

OWNERSHIP SUCCESSION

An Important facet of successful business planning is developing a strategy for ownership succession. This transition service is one that J.L. Cohen & Associates, Ltd. is able to address in many different formats. The issue, of course, is who will own and operate a company when its present ownership is no longer available do so.

Whether a change in ownership is due to a death, a gradual shifting of ownership from one generation to the next, or to a merger or a sale to a third party, the contingencies should be mapped out to ensure the security of the company. A delay in determining the future of a business can lead to unfortunate economic consequences, as well as income tax or estate tax consequences. Therefore, the decision to name our firm as part of your planning team can be critical in avoiding these consequences.

Many times the only decision to make about future ownership succession is to remain flexible. This position means allowing the company to retain as many alternatives as possible, while immediately devising plans for the next generation of owners-managers.

We have experience in many different types of ownership-succession transitions. We have background in transferring the management without transferring the ownership of business. Conversely, we can design a plan to transfer the ownership without transferring the management. These formats can be especially helpful in generation-to-generation ownership succession. In third party succession cases due to either a merger or a sale, developing a management team may be the course we would recommend and structure for you. This course would ensure the continuity valuable to a third party while avoiding reliance upon the founder of the company.

Our experience extends even further. We can be architects for plans allowing employees to purchase a company. In this capacity, we design plans for the employees to acquire the business. And for those companies who wish to eventually go public, we work with them toward that goal.

We believe that being prepared for the options the future may present are important for today's businesses. J.L. Cohen & Associates, Ltd. is ready to help you plan for the ownership-succession scenario you envision for your company.