

Succession Insights & Inspiration



Lessons Learned

- **No cookie cutter solutions**
- **Collaborative continuum**
- **Communicate better**
- **Transition part of a business plan**
- **Structures**
- **The Succession Effect**

WE SUCK!!!

- 8.4%
- 5% sole proprietorships, 16% of corps
 - 5500 farms >\$2million = 27%
 - 9200 farms \$1-2mill = 21%
 - 16907 farms \$500,000 - \$999,999 = 15%
 - 21,000 farms \$250,000-\$500,000 = 11%
- AMI decreased from 20 to 16%
- Farm magazines preferred

FEAR

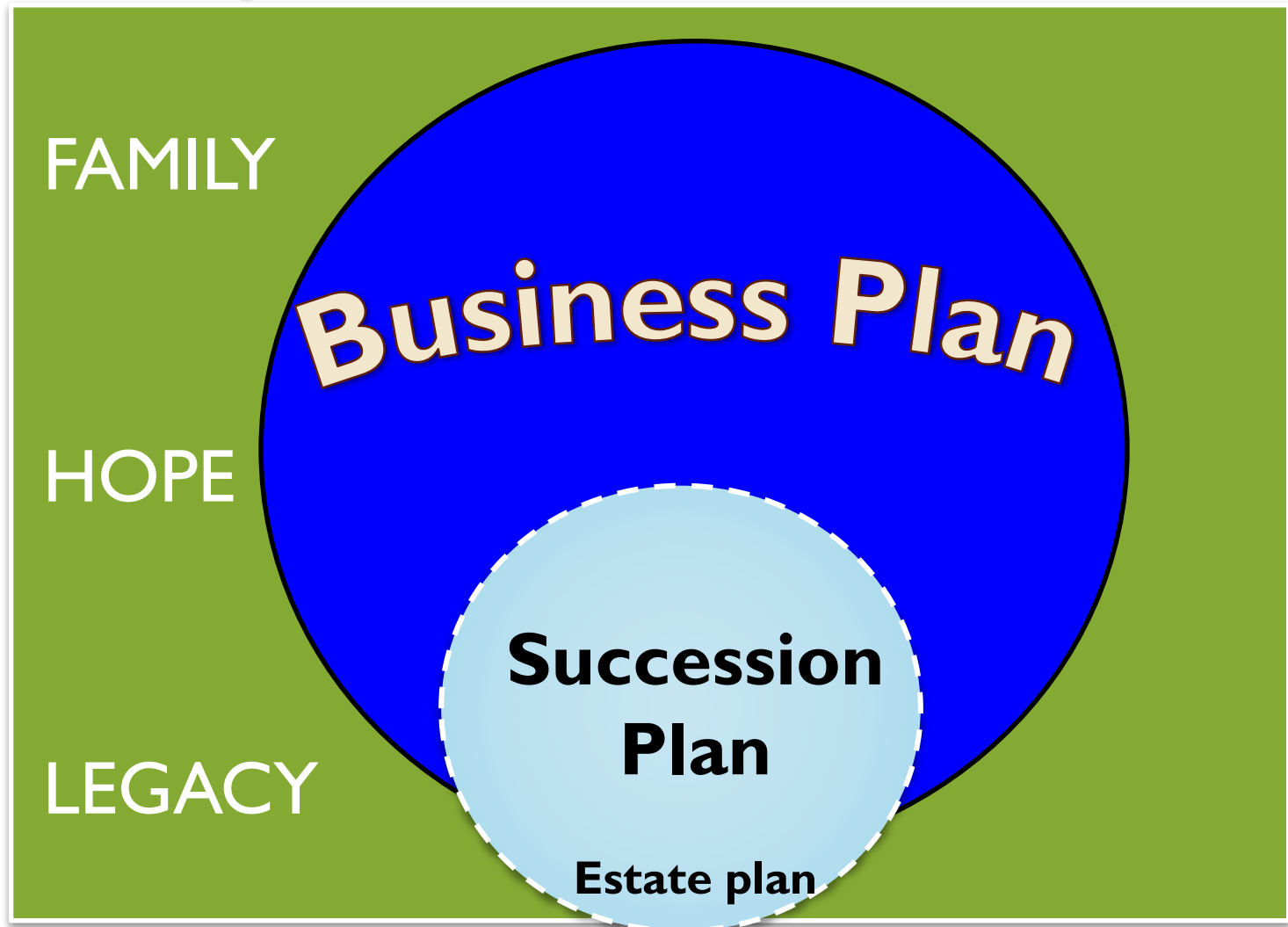
- It's OK – others are awake worrying
- It's going to happen – manage it?
- Costs = time, taxes
- Baby steps, pre-succession plan
- Be prepared for emotions, forgiveness, grace.

“Procrastination and conflict avoidance are the root of the issue for farm families being stuck,” says Elaine Froese.

No cookie cutter solutions



Family Business Transition Plan



It's complicated

The Jenkins Ranch, 3500 acres-15 family members owned



Cultivating Communication

“The 3 of us can do more by working together than if we each worked alone. I can’t explain it but there’s a synergy,” Jim McGregor.



Structures = Risk management



- Wills
- SH, partnerships
- Underestimate
- Pathway
- Good planning = time and choices
- Written, signed, funded agreement

The Succession Effect

“They add energy, they add drive, they tend to create profit,” Dean Kilppenstine, MNP.



HOPE:

Responsibilities, roles

Be humble, be kind, be prepared

