success with very limited communication, ultimately business and family growth will be stunted, if not destroyed by the practice. Outcomes of too much secrecy can include: inadequate successor development; failure to build a strong management team; lack of coordination, planning and control; and alienation, resentment and conflict among shareholders and family.

Unfortunately, the tendency toward secrecy can be reinforced by the very professionals who business leaders turn to for advice. Attorneys often believe in the "good witness" theory which calls for providing as little information as possible. Trust officers and bankers rightfully view secrecy about their clients' affairs as the height of professionalism.

Justifiably, advisors may remind the dominant owner/manager that there is no legal obligation to share information about business conditions or personal finances or estate plans with anyone else, including the family. Unfortunately, ours is an adversarial legal system. Consequently, anyone other than the client can be viewed as a potential adversary—even spouses. From that extreme view, only fools expose themselves to the risks that ensue from trust and sharing.

The tendency toward secrecy also may be reinforced by the entrepreneur's experience in the business and family. Weaknesses can be revealed along with information. Sharing of data, plans or results can leave one open to discomforting questions or challenges.

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We recommend the adult members of business-owning families consider these steps:

Don't confuse shareholder meetings with family meetings. The former has a legitimate exclusivity. Nevertheless, we do recommend that presentations be made during family meetings that teach inactive family members about the business. Not all of the information shared at a shareholder meeting needs to be discussed at a larger family meeting. However, if that is the shareholders' decision, we recommend that a policy and rationale be drafted which explains why certain financial or operating information about the business is not openly shared.

Find a way to involve your adult children's spouses in the family and educate them about the family's business. As parents of future business leaders, employees and shareholders, their attitudes are crucial. If they feel alienated from the business, they may discourage their children's commitment to the enterprise. To encourage their commitment, exposure to the business and education about understanding it should begin early.

Share compensation information openly, at least with shareholders. The cliché "no matter how little you may be paying yourself, your inactive shareholding relatives think it's a lot more" is both true and understandable, particularly if they feel cut off from the business and its financial performance.

When using trusts as estate planning devices, go to great pains to teach beneficiaries about the trusts' rationale and terms. Beneficiaries, particularly those not employed in the business, often feel mistrust when stock is transferred to a trust rather than directly to them. An estate planning tool that protects the financial integrity of a business asset from creditors and the IRS thus becomes a source of family conflict.

Be sufficiently open about estate planning to permit your children to deal with their estate plans in a responsible and coordinated way. Next generation adults are often embarrassed by an attorney's questions in the process of drawing a will. Because they lack answers about stock in the family business that may be their principle asset, they feel uninformed and immature.

Secrecy (Continued from preceding page)

The result: a philosophy of "it's none of your business" develops. And not surprisingly, as the family comes to understand the family business as "none of their business," the philosophy becomes a self-fulfilling prophecy.

The almost predictable fallout from excessive information sheltering is the erosion of commitment and trust—leading to bad feelings, suspicion and disputes—and sometimes leading to the dramatic demise of the family business.

The good news, however, is that excessive secrecy seems to be going out of style. Family meetings are being embraced by more and more family businesses. The question we used to hear most frequently was "why have a family meeting?" Now we hear "how do we do it and who should attend?"

We see many other positive indications supporting the idea of purposive communication and information sharing within owning clans. A newly formed association of attorneys who work with family firms includes lectures for their members led by family therapists on listening and communication skills. Professional associations of accountants and insurance specialists are training their members to beware of the impact intra-family secrets have on the business and the family. "Open Book Management" has moved beyond being an executive fad. "Stephen Covey's book, *The 7 Habits of Highly Effective Families*", stresses the need for open communication and family meetings.

If a strong family is a goal your family values and embraces, the family business's leaders must provide the example. We've seen families transformed by a patriarch's decision to include the family in his knowledge of the business and the family's finances. A meeting at which the parents take the next generation into their confidence can serve as a moving rite of passage, building mutual respect and acceptance of ownership responsibilities. If that initial, dramatic "breach" of secrecy is followed by regular information sharing, the chances of multi-generational family business success soars.

