Protecting YOUR LEGACY through Succession Planning

PASSING ON A FAMILY-OWNED BUSINESS IS RARELY SIMPLE, BUT IT’S INEVITABLE.
The success of a business is most often the result of smart planning and the execution of a long-term strategy. That same approach applies to succession planning.

**WHY SUCCESSION PLANNING MATTERS**

The unfortunate reality is that many business owners—especially of family-owned businesses—have no formal exit strategy for their businesses and estates, often leaving it up to family members to figure out what will happen when they’re no longer in charge.

Successfully transitioning a business to the next generation requires dexterity when communicating with siblings or children, great timing in understanding when to make ownership and leadership changes, and financial expertise in minimizing tax exposure while maximizing operational investments.

This guide will help you better understand the steps to create a succession plan that will sustain you, your business, your heirs, and your legacy, on both a financial and an emotional level. The right information can help you protect the asset base you’ve worked so hard to build. And generate the legacy, peace of mind, and lifestyle you desire.
PREPARING FOR FAMILY BUSINESS TRANSITION

Passing on the family business is a complex task, and family businesses are often rife with conflicting emotions. Decades-old memories of hard work and responsibility can cloud forward thinking. A lifetime of habits, ingrained in the very fiber of family, can strain transition decisions. Dealing with spouses, children, siblings, and even employees can complicate the transfer of property and assets.

Determining who will succeed you, deciding what to do with your assets, and minimizing your estate’s related taxes are vital for protecting and preserving your wealth, both during your lifetime and after.

It’s important, therefore, to find an advisor who has a deeper understanding of your business dynamic, industry, and long-term goals, so that you receive an accurate business valuation and analysis.

As the representative business advisory and CPA firm nationally among the food and agriculture industry, K·Coe Isom has decades of expertise in assisting clients with successful generational and family transitions.

ARE YOU THINKING YOU DON’T HAVE TIME FOR THIS RIGHT NOW? –AFTER ALL, YOU HAVE A BUSINESS TO RUN...

We realize that wrapping your head around what is inevitable for your business in five, 10, or even 20+ years might seem daunting. But by considering smart decisions around your years of hard work and valuable assets, you are already taking the first step in a succession plan.

As the experts in the field of business advisory, we strive to provide seamless business continuity throughout the process. We begin with an easy discussion around your business and personal goals, and follow up with a simple roadmap and a strategic plan that aligns with your current business philosophy.

Family-owned businesses that survive from one generation to the next don’t happen by accident—success comes from a family’s clear goal for the future and a well-thought-out succession plan.
GETTING STARTED EARLY DERIVES THE GREATEST VALUE AND SECURITY FOR YOUR BUSINESS

To leverage and protect the financial and personal investment you have in your business, the most successful transition plans get off to an early start.

The business succession plan process starts with a thorough assessment of your business and personal objectives, and will help to determine how much your business is worth, how much you will need to retire, and make recommendations surrounding business, wealth, estate, and retirement strategies.

Your K·Coe Isom advisor will help you navigate through the planning roadmap at every stage of the business lifecycle, to ensure maximized value and minimized taxes, help identify key successors, and develop the next generation of talent to keep your legacy intact and growing. We can manage the overall succession experience, with expert guidance and solutions, and ensure seamless business continuity.

K·Coe Isom designs a strategically-aligned roadmap, and provides the tactical support needed, for successful employee development, transition, succession, and legacy planning.

Our transition experts will lead you step-by-step through the succession process, suited to meet your business and personal goals:

- BUSINESS VALUATION AND ASSESSMENT
- FAMILY CONSULTATION
- TRANSITION NAVIGATION AND TIMELINE DEVELOPMENT
- NEXT GENERATION LEADERSHIP TRAINING AND ADVANCEMENT
- RETIREMENT PLANNING AND TRANSITION COACHING
- ADVANTAGEOUS ESTATE PLANNING
- STRATEGIC TAX PREPARATION AND FORESIGHT
- BUSINESS CONTINUITY PLANNING
FOUR ESSENTIAL STEPS TO PREPARE FOR A SUCCESSION PLAN

1. Ask yourself some these discovery questions:
   • What are my overall goals? What do I want to achieve?
   • What should my business look like in 20 years?
   • Is there someone interested in taking over the business?
   • How do I prepare the next generation of leaders?
   • Who do I want to benefit from my hard work?
   • How much longer should I continue running the operation?
   • What kind of income do I want when I retire?
   • How can I best preserve my earnings for my family?

2. Know your numbers. Analyze past and present financials. Be aware of your cost of production, the value of your assets, and where they’re located. This important knowledge will help you make more informed decisions.

3. Open the lines of communication with family members so you can determine their key values as well as their personal, family, and business goals.

4. Seek competent specialists—such as your accountant, attorney, business and/or financial expert, banker, or some combination of those advisors—help ensure that your plan achieves your goals.

BUILD A LEGACY FOR YOUR FAMILY

Businesses that survive from one generation to the next don’t happen by accident. Instead, success comes from your family having a clear goal for the future and a well-thought-out succession plan. To avoid conflict and complications down the road, take control and start your succession plan today. K-Coe Isom advisors can assess how to turn your vision into a reality, and guide you on a journey to success.

JIM REIN
CPA, Principal
970 685-3500 x3414
rein@kcoe.com

JEANNE BERNICK
Certified Family Business Advisor
563 284-5054
Jeanne.Bernick@kcoe.com