



**SUCCESSFUL
SUCCESSION
PLANNING MORE
THAN GOOD
BREEDING**

WHEN TOM BURRUS graduated from college in 1971, he was offered a job that paid 20% more than the job his father was offering.

He says he considered that other offer, thought about working for someone outside the family. And then he accepted his father's job. "It was a defining moment. Once I made that decision, I never looked back."

It's the kind of defining moment every child who grows up in the shadow of a family-owned business will face at some point; it's one their parents should start preparing for many, many years beforehand. Succession planning – or figuring out who will take the helm, and making sure they are ready for the responsibility – is a crucial part of any company's continuing success. But in a family-owned business, it holds the added complexity of interfamilial dynamics.

Of course, in any succession plan there are legal and financial nuts and bolts. Whether a seed company is operating as a corporation, a family limited partnership or some other entity, the rigors of estate and tax planning and the transfer of property and ownership are best handled by the experts. A good team of lawyers, accountants and capital analysts, consulted early and often, can help ensure the most advantageous progression of company assets.

Just as important to the continued health of the company, but far less exacting, is the process of helping the kids coming up to understand the family business and decide whether they see themselves as the next generation of leaders.

The Basics: Capability and Respect

Some 37 years after his defining moment, Tom Burrus now runs Illinois-based Burrus Seed Farms, Inc., a supplier of hybrid corn and soybean seed, alongside his brother Todd. The third generation seedsman has identified two traits he believes must be present in an up-and-coming leader.

"You need to be capable, and you need to have the desire. Some part of that you're born with, and some of it has to be fostered."

He also believes it's crucial, when beginning to hand over the reins, that authority and responsibility are meted out in equal amounts, so that as they mature into management roles, members of the younger generation grow comfortable with taking charge. It's a multi-step process that takes time, and builds confidence and experience.

Equally critical to successful multi-generational integration is the way family members behave toward one another at work.

"In the 35 years I worked with my father, he never once said 'I told you so,'" Burrus recalls. "But if you made a decision and it went wrong, he was always there to help you pick up the pieces."

That may seem pretty basic, but being able to step outside family roles and confer professional respect in the workplace is essential to a smooth transition, especially when that transition will take place over years or even decades.

At Burrus, the fourth generation is now benefiting from this family tradition of respect. In 2005, Todd's son Kevin and Tim Greene, Tom's son-in-law, became co-owners in the company. Tom says now the four men work as a management team, making most decisions together.

MAGNUM SYSTEMS

TE100

COMPACT ELECTRONIC BAGGING SCALE



The TE100 is an innovative compact electronic scale with self-correcting precision for open-mouth bags.

Simply set the weight and hang the bag.

The TE100 fills, checks weight and drops—up to 15 times per minute.

