

## Transport family business unifies wealth and leadership strategy for sustainable success

### Client challenge

- The father had built a substantive national business in Australia
- The two eldest sons contributed heavily to the growth and value of the business but without any real compensation
- The eldest daughter was not currently active in the business but received similar financial reward to her brothers.
- The two youngest children were from a second marriage and were receiving considerable financial support.

### Other issues at play

- Originally four family branches - two of the patriarchs of the 3rd Matrimonial issues had left a financial scar
- The two eldest sons may not have an interest in leading the business into the distant future
- The trading conditions of the business are continually challenging with large capex requirements
- The 2nd generation were concerned that the opportunity to benefit from the wealth would skip past them to the 3rd generation

### Deloitte approach

- **Initial referral** from a Deloitte Alumni to the 2nd Generation CEO
- **Several light touch meetings** with the CEO and his father to understand the issues
- **Introduction of Deloitte Family Enterprise SME:** a SME was introduced by the LCSP to meet with the CEO and father – a request for proposed followed
- **Family interviews:** to understand their perspective on the issues and to understand their own personal goals or concerns
- **Meeting** with the patriarch to play-back the findings from our 1:1 interviews

- **Family strategy lab** with the entire family to play- back our findings from the interviews together with our recommendations
- **Facilitation** of agreed activities arising from the choices made in the workshop which included preparing a family agreement, structuring and tax advice, funding and working with other advisors, lawyers and bankers

### Outcome

- **Historical financial support** provided to the family reconciled and equalised
- **Family Agreement** drafted and executed by family
- **Estate plans** of all family members updated together with Binding Financial Agreements (pre and post nuptial)
- **Market Remuneration** policies implemented alongside a family distribution policy.
- **Business and family member structures significantly improved**
- **Deloitte appointed** to handle all of the family's business and personal tax and general advice
- **Significant special assignments generated from business**
- **Transparency and communication** of information improved together with decision- making protocols
- **Ongoing governance structures** in place
- **An appropriate amount of income and capital** has been provided to 2nd generation to create some financial independence from father

### Contact

Adrian Batty  
abatty@deloitte.com.au

