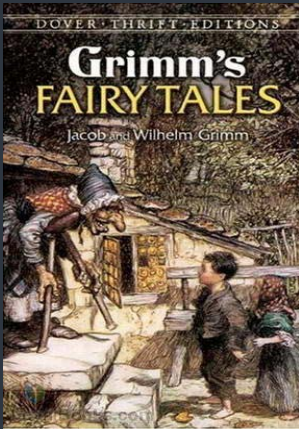


# That Ain't No Fairy Tale: The Grimm Facts Behind Business Succession Disputes

## Grimm Facts of Business Succession



*Don't Have Your  
Happily Ever After  
Disappear!*

Business succession planning provides security, certainty, and confidence to all parties with interests in your business. From the views of shareholders to those of current employees, solid business succession plans focus on ensuring the future vitality of the business when the unexpected happens.

*Taking the first step to secure your business can be hard, but losing a business is harder.*

Statistics show that a high rate of businesses are not surviving generational transfers and do not have business succession plans in place.

- More than 8 out of 10 private and family businesses have no business succession plan.
- Approximately 70% of small and family businesses survive only one generation.
- Family-owned businesses (FOBs) make up 60% of total US employment while creating more than 75% of new jobs.
- Wilmington Trust found that the majority (58%) of private business owners do not have a succession plan even though they recognized the dangers of financial risk associated with lack of planning.
- Further, 42% of business owners felt excused from planning because of being too busy running their businesses.
- 30% of private and family businesses survive to the second generation. Even more alarming, just 12% make it into the third generation and a mere 3% to the fourth and beyond.

# Mediation and Planning: What You Can Do

## Top 7 Components of Your Unique Business Succession Plan

- Buy-Sell Agreement
- Leadership Planning
- Personal Retirement Planning
- Ownership Restructure
- Estate Transfer Tools
- Business Valuation
- Tax Analysis and Outcomes

## Alternative Tools for Business Succession Planning

- Gifting Shares to Avoid Taxation
- Trusts
- Sale to Employees
- Retirement Plan
- Family Limited Partnership
- Sale to Outsider
- Liquidation of Business



“An ounce of mediation is worth a pound of arbitration and a ton of litigation!”

~ Joseph Grynbaum

## What Does Mediation Have to Offer in Business Succession?

- An experienced mediator well-versed in business succession planning can inform parties of all options to meet their individual and collective needs and goals.
- Mediation reduces emotional friction between the interested parties so an agreement is reached.
- Mediation can provide an enforceable business succession plan to reduce or remove the possibility of future litigation.
- Mediation substantially reduces the cost of having to litigate issues that come up when a partner wants to sell, loses capacity, retires, dies or begins a divorce action.

## Contact Information

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