The secret about secrecy is that while it can raise an entrepreneur's comfort level in the short-run, in the long-run it can destroy both the business and the family. And after all, family businesses are about the long run. ■

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The husband and wife consulting team, Harry and Susan Martin act out one of several short skits about family business conflict at a recent Executive Breakfast meeting.

CONSTITUENT FORUMS

The Constituent Forums are at the heart of the Center's mission and complementary to the Core Program. Meeting every other month, the Constituent Forums provide small groups of family members a confidential setting to identify and discuss issues that are pertinent and relevant to their business. The Seniors' Forum, the Sibling, Cousins and Intergenerational Forum and the Paul Karofsky Leadership Development Forum provide members with the tools, resources and insights to successfully meet the challenges of their business.

The forums present an opportunity to:

- share, learn and grow
- to seek advice and help solve problems
- to give advice and support others to discover solutions

Forums provide the vehicle for:

- a confidential trustful environment for idea exchange
- advice and problem solving on business/personal issues
- integration of business, family and personal issues
- skill development in the human side of enterprise
- family business education
- personal growth and a deeper look into your own personality

Call for more information on how the forums can benefit your family and business at 617-373-7031.

Conflict Prevention in Business Families

Harry and Susan Martin

"the challenges were not in the management of the assets, but with the family"

Conflict within families, particularly between siblings, is as old as recorded history and continues unabated. Add the dimension of sibling rivalry in business together, often trapped under the watchful eye of the founder, and the stakes rise exponentially. At our last program meeting Harry Martin, the former CEO of the family office for the sixth generation Cargill-MacMillan families, the largest privately owned company in America, and his wife Susan Martin presented an interactive workshop of techniques for effectively dealing with conflict within the family business.

Harry Martin began the presentation with a brief history of his work experience with Cargill-MacMillan. Describing his work as challenging, he went on to add that "The challenges however were not in the management of assets but within the family." Harry described the complexity of the business and the landscape of the current company including six generations, three branches of the family, historical differences, generational differences, and succession issues.

PARENTING – GOOD OR BAD?

From his experience Harry observed that conflict between siblings is a common source of stress within a family business. He also pointed out that the effectiveness of the parenting is one of the major sources of influence affecting the level of rivalry that occurs between siblings. According to Harry, how sibling rivalry develops or is contained depends on the parents.

By answering a key question "Tell me about the generation between 20 and 40 years old" Harry believes that you can gain valuable insight to the parenting and character of the parents. The information gleaned from what this generation is doing with their lives; the level of education completed, substance abuse, wandering without any direction, and poor ethical values, often highlights the effectiveness of how

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MEMBER BENEFITS

*Helping Family Businesses
Achieve and Maintain Success*

1. Participation in the full series of six annual Breakfast Forums for four family members or key non-family employees. Breakfast Forums feature exciting presentations, case studies and panel groups with relevant and topical Family Business concerns.
2. Opportunity to participate in the Center's three peer group Affinity Forums: the Paul Karofsky Leadership Development Forum, the Seniors' Forum and the Siblings, Cousins and Intergenerational Forum.
3. Individual subscriptions for family members to the Family Business Quarterly, the Center's acclaimed newsletter featuring advice and information relevant to family business.
4. Networking opportunities with family business owners and family members, as well as leading authorities on the subject of family owned business.
5. Access to Northeastern University libraries containing an extensive bibliography of literature relevant to family-owned businesses.
6. Participation in research on concerns of family businesses, including: conflict, strategy, and further exploration of topics of interest.
7. Complimentary participation in Northeastern University College of Business Administration's CEO Breakfast Forum for the president and CEO of each family business featuring noted CEO guest speakers and attended by preeminent local business leaders.
8. Unlimited access to www.fambiz.com the Center's powerful web based search engine with hundreds of top articles and papers regarding family business.
9. Access to Northeastern University's acclaimed co-op program.
10. Access to student interns for special marketing and research projects in your organization



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CALL FOR ARTICLES

We welcome individuals interested in submitting articles on family business related topics.

