

Coming Events

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our trade and industry outlook, Mr. Jeffrey Kane, Senior Vice President of the Federal Reserve Bank, Fifth District, of Richmond, VA will present details on the current economic forecast for our region. As the nation's central bank, the Federal Reserve sets monetary policy, supervises and regulates member financial institutions and provides an array of financial services. In addition, the Fifth District contributes to the formulation of national monetary policy, gathers and analyzes regional economic data. This will be a remarkable opportunity to gaze into the economic crystal ball for 2008.

**Thursday May 22, 2008
5:00 pm - 7:00 pm at
the Reuter Center UNCA
The Changing of the Guard:
A Panel Discussion**

Light refreshments will be served. The success of FBF's panel discussions will be experienced again with a look at transitioning the company ownership to the next generation. Our Family Business Forum member, Cunningham Waters Construction Company and Blossman Gas Company, a friend of the Forum, will share an inside look as to how their companies moved to the next era of leadership. A panel of financial advisors will weigh in with comments and advice. Come listen to the entertaining second and third generations family built businesses, as they share their stories.

Register 30 minutes prior to the program and enjoy conversation and refreshments. The programs will begin promptly at the designated time.



Family Business Retreat – A Proven Success Strategy

Have a problem with who is next in line for management? The solution could be to pack up and head to a family business retreat. This is a proven strategy you can employ to help communication issues in family-owned businesses, which can wreck the business and destroy family relationships.

Using an experienced family business retreat facilitator can keep the family focused on the issues and help the retreat participants discuss and resolve issues, some of which might be emotionally charged. Some of the issues that are common topics for family business retreats are estate planning, estate equalization, succession planning, succession management, innovation programs, environmental risk assessment and family foundations.

Additionally, a family business retreat can be a powerful learning platform, by allowing the younger generation to better understand how the family business leadership identified threats and the strategies that were used to strengthen and grow the business.

The family business retreat can also be used to **restate** and **reaffirm** the values and the mission for both the family and the business. To learn more www.family-business-experts.com and click on Family Biz Blog.

E-Mail Alert!

The Family Business Forum has begun to use e-mail as the official program registration. The forms are sent usually 3 weeks before the program is scheduled. If your e-mail changes or you have not received e-mail from us before, let Susan Maas know your correct address at UNC-Asheville (828-251-6527) or e-mail her at smaas@unca.edu. By using this system, we can save on postage costs and be more efficient with RSVP responses. Of course, if you prefer regular mail, let us know and your registration will be delivered just as you like it!

UNCA Family Business Forum

Owen Hall, CPO #1800
One University Heights
Asheville, NC 28804-8507

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Generations

Winter 2008 • Vol. 7, No. 1



UNC ASHEVILLE
FAMILY BUSINESS FORUM

Achieving success across generations

Coming Events

**Wednesday February 13, 2008
8:00 am – noon at
the Reuter Center UNCA
The Care and Feeding
of Your Exit Strategy**

Light breakfast and "to go" lunches will be available.



Peter Nilsen



Ken Kaplan

You have spent countless hours nurturing and growing your business, now spend a few hours exploring the next phase – preparing your business and yourself for the exit transition. Ken Kaplan, a partner in the WNC practice of Tatum, LLC and Peter Nilsen of Middle Market Resources, LLC will be the presenters. Richard Kort of McGuire Wood and Bisette, PA, one of our founding sponsors has attended this workshop in the past and highly recommends attendance for all business owners regardless if an exit strategy is in the near or distant future.

**Tuesday March 11, 2008
11:00 am – 2:00 pm at
the Reuter Center UNCA
Current Economic Outlook for NC
Family Owned Businesses**

Lunch served.



Jeffrey Kane

An Associated Press-Ipsos national poll (Asheville Citizen Times 1-13-08) indicates the faltering economy as peoples' top worry for our country. To learn more about

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From The Director

The beginning of a new year is traditionally a time to consider new directions. The FBF is no exception and 2008 brings a new look with a tag line, "Achieving success across generations."

Changing the look and message of a seven year old entity is no small feat. A team of experts carefully evaluated and reevaluated ideas, concepts and philosophies, and decided on a message that describes the Forum's purpose more concisely.

The Family Business Forum is dedicated to the preservation of your family owned business. We offer a confidential trusting environment for family owned business proprietors to meet, share ideas, and give encouragement to one another. Seminars throughout the year, led by experts, speak on topics to support and strengthen the entrepreneurial spirit of the family and the company.

