Family businesses are the foundation of the hardwood lumber industry. The overwhelming majority of hardwood lumber companies, and thus of NHLA’s membership, are family businesses. This heritage and tradition is a source of great strength and pride to us.

Family businesses, however, have unique challenges: maintaining one family control, staying viable from one generation to the next, family politics and exit strategies to name a few. Without clear communication and careful planning, heirs may themselves be ill-prepared to run a business. They may find themselves saddled with estate taxes they did not expect. Finally, families may be torn apart – and businesses lost – during these critical transitions.

This issue of *Hardwood Matters* deals with family businesses, specifically, with the issue of succession planning. We’re not recommending or endorsing any of the ideas or the contributors. We *do* hope it at least gets you to talking and thinking about the future of your business. How have you prepared?

Of course, this issue hopefully will arrive as you are walking out the door to the NHLA Convention and Exhibitor Showcase in Washington, DC, the premier “family reunion” of the hardwood lumber industry!

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The family business is a microcosm — a miniature version — of the industry. The challenges faced by the family business mirror those faced by the industry. Dealing with those challenges, therefore, may be the best thing not for the business concerned but for the industry as a whole.

How does this work? As one of the contributing writers in this issue notes, the “skill set” which made the founding generation of a business successful may or may not be the skill set required today. The world is a little bit more complicated with each passing year, and while many of us could ignore things like global markets and new technologies until fairly recently, it’s impossible to do so any longer. The “dreaded son-in-law,” as a contributor called him, may have a new “skill set” that needs to be tapped!

When we plan a smooth transition to the next generation, bringing in qualified, well-prepared successors, new skill sets will be pressed into service. New ideas may end up being explored. Your business and the industry as a whole can only benefit! After all, the industry is only as healthy as the companies that compose it!

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