For consideration, please forward an email including your name, affiliation and the specific topics on which you are interested in writing an article to:

Ted Clark, Executive Director
Northeastern University
Center for Family Business
ted.clark@neu.edu

Conflict Prevention

(Continued from preceding page)

they were raised. This observation lead Martin to conclude that one of the key issues in conflict prevention among siblings is determined by the success and effectiveness of the parenting that the children receive.

HOW DOES PARENTING FIT INTO THE CONFLICT RESOLUTION?

"The way children were brought up is the only way they know parenting." Good signs of parenting often include children separating themselves into clear distinct responsibilities of the business based on their strengths and individual preferences. Some parents inadvertently create conflict between their children, by pushing them into inappropriate roles or favoring one child over another. Another common mistake is when children are cajoled or worse, forced to join the family business against their will.

In some family businesses when the company doesn't have standard rules developed for employment, children can grow up with a sense of entitlement. The eldest

son for example may assume he is going to run the company regardless of ability. Martin pointed out that it is best to lay down formal standards for employment of family members, such as making them earn the position. When it doesn't happen, other family members and key non-family employees perceive that they do not have an equal or fair opportunity for advancement or to receive recognition.

The second half of the meeting was a series of interactive skits performed by Harry and his wife Susan Martin. The skits illustrated in a powerful and entertaining way, how to identify and deal with some common family business conflicts. With a touch of humor the Martins really brought to life some engaging and sensitive family business conflicts and engaged the audience with open and provocative discussions.

The presenters, Harry and Susan Martin are a husband/wife consulting team. The Martins are advisers to wealthy families and their businesses with an in-depth understanding of their attendant legal, corporate and investment issues.

Continued on next page

How to Prevent Conflict in Business Families

1. Create and maintain regular open communications between the company and active shareholders. Hold a shareholder meeting once a year and share financial and operational information. Educated shareholders are more likely to understand the issues and provide needed support.
2. Set up a family council or forum to serve as the communication and educational vehicle for family members. An annual meeting with family members to discuss their concerns gives family members a voice.
3. Write formal standards and procedures for family members considering entering the company. Take ability, experience and job qualification and requirements into consideration.
4. Rotate board member participation and include outside directors not just family members. Staggering membership and bringing in outside expertise creates dynamic boards with fresh objective perspectives.
5. Create a system for family members to sell their shares at a fair price. High liquidity discount rates discourage interested shareholders from selling and creates discontent and conflict for the selling party. Creating the opportunity to sell shares at a fair price reduces conflict and animosity.
6. Create a group of empowered, trusted outside advisors chosen by the family to act as facilitators during family conflict. This minimizes rivalry and jealousy.

New Massachusetts Business Corporation Act Impacts Closely-Held Businesses



by Jeffrey S. Wolfson, Esq.
Goulston & Storrs

If you own a Massachusetts business corporation, you should be aware of important recent changes in the corporate laws governing your business. In order to take full advantage of the new law you will need to amend your articles of organization ("charter") and/or bylaws. Owners of family-owned and other closely-held businesses may especially want to consider whether the Act offers advantages as to how their corporations are governed.

On July 1, 2004, Massachusetts General Laws Chapter 156D, the new Massachusetts Business Corporation Act (the "Act"), became effective. The Act applies to all business corporations organized in Massachusetts before or after the effective date, as well as to foreign corporations that do business in Massachusetts. The Act is based largely on the ABA Model Business Corporation Act, which has served as the framework for corporate statutes in many other states. As the first comprehensive revision of Massachusetts corporate law in nearly a century, the Act has clarified certain areas of the law that have long been subject to debate and uncertainty.

Continued on page 8

Highlights of the Business Corporation Act

Registered Office and Registered Agent.

Business corporations are required to maintain a registered office and a registered agent in the Commonwealth beginning on July 1, 2004. Failure to maintain a registered office and a registered agent could result in the dissolution of a corporation by the Secretary of the Commonwealth. Therefore, corporations should register an office and an agent with the Secretary of the Commonwealth.

