



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

A ROADMAP – PLANNING YOUR SUCCESSFUL TRANSITION

David Simpson



Bennett Jones

Director, Business Families Centre, Ivey Bus. School,
Western University



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Value to Values

Dave Simpson
Director, Ivey Business Families Centre



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Fish while the fishing is good





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Demographic Reality meets Financial Abundance



Angels

Private Equity

Public Market

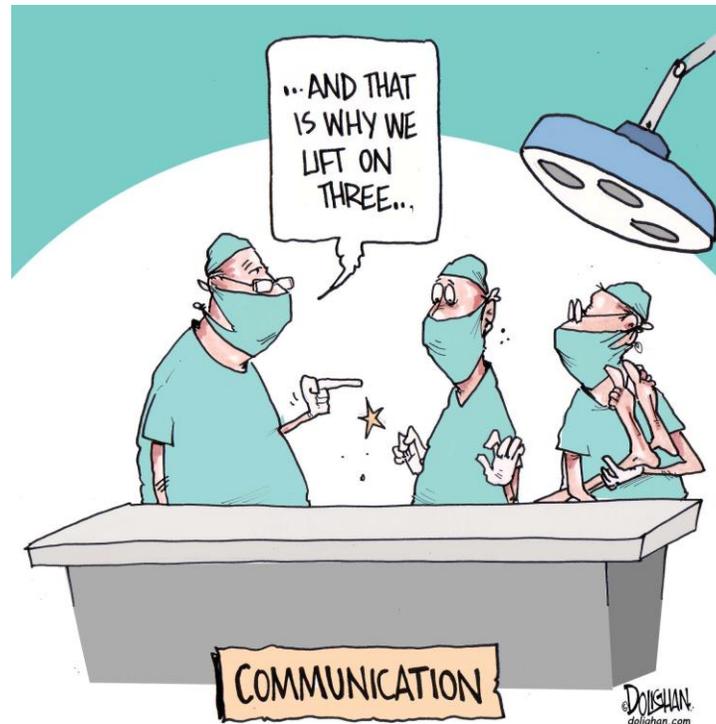
M & A



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

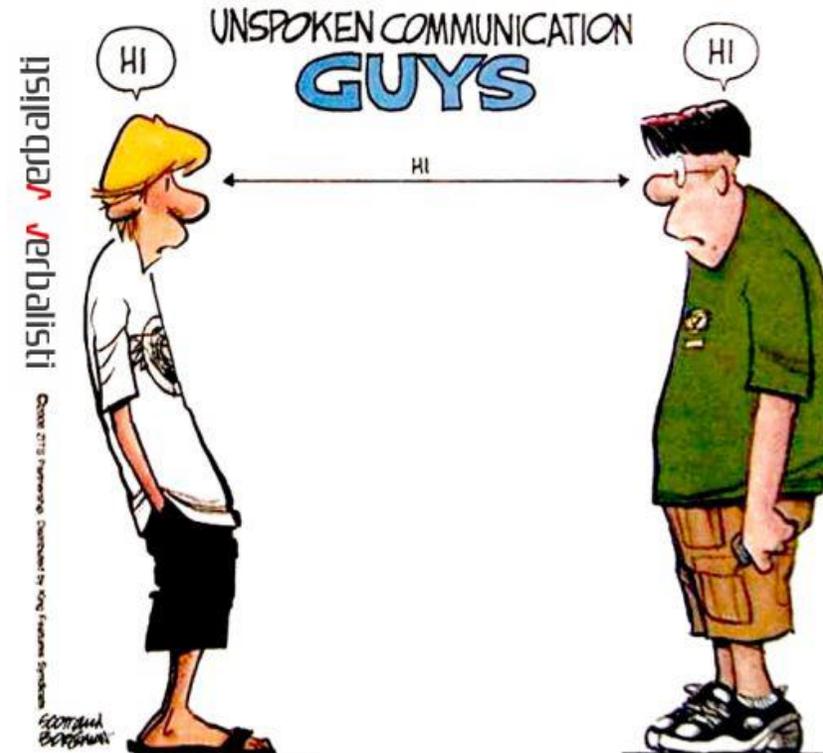
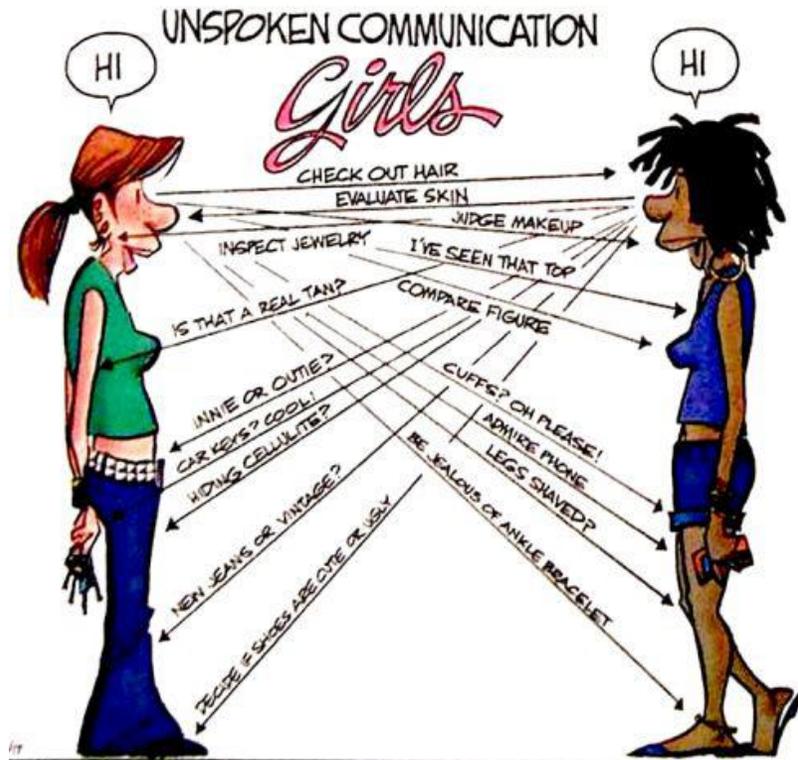
Advisors nurture common language





