

Protect Your BUSINESS Legacy

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Paper or plastic? That's the question we are often asked at the end of a grocery store checkout line. But issues of paper and plastic also can illustrate an interesting scenario that shows the difference between leaving a viable legacy for our heirs, or metaphorically reaching the end of the line.

Consider, for instance, the story of two New York businesses in the paper and plastic industry. Both were growing and needed to expand. But

the different approaches they chose to handle their growth, and to prepare for the future, left one company in the black and the other in the red.

For simplicity's sake, let's call them Company A and Company B. Company A decided to stay put in the Bronx to avoid forcing its workforce to choose between relocating and leaving the company altogether.

But by staying where it was, Company A found itself squeezed into two too-small warehouses in Hunts Point, with few viable options for expansion.

Company B, however, chose to move. It found what it was looking for in Jersey City: opportunities for increased space and resources at affordable prices. It occupied a facility of over a half-million square feet. It invested in technology and looked toward the future.

Company B not only survived, but thrived. In the end, Company A ultimately was absorbed by Company B.

Both firms had faced difficult choices, the results of which likely will have a significant impact on both present and future generations.

The moral of the story: It's every bit as important in business to create a succession plan as it is in our personal lives. When we construct our wills, we take great care to decide which of our heirs will inherit the bounty of our lifetime efforts and in what proportion. Some will get more, some will get less, and some will be pleased while others may be less so. But we have a carefully-thought-out plan.

Similarly, if we have a business, we should consider what will happen to it when we are gone. We should consider how ownership and