This spring the programs concentrate on organizing your future economic projections to help the bottom line, and getting more from life by recognizing when to pass the company to the next generation. As always, do not hesitate to contact me with suggestions or ideas on how the Family Business Forum can continue to support your business. I look forward to working together and "Achieving success across generations."

Book Review / *Raising Rich Kids* by Gerald Le Van is a short (less than 150 pages) easy to read book with solid ideas for raising affluent children. Mr. LeVan is a friend of the Forum, with years of experience dealing with families, money, and trouble. As he states, not having the "money talk" could mean that everyone assumes that agreement is shared among the members. Never true. Family business owners that are also parents worry that their children will mismanage money. This book is a guide for solving that quandary.

Mr. LeVan writes this handbook as a short story at a summer camp reunion in October 2032. The reunited campers are now in their early forties, all are affluent, some wealthy. If you will, think of it as *The Big Chill* goes to camp. A light hearted, but serious look of how money played a part in their growing up.

The most important lesson of the book is this: if you do not talk to your children about money, they will not acquire healthy attitudes about money management. When children are old enough to understand the concept of money, parents need to share their money mistakes with them, and the lessons you learned from your mistakes. At the end of *Raising Rich Kids* there are ideas and considerations based on the story that can help you prepare for the "money talk."

You may borrow this book from the Family Business Forum Resource Library. And while you are thinking about it, how would you like a program on this subject?



About Our Sponsors

Colton Groome & Company
Since 1950 Colton Groome & Company has provided clear strategies in a complex financial world. Colton Groome is a financial strategies and benefit planning company that assists business owners in establishing carefully constructed financial security and succession plans. Offices are located at 34 Orange St., Asheville. (828/252-1816, fax 828/254-5895) www.coltongroome.com

First Citizens Bank

Established in 1898, First Citizens is the largest family-controlled bank in the United States. First Citizens' product array includes a full line of financial services such as personal and relationship banking, private client banking, investor and trust services and insurance services. Its main office in Asheville is located at 108 Patton Ave. (828/257-5744, fax 828/684-4329) www.firstcitizens.com

McGuire Wood & Bisette PA

McGuire Wood & Bisette is the oldest law firm in Asheville with continuous practice dating to 1894. The firm is focused on the business, financial and litigation needs of its clients in Western North Carolina and across the United States. The firm is located at 48 Patton Ave., Asheville, in the Drhumor Building. (828/254-8800, fax 828/252-2438) www.mwbavl.com

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Visit our Web site at www.unca.edu/fbf/

How to Hire Well and Stay Out of Court

Grant B. Osborne

There are a thousand ways in which a wise employer can and should hire well and avoid unwanted legal disputes with employees. An unvoiced expectation, as the saying goes, is a preordained resentment. It is also fertile soil in which to cultivate a thorny and possibly aggressive legal dispute with an applicant or employee.

Every employer should recognize that seeking and establishing employment of another always, or nearly always, implicates a maze of federal and state laws, regulations and "common law". Any employer can and should take a few basic steps to try to reduce the risk of getting lost in the maze, as getting out could prove embarrassing, time-consuming and costly.

Some of those steps are as follows:

1. Before making an offer of employment, check the applicant's references and job history and consider conducting a "criminal background check". Applicants have been known to be less than candid about their past and to exaggerate their employment experiences. Employers must be careful, however, to avoid violations of the Fair Credit Reporting Act when seeking information about an applicant or employee by way of a third party.
2. Prepare clear written job descriptions, so that employees will know exactly what is expected of them and the employer will be able to evaluate the employee's job performance against an that explicit expectation. Such descriptions enable employees to strive for excellence in a well-informed way and enable the employer to evaluate the employee's performance as fairly and objectively as possible.
3. Ensure that every employee is properly compensated in accordance with federal and state "wage and hour" laws. Making such a determination is usually not hard to do, but many employers assume that they know how to do it, and then get it wrong, resulting in considerable expense.
4. Implement clear written personnel policies that identify and explain the employer's expectations of all employees, including policies that confirm "at will" employment and define and prohibit unlawful sexual (and other kinds of) harassment.
5. Address employees' job performance problems quickly, candidly and, if necessary, finally. Many employers "sugar coat" employee evaluations out of fear of conflict or controversy and thus often create a context that is unfair to the employee and counterproductive for the employer, and thereby fail to take advantage of opportunities to transform poor employees into good ones and, at the same time, avoid potential legal disputes.

