

Deciding to make a move

WHAT'S A FAMILY to do when the successor generation is qualified and wants to perpetuate the family business, but would prefer to leave the region where the founder started the company?

Over the past 15 years, some 66 family-owned companies have relocated to the Inland Northwest region between eastern Washington and northern Idaho, reports Bob Potter, business recruitment director for the Inland Northwest Economic Alliance, a collaborative group of nine regional economic-development organizations. Among the immigrants to the area are Buck Knives, a 104-year-old knife manufacturer that moved to Post Falls, Idaho, from El Cajon, Calif., in 2005, just as successor C.J. Buck was taking the helm. Another family company—Lloyd Industries, a manufacturer of pizza and bakery equipment—moved from Southern California to Spokane, Wash., in the mid-1990s, when second-generation member Rob Crow joined his father, John, in the business.

Relocation requires emotional

as well as a practical preparations, Potter notes. He suggests five steps to determine how a move or expansion might affect your business:

1. Compare business costs. Invite regions, states or communities to prepare a confidential cost comparison study showing how the cost of doing business in their areas compares with costs in your base of

are companies that are not location-dependent. Where are your customers? If you serve customers around the nation and around the world, you can operate from virtually anywhere with quality transportation infrastructure.

3. Evaluate your succession plan. What are the interests and lifestyle desires of your children or grandchildren, who will eventually run the family business?

4. Weigh employee opportunities. Most family-owned businesses have key employees they don't want to lose. Think about who they are and the impact of a move on their lifestyles. How many of your employees own their homes? How long do they commute to your operation? Would your valued employees make the move along with you and your family members?

5. Take action. Visit regions, tour promising areas and talk to family business owners who have made the decision to relocate. Invite an expert to talk with you and your family about key relocation or expansion issues facing your company.



Succession and a move: Buck Knives Inc.'s president and CEO, C.J. Buck (left), and chairman, Chuck Buck, moved their company to Idaho from California as C.J. took the helm.

operation. Study operational expenses such as utility and worker's compensation rates, real estate costs and tax structures.

2. Consider your business situation. The best candidates for a move

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Reprinted from Family Business Magazine® Summer 2006

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