

CASE STUDY:
SUCCESSFUL TRANSITION OF
BUSINESS TO KEY EXECUTIVE
AFTER DEATH OF THE OWNER

OVERVIEW

A manufacturing business whose owner recently died but who had promised a 10% ownership interest to the COO-President. The balance was left to the 2 adult daughters of the owner, neither of whom was interested in nor capable of running the business.

CHALLENGES

The attorney representing the business also represented the 2 daughters, the estate trustees. Because of the representational conflict, we were engaged to work with the COO-President in the negotiation process.

S|A|K FINANCIAL SOLUTION

A new company was formed with the COO-President as 80% owner and the 2 daughters as 20% owners. The daughters will be paid for the 80% over a 10-year period, after which they will continue to receive their pro rata share of the company profits.

