



News Briefs

January 2002

Compensation Packages & Retention

Dale Feinauer
Reeve Memorial Union, UW Oshkosh
January 31, 2002

Members identified compensation as an issue that deserves the Forum's attention. As the Program Committee considered this program, it became clear that we wanted to accomplish several objectives:

- ✓ identify what compensation packages family business members have in place,
- ✓ learn about base salaries for non-working family members, working family members, and non-family executives,
- ✓ learn about incentive pay/bonuses, benefits, and benefits that continue **after** retirement, and
- ✓ compare packages and the rationale behind some of the package components.

Knowing that one of our members, Lori Phillippi of Badger Mining Corporation, focuses on the area of human resource management and is skillful at designing surveys and analyzing the data, we called upon her to help us achieve our objectives. Lori designed a comprehensive compensation survey, referring to Dale Feinauer, professor of human resource management, for some expert advice.

Throughout the Fall, member family businesses have completed the survey, indicating considerable interest in the findings. In recent weeks, non-member family businesses have asked to participate in the survey and the program. With the inclusion of these family businesses, the data set will be bigger and, possibly, will provide more ideas for those seeking them.

This program led by Dale Feinauer will address our objectives and will provide some comparative information about national compensation trends.

Although it is no longer possible to add more sur-

vey data to the report for the January 31st program, we do encourage non-responding businesses to participate in this program. We can still provide the survey for you to complete and bring to the program. That will allow everyone to do some comparisons and ask relevant questions during the program.

Non-member family business owners who have not attended a Forum program are welcome to attend this program as our guest. For further information and to make reservations, contact Ann Stein at 424-1541 or steina@uwosh.edu.

Developing Family Business Successors

Drew Mendoza
Reeve Memorial Union, UW Oshkosh
March 19, 2002

Contrary to the behaviors of some family business owners, developing successors isn't a one-month or even one-year process. The process begins early in the successor's life as the family models behaviors related to the business and sets expectations regarding education, roles, and self-esteem.

As successors mature, their experiences and education modify the expectations they have developed through the family relationships. Family communications patterns influence the amount, kind and frequency with which information about expectations is shared.

Families that plan ahead establish formalized expectations that help define if and how a successor can become a part of the business. Other families tend to develop the process as a sense of urgency arises.

Our program presenter, Drew Mendoza, says that "preparing younger generation family members for leadership is perhaps the most challenging task faced by chief executives in family businesses. The stew of family life/business life arising from parent-child interactions further complicates the developing of

successors. Besides suggesting and offering specific tasks and development plans for this process, this presentation covers useful ways of overcoming the 'generation gap'."

Drew's program will include real-life cases, practical tips, and the components of an effective succession plan. Both senior and successor generations will glean valuable insights from the program.

Prospective members who have not previously attended a Forum program as our guest, may do so for a nominal program fee. Of course, members may include up to four people from their business as part of their membership.

Please reserve this date and time for an outstanding workshop that every family business needs to attend.

15 Keys to Keeping Your Assets Safe

Kevin Eismann and Kurt Wanless of McCarty Curry Wydeven Peeters & Haak LLP, Bruce Harville of Grant Thornton LLP's Madison office, Craig Smith of Retained Earnings Company, Matt Krenke of First National Bank — Fox Valley, and Tim Robertson of Marketlink Inc. wove their expertise into a masterful quilt with information about risk management from five perspectives. Burk Tower of the College of Business Administration introduced the program, pointing out the importance of risk management in all facets of business, and moderated the presentation.

The formal presentation was enhanced by a PowerPoint presentation designed by Marketlink. At 5:45 p.m., following the formal presentations, the "Ask the Experts" segment began. While enjoying an elaborate, festive reception hosted by the presenters, participants talked with the experts and other members about issues of specific relevance to their needs.

As we packed up at the end of the evening, we realized that it was 7:30 p.m. and that people had lingered and enjoyed the chance to get their questions answered and learn from one another.

Congratulations and thanks to the sponsors for an excellent, educational program and reception!