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Advisors recognize Perspective



VS

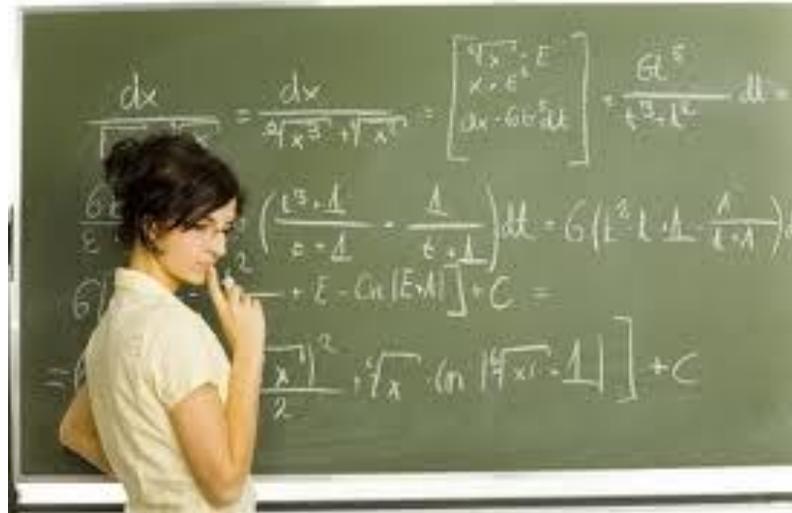




BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

What's Your Company Worth?



