



News Briefs

March 2005

Welcome to Three New Members

We are pleased to introduce three new family business members: XericWeb® Drying Systems of Neenah, Vern's Cheese, Inc. of Chilton, and Natural Ovens Bakery, Inc. of Manitowoc.

XericWeb® Drying Systems joined after attending our *Incentive Compensation* program in January. In 1985, Rodger and Merry Whipple founded this business that designs and manufactures web drying and curing systems. With a primary focus on the printing industry, XericWeb® is especially involved with flexographic printing. They specialize in tailoring systems to meet specific (and out-of-the-ordinary) customer needs. Their Forum member buddy is Tom Gross of Ahern-Gross Inc., Fond du Lac.

Vern's Cheese, Inc. also joined the Forum after two of the second generation daughters, Kristi Schnell and Kelly Kress attended the January program. Vern and Edith Knospel founded Vern's Cheese in 1964. Vern's is a wholesale food distributor of cheeses, food specialties, meats, snacks, pickled items, beverages, candies, and much more. They also have a small retail store on their production site. Three daughters, a son, and two sons-in-law work with Vern and Edith in the business. Their Forum member buddies are Cindy and Rick Schneider of Techi-Flex, Inc., Appleton. We thank Rick and Cindy Schneider for encouraging Vern's membership in the Forum.

Natural Ovens Bakery, Inc. joined at the prompting of their new CEO, Phil Florek. Phil was an active participant in the Forum as the president of H. G. Weber & Co. and knows the value of family business participation. Founded in 1976, Natural Ovens founder/chairman, Paul Stitt, had a mission to make the best tasting and most nutritious whole grain breads with the goal of helping people live a long, healthy life. Paul's wife, Barbara Stitt, is president and majority owner; his daughter, Chelle Blaszczyk, is the sales, communications, and marketing manager. The Forum buddy is Matt Hall, Chief Financial Officer, of Buechel Stone Corporation.

We look forward to personally welcoming these businesses at the March 8th program. I encourage everyone to help them feel welcome and comfortable in our Forum family.

Developing Effective & Responsible Family Shareholders

March 8, 2005
1—5 pm

Butte des Morts Country Club, Appleton

A family business will be more successful when its shareholders understand the benefits and responsibilities of ownership, and the shareholder role.

Whether or not a shareholder is effective or responsible depends upon the expectations, training, development, planning, and communications provided.

In this workshop, Drew Mendoza will provide guidelines, examples, case studies, and challenges designed to help family business owners develop effective and responsible shareholders.



Drew is managing principal of The Family Business Consulting Group, Inc. He is an engaging presenter, offering pearls of wisdom and insight mixed liberally with humor. While providing opportunities to talk with other owners about the topic, he will challenge participants to examine their situations and determine ways to improve the way they meet the interests and needs of their shareholders and their businesses.

To learn more about this program and to register, visit the program area of our web site: www.uwosh.edu/wfbf. Reservations for this program are due by March 1, 2005.

5 Signs of Good Owners

- *See themselves as stewards of the business*
- *Consider the welfare of others—the business, the family, and other shareholders—as well as their own*
- *Educate themselves about business ownership*
- *Understand that ownership is a privilege*
- *Try to add value to the business as an institution*

How to Be an Effective Shareholder, Family Enterprise Publishers

9th Annual Dinner: A Family Heritage

May 2, 2005
5:30—9:00 pm
Tornado's, Appleton

The Forum's annual dinner is always an enjoyable evening of celebration, recognition, storytelling, and socializing.

Each year, we invite a family business owner to share his/her family's heritage with us as part of this evening. This year, we are pleased that Art Schmidt of U. S. Oil Company, Inc., one of our charter members, has agreed to be our dinner speaker. Although we have known U.S. Oil for years, most members haven't heard the family relate the story of the challenges and successes they have experienced, how they transitioned to the next generation, and how they have successfully grown the business while honoring the family. We look forward to hearing the story of this family's development, passions, and philosophy about their responsibilities as business owners and community leaders.

Last year the Board awarded its first *Forum Fellows* award to Craig Smith of Retained Earnings Company in recognition of his role in starting the Forum. The announcement of this year's *Forum Fellow(s)* will be part of this evening. As the *Forum Fellows* group grows over the years, we anticipate that the members of this prestigious group will become an ever larger body serving as a valuable resource for our members and the Forum.

The evening will begin with a reception at 5:30 pm, dinner will be served at 6:30 pm, and the program will begin at approximately 8:00 pm.

Every member and sponsor is encouraged to invite family and non-family members to attend. Invitations will include the details of the dinner. Reservation forms will be available on our web site in early April.



Family Business Incentive Compensation: Design & Management

On January 20th, Forum members and sponsors met at Butte des Morts Country Club to learn about compensation issues in family businesses.

Dale Feinauer helped participants understand:

- the purpose of compensation systems,
- the pros and cons of using various levels of equity in the system,
- the importance of considering the balance of risk vs. guaranteed compensation,

- the family issues—employment, ownership, and intergenerational,
- the downsides of over or under compensating family members relative to the market, and
- and the relationship of the system to expected outcomes.

Following the dialogue about these issues, the workshop also explored the results of our family business compensation survey, and considered recommendations for developing an effective compensation plan.

Thanks to both Dale and to Dean Al Hartman for developing the survey, analyzing the data, and planning an excellent workshop.

Affinity/Peer Group Meetings

Successors Group:

On January 25th, the Successors group met at Techni-Flex, Inc. in Appleton for a discussion focused on **developing competency**. Dale Feinauer led the discussion which included organization and individual competencies and how to evaluate needs and acquire skills. Thanks to Cindy Schneider for hosting this session and for providing a tour of Techni-Flex.