The next two provisions may be of special interest to family-owned companies, especially those in which the founder has retained a majority ownership interest and may find it desirable to streamline voting procedures:

Actions by Less than Unanimous Written Consent of Shareholders.

The Act permits shareholders to take actions by less than unanimous written consent, which is a departure from the current law requiring unanimous consent. However, a corporation must "opt-in" to this provision by adding language to its charter.

Size of Board of Directors.

Corporations may have as few as one director if specified in the charter or bylaws. This is a departure from the current law requiring corporations with three or more shareholders to have boards consisting of at least three directors.

Electronic Communications.

The statute acknowledges in certain respects the realities of communications in an electronic age. Any notices required under the Act, including notices to directors and shareholders, may be delivered through electronic transmission, including facsimiles and e-mails. Furthermore, under the Act, private corporations may hold annual or special meetings of shareholders by means of remote communication, including conference calls, the Internet or other evolving technologies, as long as the means of remote communication permits shareholders to participate in the meeting and read or hear the proceedings in real time.

Conflicts of Interest.

The Act establishes procedures for the board and shareholders to authorize transactions in which one or more directors has a material direct or indirect interest, including loans to directors.

Entity Conversion.

The Act has made it easier to convert one form of business entity into another form of business entity, such as a corporation into a limited liability company.

Please note that the foregoing is not a complete review of the Act and is only a brief summary of selected provisions.

*Business Corporation Act
(Continued from preceding page)*

Follow-Up Steps

Effective July 1, 2004, the Act automatically applied to all business corporations organized in Massachusetts as well as to foreign corporations qualified to do business in Massachusetts. If you have a Massachusetts business corporation, or conduct business in the Commonwealth, you should take the following two steps:

First, select a registered office and registered agent and notify the Secretary of the Commonwealth. You may find information about the registration process on the Secretary of the Commonwealth's website:

<http://www.sec.state.ma.us/cor/coridx.htm>

Second, consider whether it is desirable to amend your charter or bylaws in certain respects to take full advantage of the Act.

Jeffrey S. Wolfson is an attorney and a Vice President and Director of Goulston & Storrs in Boston. He may be reached at 617-574-4146 or jwolfson@goulstonstorrs.com ■

Celebrating Anniversaries

105 Years - Hyde Tools

Special congratulations to family members of Hyde Tools who are celebrating their 105th anniversary year. Hyde Tools makes a wide range of contractor's tools and accessories as well as industrial tools. The company now in its fourth generation has been in business since 1900.

New Members

dataCon

Welcome to our newest members John Marshall and his son Alex Marshall of dataCon. dataCon founded in the mid seventies provides external manufacturing services for both emerging and established OEM's.

Carri Corp.

Welcome to the Carriggs' John, Paul, Rich, Rob and Gary Michaels. Carri Corp. is a home developer, commercial property development and management company, and operates gas/convenience stores.

New Sponsor

Leisman Insurance Agency



Bill Leisman

Leisman Insurance Agency designs and implements insurance solutions for the financial success of family businesses. As business and family assets grow, insurance decisions required to manage those assets become more complex. With over three decades of experience with family businesses, Leisman Insurance understands the unique demands of family business growth and the solutions that will preserve the value of those assets for generations. For more information, please visit www.leismaninsurance.com. Bill Leisman is available at 781-647-0400 or bill@leismaninsurance.com

Ruma's: Fourth Generation and Some Lessons Learned



Jim, Mary Ann, Mark Ruma

Ruma's Fruit & Gift Basket World has provided individuals and businesses throughout America with the finest and the freshest fruits available. Founded over 90 years ago, the company has grown into other areas of opportunity. Currently run by the third generation, the Rumas are developing the fourth generation of leadership; a milestone that very few family businesses achieve.

Ted: Tell us about the history of your company?

