

Approximately 80 percent of today's privately held companies will not survive into the next generation of same family ownership. The failure to establish a comprehensive succession plan is a leading cause of this phenomenon. Calfee helps privately held companies prepare for and transition to the next generation of owners and managers. Our corporate, tax, and estate planning attorneys provide personal, innovative solutions to corporate succession issues that increase survival opportunities, ensure estate liquidity, address family issues, and maximize planning flexibility.

Every successful, privately held business needs a corporate succession plan. Even if the business is young, or the next generation has not stepped forward, a succession plan should be implemented in order to avoid the hardships of an unplanned transition or worse, a government-dictated disposition. A good corporate succession plan is a flexible plan that changes as the circumstances of the business and its owners change. The cornerstone of a good corporate succession plan is business survival. At Calfee, we work with business owners to help them understand succession options and to implement a plan that best accomplishes their goals and best meets the needs of their families. After the initial plan has been put in place, our continuing relationship with them enables us to recommend appropriate responses to changing business or family circumstances.

## Representative Experience

### *Succession Planning Analysis*

- > Business objectives
- > Family dynamics and objectives
- > Owner/manager estate plans
- > Key employee compensation
- > Business valuation
- > Transition financing
- > Tax planning
- > Estate liquidity
- > Active and inactive family member issues
- > Senior generation retirement security

### *Succession Techniques*

- > Lifetime gifts in conjunction with estate plans
- > Mandatory buy-sell agreements
- > Preferred stock recapitalizations
- > Subsidiary corporations
- > Sidewise sales
- > Hybrid techniques
- > Sale to "outsiders"
- > Charitable options
- > Sale to non-family managers