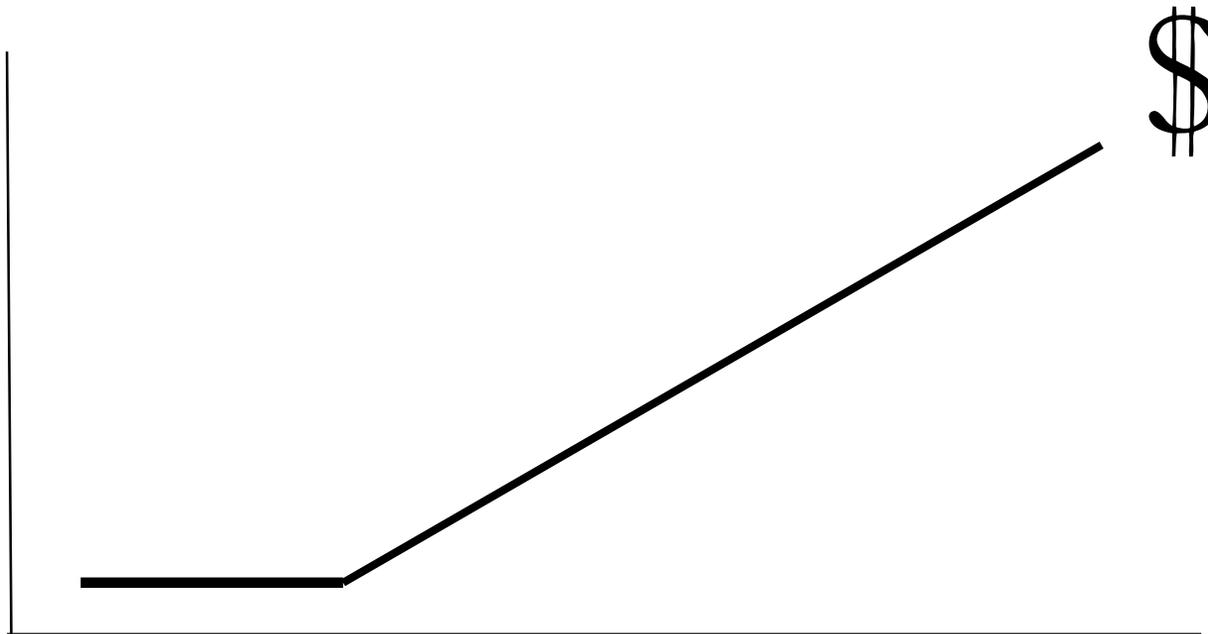
Why is it Important?



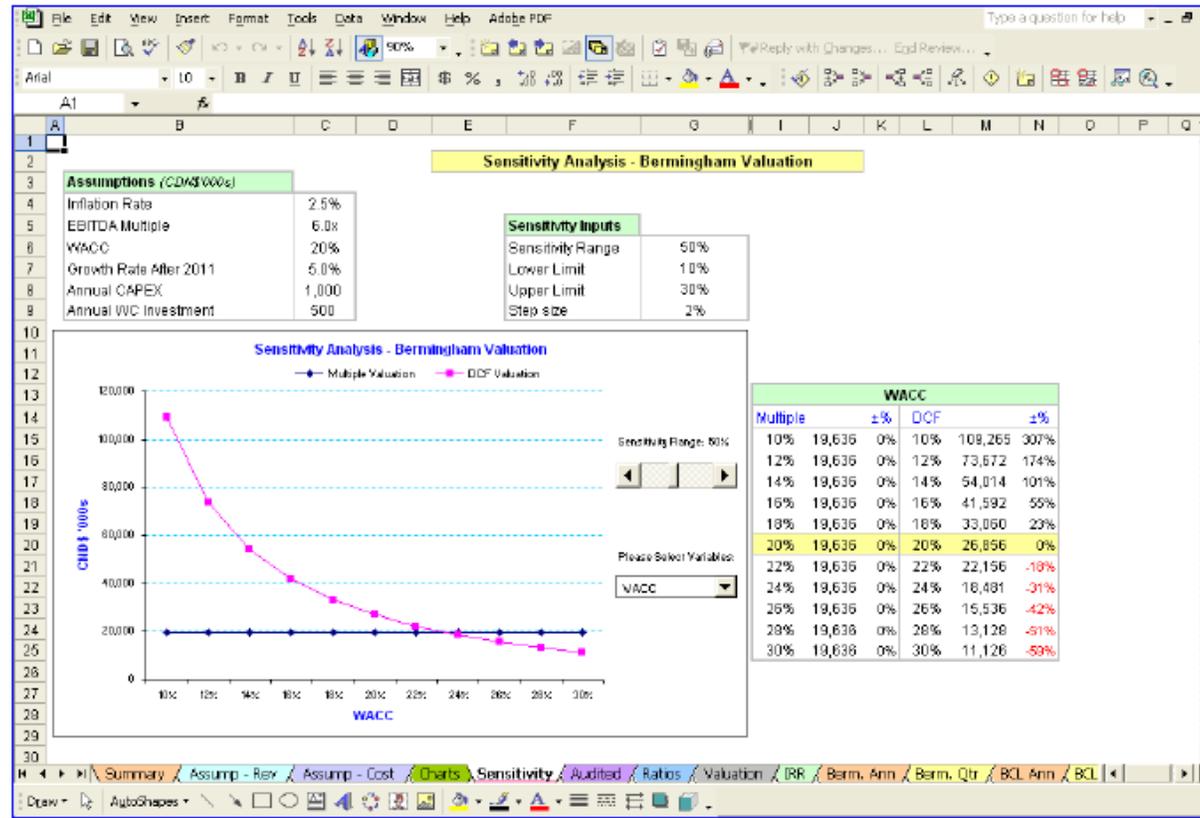
BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

