

# Transfer Day and Consultations

Implementation report

Satakunta University of Applied Sciences (SAMK), project partner number 11

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## Business transfer day of project Inbets+ as a part of the Entrepreneurship theme day on November 26<sup>th</sup> 2021

### Background

Satakunta University of Applied Sciences organizes twice per year a conference with a theme "Entrepreneurship". The target groups of this organization are both students of the school and other people interested in an entrepreneurial career. Parallel with the autumn conference, the semifinal and final of the Business Idea Competition "All in Pitch" have been held for years. It was well-founded to assume, that such an occasion would attract people interested in entrepreneurship as a career, thus, within the frames of project Inbets+, a business transfer day was held within the same day to maximize the contacts and visibility.

### Business transfer day

The business transfer day aimed to present the results of project Inbets+, to tell about our services to those interested in generational business transfers, and to give information concerning the other ongoing projects (KAforHR and WWW&CE) (Figure 1). During the day, there were 34 visitors at the campus and 35 online participants. However, their interest seems to be targeted further to the founding of a new startup than to acquiring an existing business. There were only less than a handful of visitors, who were interested in becoming a successor of a retiring entrepreneur. The reason for this might be the fact that in Satakunta, Satakunnan Yrittäjät, the local enterprise organization, promotes and advocates most of the business transfers in the area.



Figure 1: Santeri Järvenpää waiting for visitors

### Other programmes of the day

In addition to the information concerning the generational transfers, the information concerning the funding opportunities of startup companies was available too. Ms Laura Kaunisto from Nordea Start-up & Growth Funding presented their services and funding opportunities in common (Figure 2).

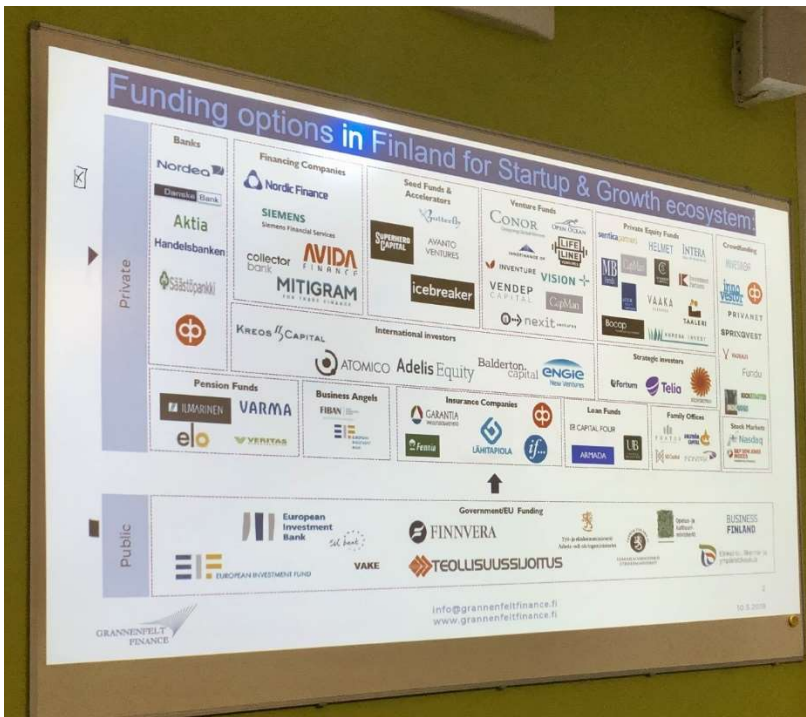


Figure 2: Funding opportunities available

In addition to these, there was a visiting presenter, who at this time was Mr Valtteri Lindholm, the founder and owner of Varustelevä Ltd (<https://www.varusteleva.com/en>). Mr Lindholm told about his career and experiences.

For most of the visitors, the highlight of the day was probably the final of the competition and the rewarding of the winner (Figure 3).



Figure 3: The final is over.

# Consultations in generational business transfers

## Introduction

In common, it must be borne in mind, that in Finland most of the business transfer cases are confidential, thus, no information is available. If a person has been involved with a business transfer case, he/she can tell about it only if he/she has permission to do this from all parties of the case. In the following cases, we have permission to give a very brief summary but not publish details or names.

During the summer and autumn of 2021, Dr. Kari Lilja discussed with three entrepreneurs concerning generational transfer. Two of them had already started the transfer, and they wanted just to know whether they were on the right path.

## Case 1: Equality of 2 heirs

The first entrepreneur had planned that he sells the business itself to one of the heirs, who was interested in becoming an entrepreneur and had founded a new enterprise for this purpose, but the facilities remained in predecessor's ownership and the new enterprise would rent them. The equality of heirs in following activities, i.e. giving the immobile property during the next years as a present, divided into equal parts, to both heirs, was the issue that bothered his mind. Because the business had been valued and was to be transferred at market price to the new company, there was not seen any problems to be expected, but it was also pointed out, that in such cases it is always a good idea to discuss the issue open with all the participants. It could also be a good idea to write a memorandum of understanding that each party signs.

## Case 2: What if the situation culminates in a fight?

The second entrepreneur was worried about the same issue as the first entrepreneur, but this case and point of view were quite different. The family is quite religious and has more than ten children. Some of the sons, some daughters, all adults. Each of the sons has acquired one part of the family business, and runs and develops it in its direction. Some parts of the family imperium are well known all over the world in their branches, whereas some parts are less known and hold a very low profile. The question was: Should they consider also the daughters in the generational transfer process. Entrepreneur thought that the daughters probably will not cause the problem, they know and accept the tradition, but some of their husbands were more secular and modern and might stimulate discussion about the equal heritage. In this kind of situation, no straight answer could be given. Of course, each heir should be treated equal, no matter, how the bible and tradition will be interpreted. However, the enterprises, that form the family imperium, are now dynamic and growing. Splitting them into smaller pieces may cause big troubles, but on the other hand, that could be fighting about heritage cause too. The third issue that should be considered is that although the sons-in-law are considered to belong to the family, they are not heirs. Once again, it was stated, that the best way to solve the situation could be if it is possible, an open discussion where all the family members participate.

## Case 3: Could a daughter be the successor?

The third entrepreneur was worried because his teen-aged son was not interested in an entrepreneurial career or technical issues at all, but his 12-year-old daughter was both interested and talented in mathematics and technical issues, but could a girl be an entrepreneur in the technical branch. The entrepreneur was very delighted when he was told that this is not a problem at all. Girls can also be entrepreneurs in the technical branch. As a matter of fact we have found out, that, instead of the from father to son transfers, the from father to daughter- transfers have increased during the years.