



Keeping it in the family

Bill Nicholas

THERE are some 56,000 family-owned businesses in South Australia and according to most observers, 40 per cent of them are set to change hands over the next five years.

This important development in the business of the State might need some government assistance at some point because there is a good chance that quite a few of the vendors are going to be disappointed to find their babies will not be as sellable as they hope and probably will have to be wound up.

So the choice by Premier Rann for our latest Thinker in Residence, a San Francisco-based family business academic and advisor, Dennis Jaffe, is an inspired one.

Jaffe helps families manage the personal and organisational issues that lead to the successful transfer of businesses, wealth and values between generations.

He believes these are largely human, not financial or legal, challenges. They are best addressed by creating clear agreements, effective structures and clear communication within a family and its employees. He works with families to find an individual solution to their unique challenges.

"What is that special sauce that keeps a family business alive for four or five generations?" Jaffe asks.

"Continual entrepreneurship, continually re-inventing the business is a good start," he suggests.



Paul, David and Michael Crawford's family business, CMV Group, was inducted into the FBA Hall of Fame

"Strategic plans have a bad image in family firms and nobody much ever reads them let alone acts on them but they really should," he maintains.

"Families are secretive and closed up but they need to ventilate – to find a forum to do this – and they need to stay with issues until they see them through.

"What's the deal to be part of the family?" Clarity is essential he insists.

Jaffe was the keynote speaker at the Family Business Association

(SA) Hall of Fame award dinner at the Sebel Playford during the week.

The four companies inducted into the FBA (SA) Hall of Fame for 2007 were:

■ **Angelakis Bros:** a third generation family owned & operated retailer, wholesaler, importer & exporter of seafood. The company has also developed poultry and game products.

■ **CMV Group:** one of Australia's largest privately-owned businesses with 1134 employees, has interests across four industries – trucks, automotive, agriculture & commercial furniture. It is a fourth generation family business owned by the Crawfords.

■ **Hamilton Labs:** a pharmaceutical research and manufacturing company with headquarters, research laboratories and manufacturing facilities based in Adelaide. It is owned and operated by the third generation of the Blake family.

■ **Spring Gully Foods:** a diversified food manufacturer and packager, which comprises quality pickle and preserve brands Spring Gully Pickles and Gardener, Leabrook Farms premium honey and Nuqua, a new brand of springwater. It is a third generation family business.

The FBA Hall of Fame celebrates SA family businesses that are recognised in their fields of endeavour as state icons – and historically reflect well on SA society. Inductions have been made each year since 2002.