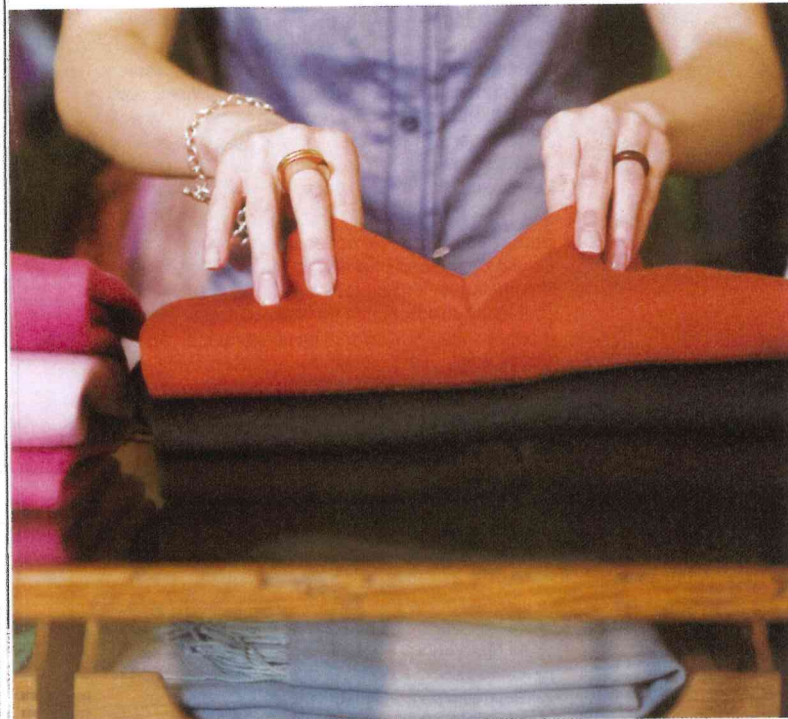


FAMILY-OWNED BUSINESSES CLEARLY CONTRIBUTE TO CENTRAL NEW YORK'S BUSINESS COMMUNITY BY DONNA HERLIHY



**P**eople may not realize how many family-owned businesses there are in Central New York and around the world and how they impact the global economy, the local economy and their own communities.

Each of us every day uses a product made by a family business, speaks to someone who owns a family business or knows someone who works for a family business. Such businesses are all around us.

Globally, family-owned businesses make up roughly 80 percent of all business models. This statistic has held pretty firm through the years.

But even more important than just being a great business model, family businesses contribute to the world in so many ways. They provide funds for philanthropic endeavors, employ more than 60 percent of the work force and contribute between 30 percent and 40 percent to the GNP. Working with your family can be complicated and rewarding even in the same day. This comment came from a recent peer group discussion: "Even when my brother and I disagree seriously on something during the day, I know when I go home that night, he will be there the next morning because he cares about the suc-

cess and longevity of this business as much as I do."

But it's not just the special relationship of the family. Other research shows the time differential of a family business compared with a non-family business. A CEO's tenure in a family business is six times that of a CEO in a non-family business. In family businesses, CEOs are not just looking at today or this quarter; they are looking back at what they have built and how it will be there for the next generation.

Family-owned businesses invest more in their employees. They spend 4 percent of staff costs on training versus 3 percent for non-family businesses; they invest more in plant machinery and electronic data interface.

Research suggests that it is the values, policies and everyday practices that contribute to the longevity and success of family firms.

They worry about what will happen to their neighbors if they close their doors or sell out to a faceless corporation. They want to make sure their employees, their employee's families and the community don't suffer.

Family businesses are a great model and we need them in Central New York, but it doesn't come easy. Everyone needs help at times. Sometimes they need to work on the family business and not just in it.

The New York Family Business Center knows no matter what a family business' size or industry is there is one thing such businesses have in common: family. NYFBC has been created for family businesses. It offers forums, workshops and peer group discussions in a confidential environment, focusing on such unique challenges as succession planning, leadership, governances and strategic planning.

Our underwriters, sponsors and collaborators are all handpicked for family business knowledge and experience. We have access to books, magazines, and national and local experts. However, the best resource we offer is our members and the opportunity to sit down with a neighbor family business and find out that you are just like the company down the street or down the highway. These conversations may challenge your thinking and inspire new ideas on how your family business can succeed to the next generation.

The center is declaring June 27 as Family Business Education Day. The Lodge at Welch Allyn will be filled with generations of family businesses of all ages as we listen to keynote speaker James Houghton (Corning Glass). We will have family business experts leading breakout sessions on topics that will help your business continue to the next generation. It will be a day to learn, share and make plans. **■**

Donna Herlihy is the president of the New York Family Business Center. She assisted in founding the center in 2008. She is attending a program through the Family Firm Institute to become certified in Family Business Advising.

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