



Helping Family Businesses Succeed Since 1996

# FAMILY TIES

A quarterly publication from the UW-Madison Family Business Center to help our members stay connected to each other and to the FBC.

## LET THE CELEBRATION BEGIN!

The FBC began its year-long 10<sup>th</sup> anniversary celebration with the September 26 dinner program. Keynote speaker, Helen Johnson-Leipold, Chairman & CEO of Johnson Outdoors and Johnson Financial Group, shared ten reasons for their company success and showed film clips of her father, Sam Johnson, talking candidly about their family values. During the social and networking hour, members and sponsors had an opportunity to view pictures taken by Sam while traveling to seven continents.

Family matriarch, Mrs. Gene Johnson, was available to personally sign complimentary copies of the book, *“Through His Eyes”*, a collection of Sam’s complete travel photos. Additional copies of the book are available for purchase at the Racine Art Museum, or [www.ramart.org/shop](http://www.ramart.org/shop)

After a delicious dinner prepared by the award winning Fluno dining staff, Helen responded to questions from members and sponsors. ■



Helen Johnson-Leipold and Mrs. Gene Johnson standing in front of one of the 60 photos on display during the special kick-off dinner

### *Helen’s Top Ten Secrets for Family Business Success*

1. Go for it! Take a risk!
2. Continuous innovation is critical, especially when competing on price/value.
3. Build, protect, and leverage the brand equity of the company and the family name.
4. Earn goodwill and share success with those that make it happen: employees, suppliers, customers. Lasting goodwill arises out of the relationships between people— the only thing of real substance that will endure.
5. Identify sustainable core values and principles.
6. Balance tradition and change. Create a culture that embraces change.
7. Each generation should join the family business only if they want to.
8. Family members have to prove they are capable. Total commitment to long term investment by the family is required.
9. Have a forum for formal communication. A clear focus by the family is necessary whether in agreement or not.
10. The family comes first. Those in business should reach out to those not active in the business.

### **Hoffman Construction Company becomes a “Friend”**

By Ann Kinkade, FBC Director



As the FBC celebrates 10 years of helping family businesses achieve success, we face the ongoing challenge of ensuring that the FBC becomes a completely self-funded entity within the University. For that reason, we are so grateful to the two members who have stepped

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## MEMBER/SPONSOR NEWS

### WELCOME NEW FBC MEMBERS!

- **Great Big Pictures**
- **Raymond Management**
- **S & S Cycle**
- **Stoughton Trailers**
- **Westphal & Company**

Kurt and son James Welton, **Welton Enterprises**, had a wonderful bonding experience when they climbed Mt. Kilimanjaro this summer.



Kurt and James Welton

**Crave Brothers Farm/Farmstead Cheese** had two celebrations. First their LesFreres/Petit Frere, won first place at the State Fair. Then, Karl and Beth Crave were wed on September 16. Karl is Charlie's son.



l-r: Tim's brother-in-law, Steve; nephew, Vernon; former employee, Bradley; and Lance wanna-be, Tim!

Tim Metcalfe and **The Metcalfe Co.** bike team were the top money raisers for the Dane County *Boys & Girls Club*. The \$11,000 helps youths to go, grow and learn!

Jim Pientka and Marija Neubauer, **PLANNING Design Build**, were married on August 12. Their reception found Barry and Cindy Alvarez out on the dance floor.

**Wick Building Systems** participated in ABC-TV's Extreme Make Over: Home Edition. Wick was recommended by their friends at the U of Iowa to be one of the suppliers of the program. A family of five had been living in a camper trailer and tents since a fire destroyed their home in December 2005. Also, a cattle barn was built.

Scott Stevenson, **KleenMark**, was featured in the *Family Business Magazine*, Autumn 2006 issue. Scott explains why it worked for him to join the family business directly after college.

In September, **Ancora Coffee Roasters** hosted the UW Alumni Association's *Made in Wisconsin*. UW grad Sue ('71) and George Krug provided a tour of their roastery, shared information about the coffee production, and provided the visitors with a bottomless cup of Ancora coffee.



Next generation on the grow! Congratulations to Joe and Christen Ring, **Park Towne Development**, on the birth of their daughter, Rebecca, on September 25! And, congratulations to Heather and Neil of **Harken, Inc.** Savannah Harken Evans was born on October 12!

**Endres Manufacturing** employs staff in Romania who do structural analysis. Last year, the Ballwegs hosted the Romanians. This year Diane Ballweg visited the Romanian staff and their families.



