

# Succession Planning

## What is it?

Succession/transition planning is the art of transferring ownership, leadership and management from one generation of business owner to the next. While there is a general process, no two planning engagements are the same because each business has its own unique characteristics that must be overcome and leveraged to result in a successful plan.

## Why do I need it?

The development and implementation of a succession/transition plan ensures you have the ability to influence the outcome of your business life and maximize the rewards you and your family will derive from the lifelong investment in your business. **A succession/transition plan provides the opportunity to:**

- ▶ **Protect** the value you've built.
- ▶ **Ensure** an orderly exit per your schedule.
- ▶ **Minimize** the impact on your family in the event of your death/disability.

Without a plan in place, life events such as an unexpected illness, injury, death or divorce and evolving business circumstances have the potential to disrupt and destroy the business you've built. ***Having a succession/transition plan in place protects you for when life happens.***

## The Process

While no two planning engagements are alike, you can expect that all affected parties will be interviewed, legal and financial documents will be reviewed, a valuation will be completed, recommendations will be made, a strategy will be developed, tax efficient deal structures will be constructed and everything necessary to implement the plan will be undertaken.

The objective of the process is to find a balance between three unequal but mutually important considerations:

- ▶ **Emotional** considerations such as family, partner and employee relationship dynamics that can defy logic and disrupt an orderly process.
- ▶ **Technical** considerations such as valuation and legal considerations that will determine the feasibility of implementing a plan.
- ▶ **Structural** considerations of a transaction that will ultimately drive the risk/reward for an owner and the other parties involved in the plan.

***A succession engagement is grounded in reality and makes sense to all the parties involved in the transition.***

## Why Use the Vann Group

When it comes to choosing a firm to facilitate your succession/transition planning efforts, there are a growing number of options in this growing field. We feel that the Vann Group is the only firm to choose for the following reasons:

- ▶ **We are not limited to family businesses.** We work with partners and solo entrepreneurs as well as traditional family businesses.
- ▶ **We have a multi-generational father/son planning team.** In transitions between one generation and the next, our dynamic brings the professional perspective of both to the process.
- ▶ **We have over two-dozen working partnerships in operating businesses and real estate ventures.** We are uniquely attuned to the challenges that non-family partnership businesses face.
- ▶ **Our experience and background is in business.** We are not psychologists, therapists or other types of clinicians. Our knowledge of family, partnerships and business comes from our own real world engagement.
- ▶ **Track record of success.** Our firm has been developing and implementing succession plans for over 35 years.
- ▶ **We can execute a transaction.** We have the in-house capability of structuring a transaction from a tax perspective, securing the financing for a deal, and taking a company to the market and selling it to a third party.

***Lastly, we are affiliates of ROCG, an international consulting/advisory firm that specializes in business transition for privately held companies.***

ROCG has developed proprietary systems and tools that leverage the firm's partners' extensive experience in transition planning. As affiliates we utilize these tools and have access to its team members and vast transition planning resources.

The firm you choose to guide you through this process is one of the most important business decisions you will make. We are confident that our personalities, knowledge, skills, expertise and our unique understanding of the business owners' perspective and ability to execute make us one of the leading succession planning firms you will find. We invite you to connect with us and see if we are a fit for you and your business.