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# A ROADMAP – PLANNING YOUR SUCCESSFUL TRANSITION

David Simpson



Bennett Jones

Director, Business Families Centre, Ivey Bus. School,  
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# Value to Values

Dave Simpson

Director, Ivey Business Families Centre



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Fish while the fishing is good







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## Demographic Reality meets Financial Abundance



Angels

Private Equity

Public Market

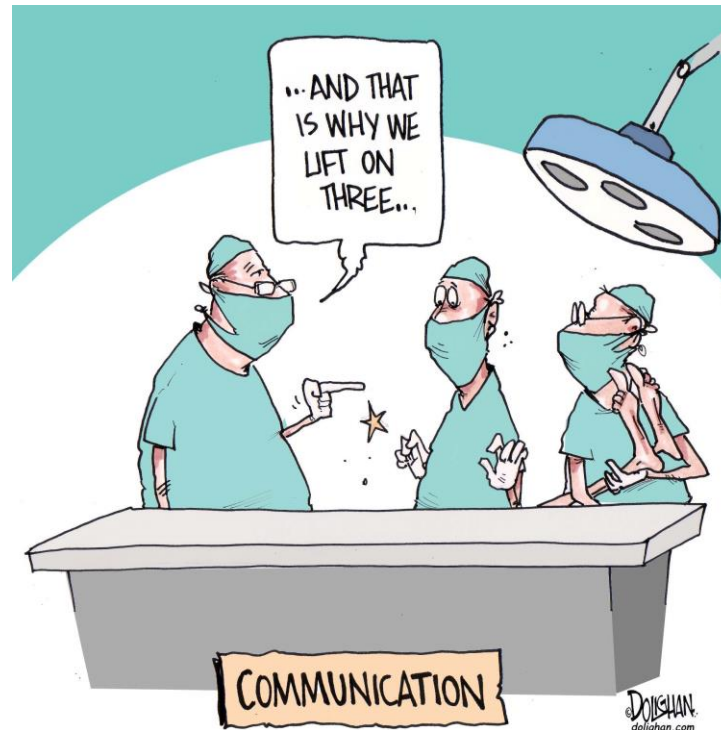
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## Advisors nurture common language

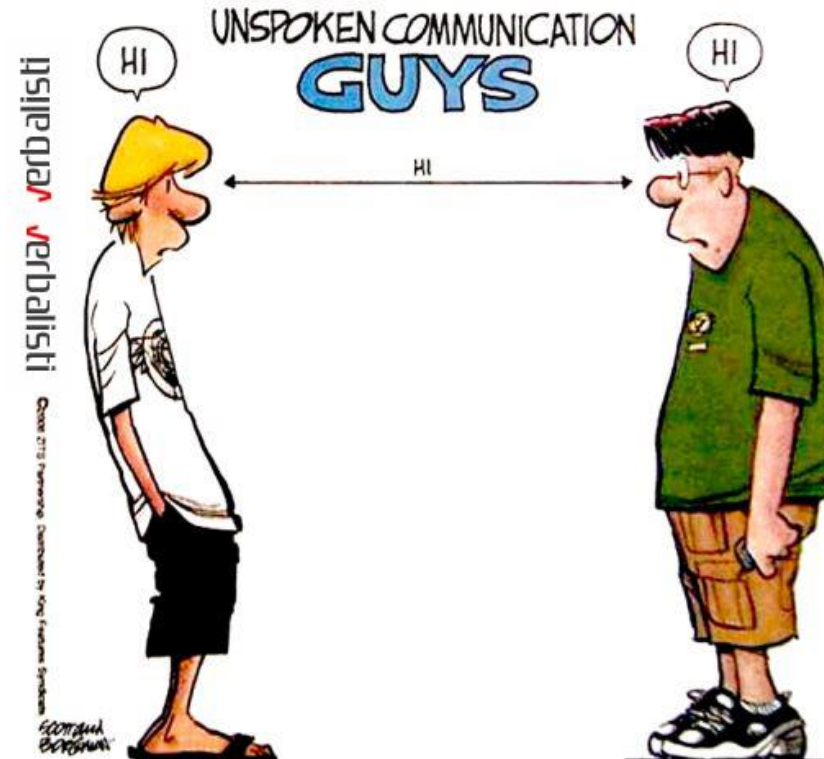
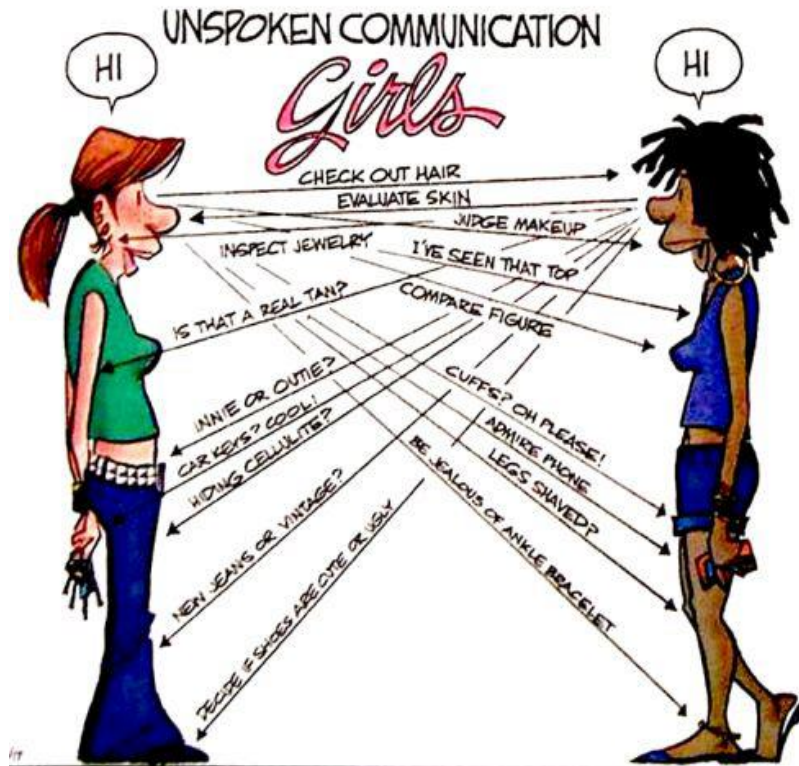






