CASE STUDY

A Legacy Secured: Guided by Copeland Buhl, Business-Owning Family Navigates Complexities of Generational Wealth

INTRODUCTION

Over the past four decades, Joyce and Bob have established not only a thriving manufacturing company but also a legacy.

Through determination and strategic vision, their modest operation—which they started with second-hand machinery and a leased corner of a warehouse—grew into a regional powerhouse. But success wasn't a solo journey. For four decades, while Joyce and Bob focused on innovating and leading their business, Copeland Buhl focused on something equally critical: protecting their financial health and preparing the foundation for their family's future.

CHALLENGE

Success brought more than just financial security; it brought an expanding family. Joyce and Bob welcomed three children who grew up in the business, spending summers sweeping floors and learning the machinery. As adults, they took on significant operational responsibilities. Joyce and Bob taught them the intricacies of production, the art of a sale, and the importance of customer relationships. The second generation was smart, capable, and deeply committed to the company their parents had built.

But there was a critical knowledge gap. While Joyce and Bob had been transparent about running the business, they had remained intensely private about their finances and their ultimate plans for the company. Their entire lives had been dedicated to the business. This singular focus left little room for contemplating what came next. They hadn't considered the complex questions of succession and tax-efficient transfer of wealth.

The kids were excellent managers, but they were unprepared to be owners. They didn't understand the company's valuation, the tax implications of an inheritance, or the legal structures that held the family's wealth. More importantly, they had never been prepared to become partners with each other. Without a formal plan, Joyce and Bob risked their life's work becoming a source of confusion, resentment, and conflict for their children. The unspoken questions loomed large: Who would lead? How would ownership be divided? What if one wanted to sell their share?

SOLUTION

Bob and Joyce leaned on Copeland Buhl to facilitate the crucial transition to the next generation—not just a transition of business ownership, but more importantly, the knowledge and skills required to manage the wealth it would provide them.

First on the agenda was clarification of Joyce and Bob's vision. We asked the questions they hadn't yet asked themselves: What did they want their retirement to look like? What legacy did they hope to leave for their children and grandchildren? This process helped them articulate their goals, which became the guiding principles for the transition plan.

Next, we facilitated a series of guided family meetings. These weren't boardroom discussions about operations; they were open and honest conversations about the future. In this neutral, structured environment, the children were able to ask questions about the finances without feeling intrusive, and Joyce and Bob could share the details of their wealth with confidence. We demystified the numbers, explaining everything from estate taxes and trust structures to the responsibilities of being a shareholder.

With everyone on the same page, we got to work on a formal succession plan. This multi-faceted strategy included:

CREATING A FAMILY TRUST

We worked with the family's legal counsel to establish a trust to hold the company's shares, ensuring a smooth and tax-efficient transfer of ownership while protecting the assets from external claims. Our approach wasn't just about financial optimization, but about preserving the family's long-term wealth strategy. We strategically identified business downturns to transfer shares at a discount, effectively moving appreciating assets out of the estate and minimizing tax implications.

PREPARING FOR A FUTURE SALE

We worked with Joyce, Bob, and their three children to prepare a strategic plan for the eventual sale of the business. We provided the financial analysis to identify key value drivers and operational improvements that will help to maximize the company's worth. So, when the time comes to sell, they will do so from a position of strength.

DEFINING ROLES AND GOVERNANCE

Formalized roles and development paths for each child eliminated ambiguity, while a board of advisors that included a neutral third-party expert provided objective guidance to ensure decisions were made for the good of the business.

FOSTERING FINANCIAL LITERACY

Liquid wealth on the scale that comes from a successful business sale requires a fundamentally different mindset and management approach than what is required to build and run an operating company. To navigate that new financial landscape, the next generation needed support building critical financial literacy and wealth management skills.

RESULTS

Today, Joyce and Bob have the peace of mind that comes from knowing their legacy is secure. They can step back from the daily operations, confident that their children are not just capable managers but also prepared and responsible stewards of the family legacy. The children, in turn, feel empowered. They operate with a shared purpose and a clear understanding of their roles, their responsibilities, and their future.

The transparency has not only preserved the business but has strengthened their relationships with one another. Open communication and careful consideration of each family member’s perspective have helped the family navigate conflicts, guiding them through complex emotional and financial decisions with independent, objective guidance.

The family wealth is now a catalyst for future possibilities. Whether pursuing entrepreneurial ventures in technology, exploring creative passions in the arts, or driving meaningful charitable initiatives, the family now has the financial freedom to pursue diverse dreams while remaining connected by their shared values.

THE COPELAND BUHL APPROACH

Copeland Buhl is committed to being a partner through every stage of life—from launching a business to navigating the challenges of growth and succession to the exciting opportunities and responsibilities that accompany liquid wealth. We help our clients lead a life well-lived and create a legacy that endures.

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