Diane Ballweg and some of the Romanian staff

**Placon Corporation** recently received the "Business Sustainability" award at the 2006 Wisconsin 75 Awards program.



YMCA kids with Smart Motor's check

This is the 11th year that JR Smart, **Smart Motors**, has donated to Kids, Cars and Camp Campaign. JR set aside a portion of the May new and used vehicle sales so that underprivileged kids can go to the YMCA summer camp. ■

Harriet Statz, **Qual Line Fence**, on behalf of Madison Area Rotary Clubs is coordinating the visit of 11 Russian business people to the Madison area from March 29 to April 14, 2007. The Russian delegates will be owners and directors of graphic design firms that develop logos, brochures, letterheads, corporate identity programs, packaging, websites, etc. for their clients. Some may also be involved with copywriting, editing and printing, as well as design. The Russians will visit each host company from a half day to two days. Translators will be available. If interested in participating as a host company, contact Harriet at (608) 849-4654 or [hstatz@quallinefence.com](mailto:hstatz@quallinefence.com)

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up to assist the FBC in 2006-07 to meet this challenge! Although the first donor requested anonymity, I want to publicly thank the second donor, **Hoffman Construction Company**. The FBC is extremely thankful to both donors for their commitment to family businesses by ensuring the FBC continues as a powerful resource to its members and potential members.

I invite *YOU* to consider becoming a *Friend*. Families, individuals or companies who are able to make a financial commitment in the amount of \$5,000-\$10,000 will be recognized as *Friends* of the FBC.

This financial contribution is a renewable annually and exclusive of membership dues. While I am still seeking a donor who will commit to a multi-million dollar "naming gift" or "endowment" of the FBC, which would allow for a quantum leap in the services we provide, your \$5,000-\$10,000 contribution will go a long way to support excellence in our ongoing educational efforts. Each of you has your own reasons why becoming a *Friend* makes sense for you. I would be happy to explore your giving interests with you. Your contribution will significantly help us continue the superior programming you have come to expect. ■



**Greg McCann**

## The Challenges Facing the Next Generation By Greg McCann

*Greg McCann, Founder of McCann & Associates, will present, "The Next Generation: Its Eight Biggest Challenges" at the December 12, 2006 FBC program.*

As a member of the next generation from a family business, your life is different from someone who does not come from a family business. Likewise, the senior generation from such a family has a role that demands greater involvement in developing the next generation. As the younger generation, you have a tremendous opportunity: join the family enterprise, work with those you love, and step into a path that often feels right. Yet something seldom discussed directly is the set of challenges you face, how to face them, and how to involve the senior generation of your family in the process.

To succeed on this path, there are two attributes you need to be absolutely certain to develop: credibility and marketability. Everyone who has a career needs these two traits; but if your family is offering you a career it becomes far more important *and difficult* for you to develop these two attributes. The next generation often gets a very seductive invitation for a career path—really a life—with their family business. Though this option can be far more rewarding, it should never be seen as easier—and the senior generation should not let it become easier.

Credibility has both an internal (your own self-confidence) and an external (self confidence that others validate) aspect. You gain credibility by testing your mettle, by having the successes and failures that shape your character and build your self-esteem. If your family owns the business that you work in, then you must deal with *both* the perception and reality that your family may protect you from such trials and tribulations.

Marketability is having the skills, credentials, and experiences necessary to earn, deserve, and retain a job *you want*. It is the other side of the coin of credibility. You need both these attributes to contribute, succeed, and be happy.

In the process of earning your credibility and marketability, there are eight core challenges you must address to be happy and successful while working with your family business. These *Eight Challenges* as well as how a *Life Plan* can help you develop an ongoing practice that can productively involve the senior generation will be the focus of the FBC program on December 12<sup>th</sup>. ■

## FAMILY BUSINESS CENTER SPONSORS

A special thank you is extended to the following sponsors. These businesses provide the Center and its members not only with necessary financial support, but also with expertise in family business issues and a commitment to the cause of family businesses. If you have questions, they can help.

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  - THE QTI GROUP
  - THE ZIMDARS COMPANY INC.
  - THOMPSON INVESTMENT MANAGEMENT LLC
- 
- FBC DIRECTOR & EDITOR: ANN KINKADE
  - OUTREACH ADMINISTRATOR: JOYCE FASANELLA
  - NEWSLETTER PUBLISHER: PRITI PATEL



**REGISTER NOW!  
TUESDAY,  
DECEMBER 12, 2006**

### *The Next Generation: The 8 Biggest Challenges*

Presenter: Greg McCann, McCann & Associates

This program is directed at next generation successors. The presenter will share insights about preparing oneself for leadership in the family business. McCann will provide examples of each of the 8 challenges, consequences of ignoring them, and strategies to overcome them. Also covered are the steps required by both generations to integrate a personal life plan into one's professional development.

**Register by November 28!**

Call: (608) 441-7347

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