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## Advisors recognize Perspective



**VS**







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# What's Your Company Worth?



## Why is it Important?



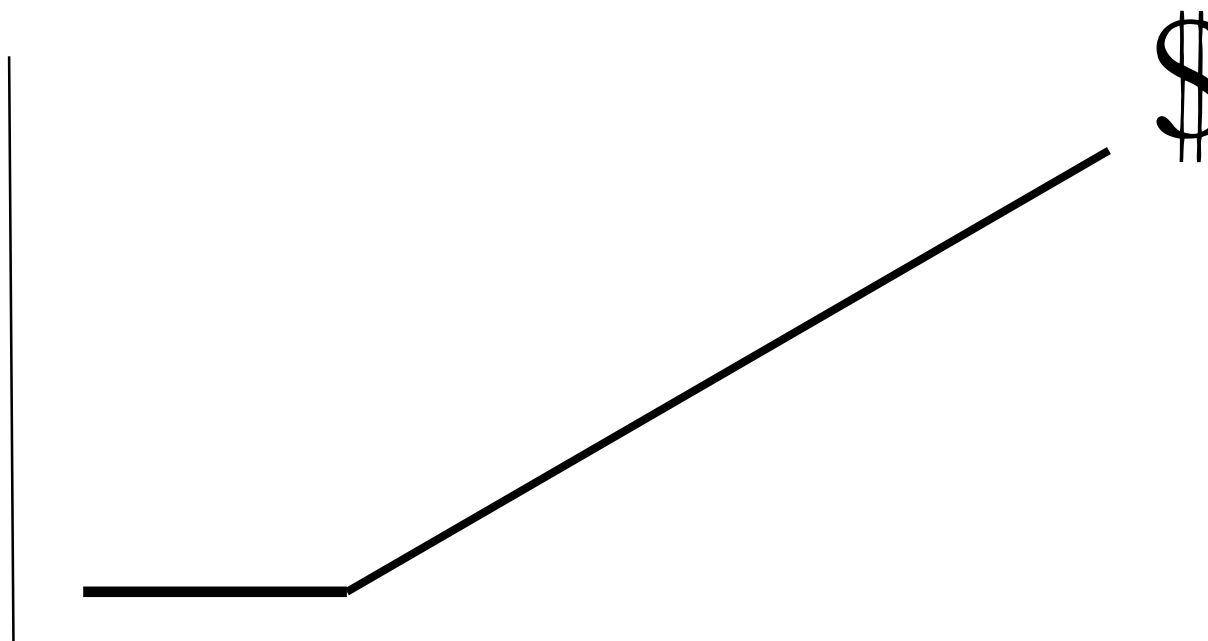


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# The Entrepreneur's Brain



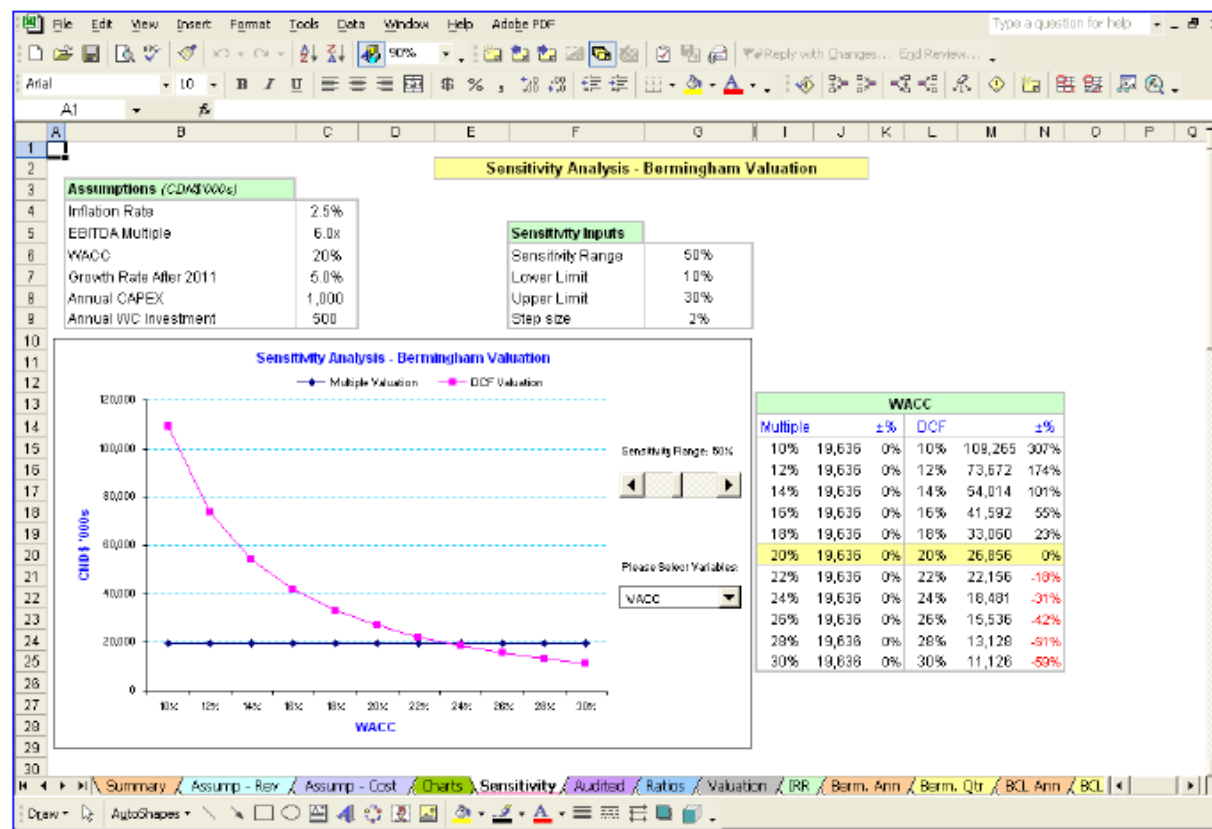


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# The Fund Manager's Brain







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# Buffett Rules





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# Bidders Rule







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# Unique Brand

ROLLING  
STONES





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# Unique Values



VS.







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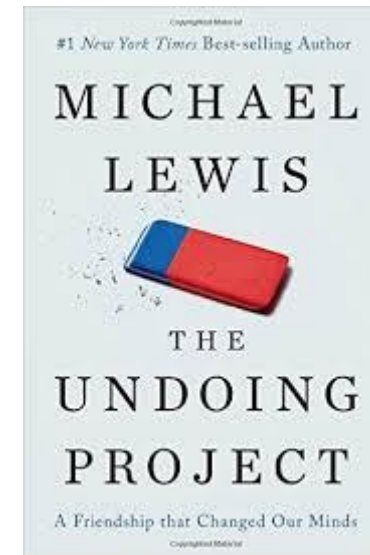