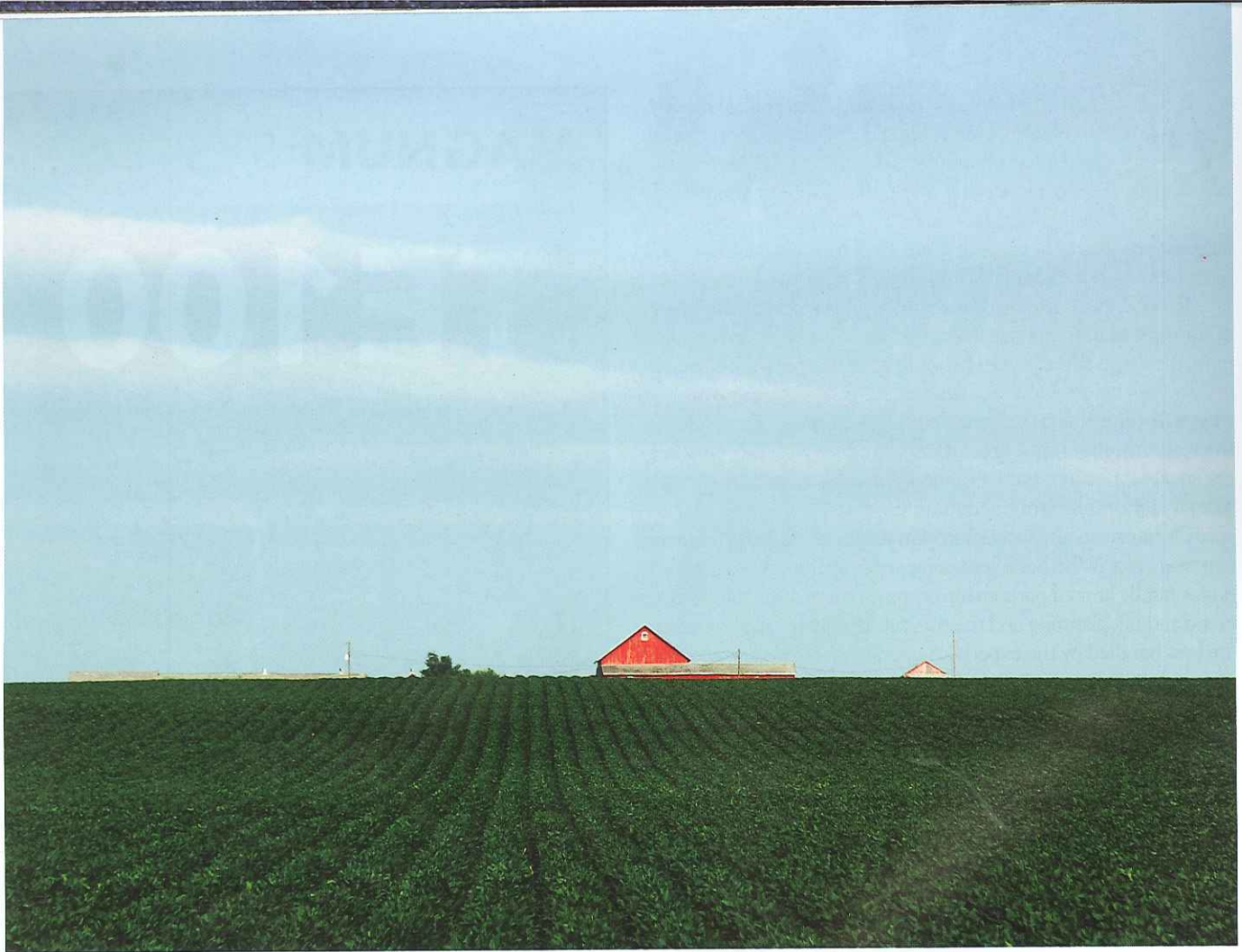
Dependable, versatile systems. Solutions that fit.
It's the foundation of our business.

CONCEPT TO COMPLETION

www.taylorproducts.com



Toll Free 800.748.7000



Fostering the Desire: Less Pressure, More Opportunity

At Beck's Hybrids, Scott Beck is the fourth generation. Based in Indiana, Beck's is among the largest retail seed companies in the U.S., offering customers a range of the latest traits in corn, soybeans, wheat and alfalfa. The company is headed by Scott's father, Sonny Beck.

Scott says looking back, he now realizes succession planning was an integral part of his upbringing. "It's always been a continual process, since when I was a child and my grandparents were alive," he explains. "We were always included in land purchases and company ownership."

While he never felt pressured to join the company, he was exposed to it from an early age. Along with his younger brother and his sister, he had the opportunity to work in different parts of the company – and now, so do his own children. Last summer his two older boys, aged 14 and 12, worked in the sign shop; they are also encouraged to help out with planting when they can.

"There are 11 grandkids in our family now. I don't think any of us believe all of them will end up working for the company," he says, adding he doesn't put any directed pressure on his children to make that decision. "What I do want is for them to work, and to develop a good work ethic."

If they are interested in building a career with Beck's Hybrids, they will have broader opportunity than any of their family predecessors.

Beck recalls that when he was ten years old, the company consisted of his father, his grandfather and a few other employees. When he came on board in 1987, he was employee

number 12. Today, there are about 170 employees, plus part-time and seasonal workers. When a company gets to such a size, he notes, it opens up many more avenues for employment. From accounting to marketing to human resources, the range of specialization in the company grows with it.

"There are whole departments that serve the company but don't require an agricultural background, but skills in another area."

Beck himself carefully considered his options before making his choice. After studying agronomy – as well as diverse electives from creative writing to communications – at Purdue, he pursued internships with other agricultural businesses before coming back to Beck's.