The Entrepreneur's Brain



The Fund Manager's Brain





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Buffett Rules





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Bidders Rule



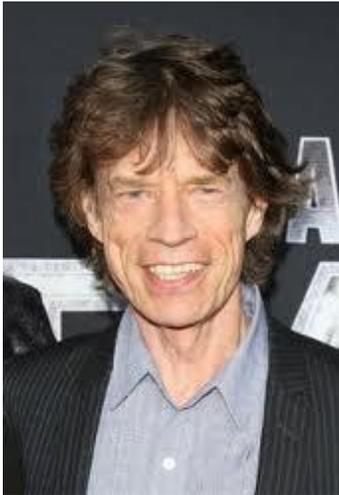


BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Unique Brand

ROLLING
STONES





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Unique Values



VS.



Unique Buyer

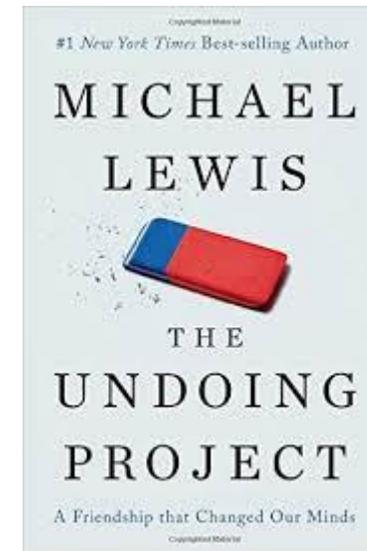
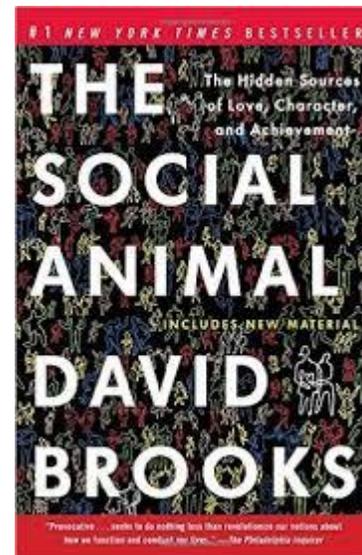
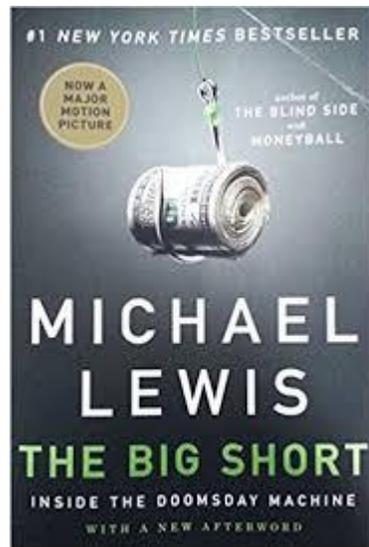




BUSINESS
TRANSITIONS
FORUM

MAY 16, 2017
TORONTO, ON

References





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Problem A

In addition to whatever you own, you have been given \$1000. You are now required to choose between the following options:

Option 1. A 50% chance to win \$1000

Option 2. A gift of \$500



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Problem B

In addition to whatever you own, you have been given \$2000. You are now required to choose between the following options:

Option 1. A 50% chance to lose \$1000

Option 2. A sure loss of \$500



Today Eric and Dave each have a wealth of \$5 million

- Yesterday Eric had \$1 million and Dave had \$9 million
- Are they equally happy? (Do they have the same utility?)





BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

5 Second Test

Group 1: $8 \times 7 \times 6 \times 5 \times 4 \times 3 \times 2 \times 1$

Group 2: $1 \times 2 \times 3 \times 4 \times 5 \times 6 \times 7 \times 8$

Group 1 Median answer: 2,250

Group 2 Median answer: 512

Correct Answer: 40,320



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Family Set Values



Career Planning





**BUSINESS
TRANSITIONS
FORUM**

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER



**What can we teach?
What do the kids notice?**



BUSINESS
TRANSITIONS
FORUM

NOV 15, 2017
WESTIN BAYSHORE, VANCOUVER

Transition Roadmap

- Know yourself first (Values)
- Understand your family interest
- Shine a light on the value of your firm