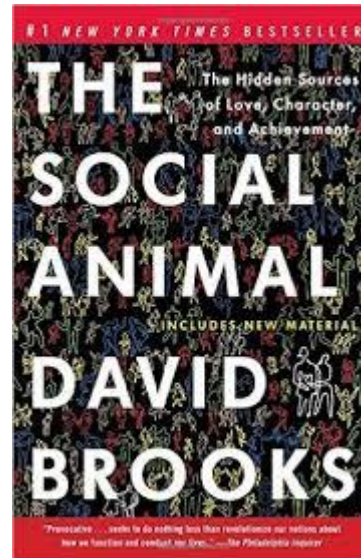
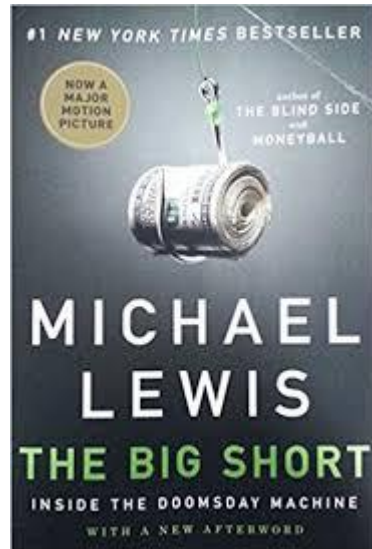
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# Unique Buyer



## References





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## 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





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## 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?)





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## 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





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## Family Set Values





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# Career Planning







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What can we teach?  
What do the kids notice?



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# Transition Roadmap

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