Intelligent employers will try to identify their expectations of their employees and take the time to convey those expectations clearly, reasonably and promptly. We cannot entirely weed ambiguity and uncertainty out of our lives, but employers, out of self-preservation if nothing else, should make every effort to weed them out of the workplace.

Employment and labor law attorney Grant Osborne is a partner at the law firm McGuire, Wood & Bisette PA in downtown Asheville and may be reached at gosborne@mwbavl.com or (828)254-8800.

Member News...

Welcome new Member!

TekTone® Sound & Signal Mfg., Inc., headquartered in Franklin, NC designs and manufactures nurse call, intercom, apartment entry, emergency call, radio pocket paging and rescue assistance systems. Founded by Mr. Manuel Mira in 1973, TekTone® has grown into a nationally and internationally trusted leader in the health care, residential and commercial intercom fields. Mr. Mira's two children now head the company. His daughter, Teresa Mira Knippel serves as CFO and son, Carlos Mira is President. Grandson Johnny is also part of the TekTone team as Director of Marketing.



advanced nurse call systems on the market, thanks to TekTone®. "I believe the system will be beneficial because of its simplicity of use," said Women and Children's Unit Director Roberta

Bowles. "It's easy to use. It improves communication overall, which is very important. It also provides more privacy to our patients, because a nurse can pick up the phone now and talk to a patient about a problem instead of having the problem broadcasted for the whole nurses' station to hear."

TekTone® recently expanded with a total facility space of 38,000 square feet. This expansion will allow for the increasing sales of the new Tek-CARE®400 nurse call system. Plus, over the next 5-6 years, TekTone® expects to add an additional 52,000 square feet and up to 50 more jobs. Congratulations TekTone!

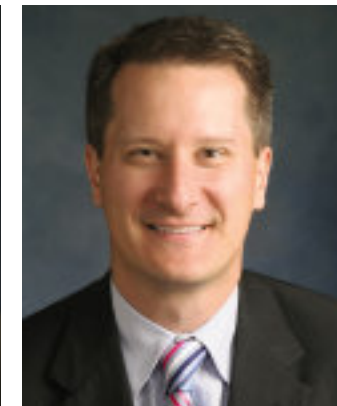
The patients and staff at Angel Medical Center in Franklin, NC enjoy the benefits of one of the most

Promotions

One of our founding sponsors, Colton Groome and Company, a financial strategies and benefit company have announced personnel changes. Colin S. Larsen and John D. Roegner have been named vice presidents. Well done!



Colin S. Larsen



John D. Roegner

Asheville Hose

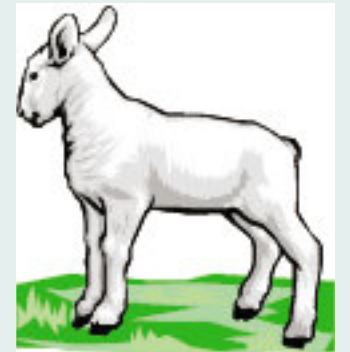
In December 2007, a Greensboro based firm, Cross Company, purchased Asheville Hose and Equipment, and their Tennessee affiliate, Tri-Cities Hose and Equipment, which is a supplier of hydraulic hose and related equipment for use in industrial machinery.

Established in 1954, Cross Company sells similar products in other markets and will now have five hose stores within the group. The company is 100% employee owned.

All Asheville and Tri-Cities Hose & Equipment employees will remain with the company with the exception of President Bill Melton, and his wife Pauline, who are retiring from the Asheville store.

The Meek Rule

Did you know that four in ten CEOs turn out to be introverts? This information is from CPP, a human resource firm (cpp.com) which publishes the Myers-Briggs Type Indicator, a widely used personality test.



Gerald Bell, a professor at UNC Chapel Hill's Kenan-Flagler Business School co-authored a book on leadership with legendary UNC basketball coach Dean Smith. Bell says, "One of the characteristics of great leaders is they tend not to be flamboyant show-offs who have big egos or are attention-grabbing. A characteristic of the best leaders in the world in any field is they tend to be modest, more humble."

Bell says, though, successful leaders are often reserved but have to take initiative. He says, "You can't be a highly effective leader if you don't take the initiative to communicate." A yielding leadership manner encourages people to connect and take risks.

In the Bell Leadership workshops everyone is encouraged to step up and lead, not just one person. An organization functions better if lots of people are exercising leadership roles. Would you like to hear more from Bell? Contact me at cclarke@unca.edu.

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