Jim: My grandfather started Ruma's Fruit and Produce in 1900 by selling fruit and candy out of a basket at the Boston Globe office. When my father joined the business they sold fruit and produce from push carts and then went on to purchase a truck and they grew the business from there. My father ended up working by himself until the 50s when he brought his brother in to the business. Together they sold wholesale produce to different local restaurants and hotels. When I was in high school and college I would work Saturdays and during vacations. After college, I went in the Navy for two years and in 1968 I joined the business on a full time basis. At that time I started to aggressively expand the business with new accounts, hotels, restaurants, and colleges. I would get orders out with the trucks in the morning, and in the afternoons I would put on a coat and tie and go out to get new customers. That was the routine. After two years, we were doing in a week, volume wise what my father did in a year. At one time we sold wholesale fruit and produce and frozen foods to almost every college in the city. We were exporting containers of fruit and produce to Bermuda every day by air, and then every other week by boat. That level of business continued through the late 80s.

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With more than a century of experience in advising family and closely-held businesses and their owners, Goulston & Storrs is skilled at representing businesses at each stage of development and often over the course of several generations, guiding our clients through the most significant events in the life-cycle of their businesses. With over 150 attorneys in our Boston office, we provide sophisticated legal services in virtually all areas of the law to a broad range of local, national and international clients. For more information, please visit us at www.goulston-storr.com. Jeffrey S. Wolfson is available at (617) 574-4146 or jwolfson@goulstonstorr.com.

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Ruma's (Continued from page 9)

Ted: What affected the business?

Jim: There were a number of events that really hit our business. One in particular that caused a great deal of stress for us was when Bildner's went bankrupt. They were a major customer of ours with five chain stores. When they went bankrupt it really knocked us for a loop. We had to pay all the bills and we received no money from them. It knocked us back and we almost never recovered from it. Another thing that affected our business was that the market dynamics started to change and all the colleges went out for competitive bids. When that started I sort of said to myself "When Harvard goes to bid we're getting out." We were doing a lot of business with the colleges but in the end we were dealing with no margins.

Ted: These are major events for your business, how did you respond to these changes?

Jim: Well in the early 90s we phased out the wholesale produce. We rented most of our building to another produce wholesaler and we turned our accounts over to them. During this time we uncovered an opportunity for refurbished wooden pallets and we started a business refurbishing and selling wooden pallets. The pallet company kept expanding and now we have eight people fixing pallets and we ship all over New England. We expanded our fruit basket business, with yellow pages advertising, the internet, and a bigger, newer catalog. We also kept the product part of the fruit and produce business and developed fill in and direct store deliveries for chain stores. For example, when Stop & Shop runs out of cherries at a store, they call us and we deliver cherries to the store. We also deliver fill-in for Shaw's, Victory, and Food Master. It's a great business for us. We get the order, buy the product and deliver it. We don't inventory anything.

Mary Ann: As the fruit basket business expanded our son Mark would have to come in at Christmas time to help with the orders. I didn't join the business myself until the 90s after our middle child graduated from school.

Ted: Do you have other family members in the business besides the three of you?

Mary Ann: We have two daughters besides Mark. One is a teacher in Los Angeles the other does acupuncture in Natick. We would have liked to have had them in the business but they really had no interest in it at all.

Ted: You've adapted exceedingly well to changes in the business environment and are now a fourth generation business. What lessons have you learned going from the second to the third generation?

Jim: Ironically in 1955 my father went through a similar ordeal with a major customer, Pieroni's Seafood and Grille restaurants. They had three big seafood places, Park Square, Washington Street and Stuart Street. Not as big as Pier 4 but big restaurants. When you went to Boston, you went to Pieroni's. He lost Pieroni's and so basically that's the end of his whole business. He had all his eggs in one basket, and it knocked him right on his tail. He was surviving day to day. I learned to diversify and not to put all my eggs in one basket

Another hard lesson learned for us occurred in the late 80s. At about the time
Continued on next page

Ruma's (Continued from preceding page)

of the Bildner bankruptcy we had a family feud. The net result was that there was about two to three years of fighting back and forth with other family members.