Still, he wasn't certain it was the right decision for him, but as he began to try on different facets of the business – sales, administration, advertising, shipping – he began to see how he could make a valuable contribution. Today, he manages the practical farm research, through which Beck's examines a host of factors, including fertility rates, tillage and herbicides, and other areas that are of great interest to their customers.

"It's a part of the business that helps set our company apart, and it's an area that I'm proud to be helping grow and develop."

Valuing Diverse Skills

In 1970, at the age of 26, Bill Wyffels Jr. inherited a family farm operation and seed company when his father died unexpectedly. At that time, the company had two employees: Bill and his younger brother Bob, then still in college.

20th ANNUAL IPSA CONFERENCE

Highlights

- How Independent Seed Companies can build a sustainable and competitive advantage
- Educational sessions in each of four tracks: Owners, Sales, Office Administration and Production
- 30 Trade show exhibits
- General Sessions addressing change in the industry
- Shopping, Museums and an IMAX Theater all nearby



Agenda

Tuesday, Jan. 20th

- Pre-conference Tours
- General Session I
- Casino Night

Wednesday, Jan. 21st

- General Session II
- Annual Members Luncheon
- Educational Breakout Sessions for Owners, Sales, Office Administration and Production
- "Sock Hop" Dinner and Entertainment

Thursday, Jan. 22nd

- General Session III

Registration Info at
www.independentseeds.com

For more details call
402-991-3550



Today, Illinois-based Wyffels Hybrids boasts almost 100 employees, and focuses its efforts and resources solely on the development of corn hybrids and technologies that help their customers maximize their profits.

"Bob and I made the decision early on to remove ourselves from running our own farming operation," Bill Jr. explains. "We wanted to focus on our customers, which we see as paramount, and remove ourselves from being competitors with them."

They also realized, early on, how important it was to play to their individual strengths and interests. While Bill Wyffels carries the official title of company President, he shares with Bob a full and equal partnership. Their roles, however, are as different as they are. Bill focuses more on marketing, for example, while Bob takes care of supply and production.

"I think we both understood from the beginning the value of those differences, and understood how much we needed each other," Bill explains.

There's even greater diversity around their decision-making table. For many years, the Wyffels brothers have shared decision-making with an executive team of three other employees whose strategic abilities and insight have been critical to the company's success.

Ownership vs. Leadership

When it comes to succession planning at Wyffels Hybrids, a clear distinction has been drawn: ownership is one thing, leadership another.

Bill and Bob have five children between them – three of whom are still in college. Though none are currently working full time for the family firm, all have spent summers and weekends learning the business from the ground up

"We've really encouraged them to get experience, to go find out what's happening in the rest of the world," Bill explains. "What we have always tried to tell them is: 'We want you to do what you love. If you are really driven to work in corn hybrids, then by all means, come work here.' Right now it's still too early to tell if that is their passion."

Wyffels' highest priority is hiring top talent. "We want the best people leading Wyffels that we can get. If that's a blood relative, that's great, but our succession planning involves trying to develop strong people internally," he adds.

Securing that talent is no easy feat in a booming agricultural industry where competition is fierce. The company has a full-time expert on staff whose role is to manage recruitment and skills development. Once employees are on board, the company strives to provide ample opportunities to learn, to make mistakes without penalty and to lead projects and teams so that they have an opportunity to demonstrate their strengths – and find their passion.

"Passion made up for a lot of mistakes I made," Bill notes with a laugh.

Of course those who want to lead in the fast-paced seed sector must also have the ability to stay on top of the phenomenal growth in science and technology, understand the needs of a rapidly changing market and interface effectively with increasingly sophisticated customers.

"It takes a very talented individual. For success, the challenge is to find individuals who are up for it," he says. Leslie Vryenhoek

 **Applewood Seed Co.**

*Specialists in
Wildflowers
Since 1965*

Hundreds of Species

Regional, Special Use
& Custom Mixtures

Native Grasses

wildflower seeds

For a Catalog:
Phone: 303.431.7333
Fax: 303.467.7886
Email:
sales@applewoodseed.com

5380 Vivian Street
Arvada, CO 80002 USA
www.applewoodseed.com