New Members

J. J. Keller & Associates, Inc. and **Buechel Stone Corporation** have recently become Forum members. This brings our membership up to 33 family businesses. What a great group with which to learn and develop relationships.

J. J. Keller & Associates, Inc. is headquartered in Neenah. Keller has a unique market niche, offering a

full line of products and services to assist with safety and regulatory compliance. Founded in 1953 by John J. Keller, the business's leadership is now in the hands of the second generation with four members of the third generation working in the business. Marne Keller-Krikava, daughter of president/CEO Bob Keller, cites the Successors group as a primary benefit that she looks forward to joining.

Buechel Stone Corporation is a second generation business with offices in Chilton and Fond du Lac. Tim Buechel, president, joined us several years ago with Bob Nyman as guests for a Board of Directors program. But it took the recent guests, Dennis and Renee Buechel, to finalize the decision to join the Forum. Buechel Stone Corporation, with two divisions — Buechel Interiors & Design and Buechel Trucking, produces building and landscape stone, sells and services fireplaces, does space planning, and sells furniture.

We look forward to the participation of these new members. Please be sure to introduce yourselves and help us make these businesses a part of the Forum community.

How to Be One of the Best Family Businesses in the Country

Over 70 people attended the reception on November 6th to honor family businesses and especially the Lasky family of Sadoff & Rudoy Industries LLP.

Susan Glucksman of MassMutual—the Blue Chip Company described the nomination and selection process for the National Family Business of the Year award. The process begins with a nomination by the Forum, another similar center, or a MassMutual agent. The business responds to the nomination by answering a series of questions and creating a history of the family business—its achievements and story. Once submitted the nomination papers are evaluated by an independent body of reviewers who analyze the success of the business, the positive links between the family and business, the number of generations involved in the business, the contributions to the community and industry, and the innovative business practices or strategies of the business. To further illustrate the process, Glucksman shared information about the winning companies and what qualified them for the award.

Glucksman explained that "Sadoff & Rudoy Industries exemplifies these qualities." She stated that they have "grown from a one-location, three employee operation to a three-generation, international business with nine locations and over 300 employees. Their



innovative approach to their industry exemplifies the hard-working nature and creative solutions that set them apart from their peers.”

Glucksman presented the Laskys with a stunning trophy and the Forum with a plaque recognizing out contribution to family business and this award.



We sincerely thank MassMutual—The Blue Chip Company and the Hilton Garden Inn of Oshkosh for a wonderful evening of celebration!

The Forum just received a call for nominations for the 2001 Family Business of the Year award.

2002 International Workshop

Details of the May workshop in Toronto, Canada, are now available. The workshop will include a Round Table discussion with local business people and the Canadian Association of Family Enterprises, a tour of family businesses, a night at the theater, and an “evening of mystery”.

Members and sponsors interested in participating in this workshop should contact Carol or Kelly at Travel Design, Ltd., 920 731-1238 or robdudz@worldnet.att.net. To take advantage of the early bird discount, reservations must be made by January 1, 2002.

Best Practices Group

On January 15, Jason and Mark Lasky will host a discussion focusing on *the keys to replacing a valuable, retiring senior manager: the process, best choices, common mistakes, time line, etc.* This meeting will be held at their Fond du Lac location. A site tour will follow the meeting for those interested in the latest in recycling technologies.

On March 6, Lee Kraus will facilitate a discussion of *using customer and product data in a new way to narrow your focus, improve profits, and grow a more efficient business.* This meeting will be hosted at U. S. Paper Converters.

Both are lunch meetings, scheduled from 11:00 a.m. to 1:00 p.m. Reservations are required. Contact Sue at schierss@uwosh.edu or (920) 424-2257.

Successors Group

On December 18th, members of the group met for a social at the Holiday Inn Select, Appleton. This was an excellent opportunity to talk informally about what’s going on, to do some problem solving, and relax in great company.

The next meeting of the group is January 22, at Zander Press in Brillion. Reservations are required. Contact Sue Schierstedt at schierss@uwosh.edu or (920) 424-2257.