Mary Ann: We eventually ended up buying them out but it cost a lot of money and strained relationships with our family members.

Ted: Do you speak to them any more?

Jim: No.

Mark: Not even cousins or any of them.

Ted: What's the lesson for Mark to learn from this?

Jim: Don't fight with your father. I used to fight with mine. You know, it's tough to work for a family business. I'm a certain personality and Mark has his own personality.

Mark: I have patience.

Jim: He gets the work done it's just at a different pace, but I don't see that.

Ted: Is it more difficult because he's your son? If he was an employee would it be different?

Jim: I probably wouldn't say anything I'd just go along with it.

Ted: So Mark from your perspective is it difficult working for a family?

Mark: No, I'm used to it now.

Ted: So, you are going into the fourth generation, which is pretty impressive. Why do so few family businesses survive into the third generation?

Mary Ann: A family business is 24/7, there's no rest.

Jim: It's not 24/7 anymore, it used to be.

Mark: Its 24/6 then.

Jim: Half a day on Saturday. (laughing)

Mary Ann: Seriously, one of the big things is lack of interest of family members or that the next generation has moved beyond the business education wise. Lack of interest and education that would be my guess.

Jim: I agree. The children become doctors or lawyers or something like that and this is out of their league. I came in it because my father was all by himself.

Mary Ann: Actually, I think that's why both Mark and I are here as well. Because Jim was all by himself and you couldn't pay anyone to do what we did. Bottom line there was no money available.

Ted: Mark, is that what drives you to work here?

Mark: It was at first. I came in to help my father who had no one here to help him. It was a financial issue for us at first, as well as being able to support the business. Now however it is different as we've gotten out of the wholesale business and entered the pallet and basket businesses where the profitability is much better.

Ted: So now what is it that's important to you as far as the family business is concerned?

Mark: To keep it going for another generation and to make it grow even more. I'm the fourth generation and I would like to see it go to the fifth generation and to have the name carry on. ■

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Leisman Insurance Agency designs and implements insurance solutions for the financial success of family businesses. As business and family assets grow, insurance decisions required to manage those assets become more complex. With over three decades of experience with family businesses, Leisman Insurance understands the unique demands of family business growth and the solutions that will preserve the value of those assets for generations. For more information, please visit www.leismaninsurance.com. Bill Leisman is available at 781-647-0400 or bill@leismaninsurance.com.

36

Mean revenue in millions of dollars for the typical American family business. Up 50% from 1997. (MassMutual Financial Group/ Raymond Institute American Family Business Survey 2002)

6

The number of times longer that a family business CEO's tenure is than a non-family business CEO. (MassMutual Financial Group/ Raymond Institute American Family Business Survey 2002)

87

The percentage of family businesses who expect ownership to stay within the same family for the next five years. (MassMutual Financial Group/ Raymond Institute American Family Business Survey 2002)

Save the Date - Upcoming Events

October 11, 2005

Creating Effective Family Firm Shareholders

Drew Mendoza
Family Business Consulting Group

When family businesses pass from one generation to the next, the senior generation is almost always faced with the question of whether to pass ownership on to a single or to multiple owners.

This interactive session highlights steps you can take to maximize shareholder effectiveness and minimize shareholder disputes and their resulting family tensions.

November 15, 2005

Developing an Effective Board of Directors

Tom Sherwin
CEO Resources

Developing an effective Board of Advisors includes the decision of bringing in outside board members, and the ability to "shed the emperor's clothes" and share information with outside trusted advisors.

An effective Board can provide a family business with long-term value, objective insight, and draw on the experience of larger companies and different industries.

December 7, 2005

Developing the Company Culture In Your Family Business

Alan Slobodnik
Co-Founder, Options for Change

A proper company culture can create a stimulating business environment which empowers employees and spills over to customers and suppliers making it the core driver of a company's success.

There are unique challenges to family businesses because of the inherent relationships and entrepreneurial style that make up these businesses.

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