The next Successors meeting will be **February 22nd** at Mackinaw's in Green Bay. Jane Sweasy, JAG Outdoor Advertising, will be our hostess. Dale Feinauer will continue the study, focusing on **clarifying boundaries**. Successors will be transported to and from this meeting by Kobussen Buses, thanks to Dan and Joe Kobussen. The coach will return to the Valley following the meeting and dinner at Mackinaw's.

Successors interested in attending the February meeting should register with by no later than February 17.

Best Practices:

Rustin Keller, Mark Weaver, and Bob Ernst of J. J. Keller & Associates, Inc. hosted the February 4th Best Practices meeting. Focusing on the topic of *work place injury prevention*, about 30 members and sponsors gathered information on HazMat and OSHA requirements and procedures, and viewed KellerOnline®. Rustin offered a free trial of KellerOnline® to each attendee. The session also included time for participants to discuss their programs and experiences and to ask the group questions. We thank Rustin, Mark, and Bob for their presentations and J. J. Keller for providing lunch and a meeting room.

Member News

Buechel Stone Corporation, Chilton and Fond du Lac, has been informed that a project featuring the company's natural stone was recently chosen to receive this year's Best Governmental (Silver) Excellence in Masonry Award. The project, Tinley Park Metra Station, Tinley Park, Illinois, features Buechel Stone's rustic full veneer.

Right Management Consultants

It is with regret that the Forum announces that Right Management Consultants will be leaving the Forum as a sponsor effective March 31, 2005. We want to express our sincere thanks to Kurt Johnson, Jodi Oleson, and Tom Wiltzius for their participation and service to the Forum over the past 15 months. Thank you!

Director's Column

By Sue Schierstedt



Each One Bring One

Last fall I challenged our members and sponsors to each bring a new member into the Forum by June 30, 2005. The Recruitment and Retention Committee has now joined in this challenge spotlighting the Forum's objective of reaching and exceeding our goal of 40 members by June 30.



With your help, we can do this.

Please accept the challenge and help us reach and exceed our goal! New member packets are available to help you introduce people to the Forum. Just let us know how we can help you.

Program News

The Program Committee has completed the program decisions for next year. We are now beginning the process of finalizing agreements with speakers and setting dates. We hope to have the new calendar in your hands no later than May so you can reserve all the dates on your calendar.

The Committee is planning a June 2005 picnic for all members—young and old.

Beginning in September, programs will focus on the following topics recommended by our members:

- Succession Planning
- Leadership Development
- Hiring and managing non-family managers and directors
- Family governance
- Raising children and grandchildren of the family's business

In addition to these five programs, we (the Forum) will, during the spring of 2006, begin celebrating our 10th anniversary; in late spring 2006, we will hear from another family business owner at our annual dinner celebration; we will gather the Successors to continue focusing on development and growth; we will offer a wide variety of topics in our Best Practices sessions; and we will encourage participation in the Madison and Marquette programs.

If you are willing to help with our anniversary planning, please let me know.

Sue

On-line Program Registration

Did you know that you can register for any of the Forum programs from our web site? Just go to <http://www.uwosh.edu/wfbf/> and click on Programs. Choose the appropriate registration form. Complete the information and submit the form. If you need to add more people later, you can complete additional forms.

Since we need to confirm attendance numbers with the program site in advance of programs, we appreciate your adherence to registration dates.

Wisconsin Family Business Forum Program Calendar – 2004-2005

Date	Topic/Event	Presenter(s)
Mar 8	<i>Developing Effective & Responsible Family Shareholders</i>	Drew Mendoza Family Business Consulting Group
May 2	<i>9th Annual Dinner</i>	Art Schmidt U.S. Oil Co., Inc.

Reciprocity Programs

Your Wisconsin Family Business Forum membership entitles you to attend the following programs for \$25 per person. To make reservations for programs at UW-Madison's Family Business Center, register on-line at uwexced.com/fbc/programs/. To register for programs at Marquette's Center for Family Business, contact Laurie Zello at (414) 288-7583; laurie.zello@marquette.edu.

UW-Madison Family Business Center Programs—Spring 2005

Mar 1	<i>Communication and Conflict Resolution in the Family Business</i>	Joe Astrachan & Kristi McMillan, Cox Family Enterprise Center, Kennesaw State Univ.
Apr 26	<i>Heir Conditioning</i>	Peggy Eddy, Creative Capital Management Inc.

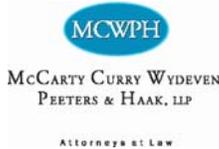
Marquette Center for Family Business Programs—Spring 2005

Mar 2	<i>Communication and Conflict Resolution in the Family Business</i>	Joseph H. Astrachan & Kristi McMillan, The Family Business Consulting Group, Inc.
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The Forum thanks the following sponsors for contributing significant value to keep the Forum at the forefront of family business programs, worldwide:



First National Bank — Fox Valley has a competitive advantage of developing strong, close customer relationships, especially in the niche of family-owned businesses. Thanks to a dedicated staff, FNB has completed its 117th year of providing financial services to the people and businesses of the Fox Valley with locations in Appleton, Menasha, Neenah, and Oshkosh.



McCarty Curry Wydeven Peeters & Haak, LLP has been serving the legal needs of large and small family businesses in northeast Wisconsin since 1949. The firm's services include all aspects of business and corporate law, real estate, complex estate planning, commercial and personal litigation, as well as general practice.



Retained Earnings Company/MassMutual Financial Services has been providing business owners and their employees with solutions to their insurance and investment needs for over 25 years. The Retained Earnings/MassMutual team brings expertise in the areas of financial, estate and business succession planning, 401k's, employee benefits, investments, life, health, disability, and long-term care insurances.



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Associate Sponsor:

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