Program Calendar 2002

Date/Time	Topic/Event	Presenter(s)
Jan 31 3 - 6 pm	Compensation Packages & Retention	Dale Feinauer, professor, UW Oshkosh
Mar 19 7 - noon	Developing Successors	Drew Mendoza, Family Business Consulting Group
May 8— 13	International Workshop in Toronto	Paul Meyer, subcommittee chair
May 23 5—9 pm	6th Annual Dinner	Stephen Marcus, Chairman/CEO Marcus Corporation
TBA	3rd Annual Golf Outing & Dinner	Burk Tower, WFBF, coordinator
Sep 18 3 - 6 pm	The Non-Family Executive in a Family Business: Roles, Experience and Skills	Moderated panel of non-family executives
Oct 22 7 - noon	Exit Strategies	Rich Morris, former owner of Fel-Pro Inc. and owner of ROI Consulting
Dec 4 3 - 6 pm	The Business, the Family, and Each One of Us: How Do I Balance All of This?	Tom Jadin

Forum Web Site

The Forum’s web site includes information about our mission, our membership, sponsors, programs, and more. It also includes links to members, sponsors, alliance partners, and other family business resources.

Be sure to visit and bookmark the site for future reference: <http://www.uwosh.edu/wfbf/>

Vol. 5, No. 4 News Briefs © 2001
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The Forum thanks the following sponsors for contributing significant value to keep the Forum at the forefront of family business forum programs, worldwide:



Affinity Health System is an integrated regional health network that offers a broad array of health care services to more than a dozen northeast Wisconsin communities. As a mission-driven organization, Affinity promotes the health and well-being of local communities through the sponsorship of a broad array of community-focused, charity-based programs and services.



BCI Group, established in 1978, offers full-service consulting, actuarial, and recordkeeping services for all types of qualified and non-qualified benefit plans. The firm offers comprehensive services to provide the ongoing consulting and administration necessary for successful ESOPs, defined benefit plans, 401(k) plans, profit sharing plans, and various other plans. BCI Group serves its national client base from its headquarters in Appleton, WI, and eight other locations across the country.



First National Bank — Fox Valley has a competitive advantage of developing strong, close customer relationships, especially in the niche of family-owned businesses. Thanks to a dedicated staff, FNB has completed its 113th year of providing financial services to the people and businesses of the Fox Valley with locations in Menasha, Neenah and Oshkosh.



Grant Thornton LLP is an international accounting and management consulting firm with offices throughout the United States and in over 97 countries worldwide. Their mission is to be the leading global organization creating, enhancing, and preserving wealth for entrepreneurial companies and the people who own and run them. Grant Thornton accomplishes this by providing business, tax and financial services that deliver measurable value to their clients.



Marketlink Inc. is a full-service marketing communications, public relations, e-marketing and advertising agency based in the Fox Valley. Marketlink not only provides support for promotion and design, but also manages ongoing marketing programs, advertising placement, event coordination, web site design/maintenance, and public relations campaigns.



McCarty Curry Wydeven Peeters & Haak LLP has been serving the legal needs of large and small family businesses in northeast Wisconsin since 1949. The firm's services include all aspects of business and corporate law, real estate, complex estate planning, commercial and personal litigation, as well as general practice.



Retained Earnings Company/MassMutual—The Blue Chip Company has recognized excellence in providing family owned businesses with the product tools that allow for the confident construction of estate and business succession plans. The firm brings experience, education, empathy and motivation to clients' quest for financial growth and security. Retained Earnings is acknowledged as the premier provider of pension and investment products, life and health insurances.



University of Wisconsin Oshkosh, College of Business Administration provides undergraduate and graduate education with a wide array of outreach services to benefit economic development in northeast Wisconsin. The faculty and staff are professionals dedicated to being quality teachers, accessible to students; furthering knowledge through research; and serving as valuable resources to the University and community. A key strength of the College is providing professional expertise through personal contact among students, faculty, and members of the community.
