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The fireside: A family business case study collection, 2026

The family business insights series

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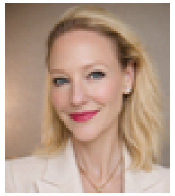
Foreword

Welcome to **The fireside**, part of Deloitte Private's **Family business insights series**. This is a compilation of extraordinary interviews we have conducted with top family business executives, including heads of multi-generational families and family businesses that are over 100 years old. They offer invaluable peer-led insights and advice that can help family businesses navigate the playing field and plan for long-term success.

These interviews are fascinating as they ask questions such as: How are some of the longest standing family businesses navigating the increasingly complex economic and geopolitical environment? How do family businesses that are over a century old plan for succession? How do families best protect their legacies across generations? How are family businesses transforming their operations, including adopting cutting-edge AI technology, to ensure their businesses can effectively compete now and into the future? What experiences are family businesses having with cyberattacks and how are they safeguarding themselves?

We hope these insights prove useful in shaping the future of your family business, and we would like to offer a heartfelt thank you to all participants who generously shared their time and perspectives.



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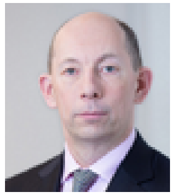

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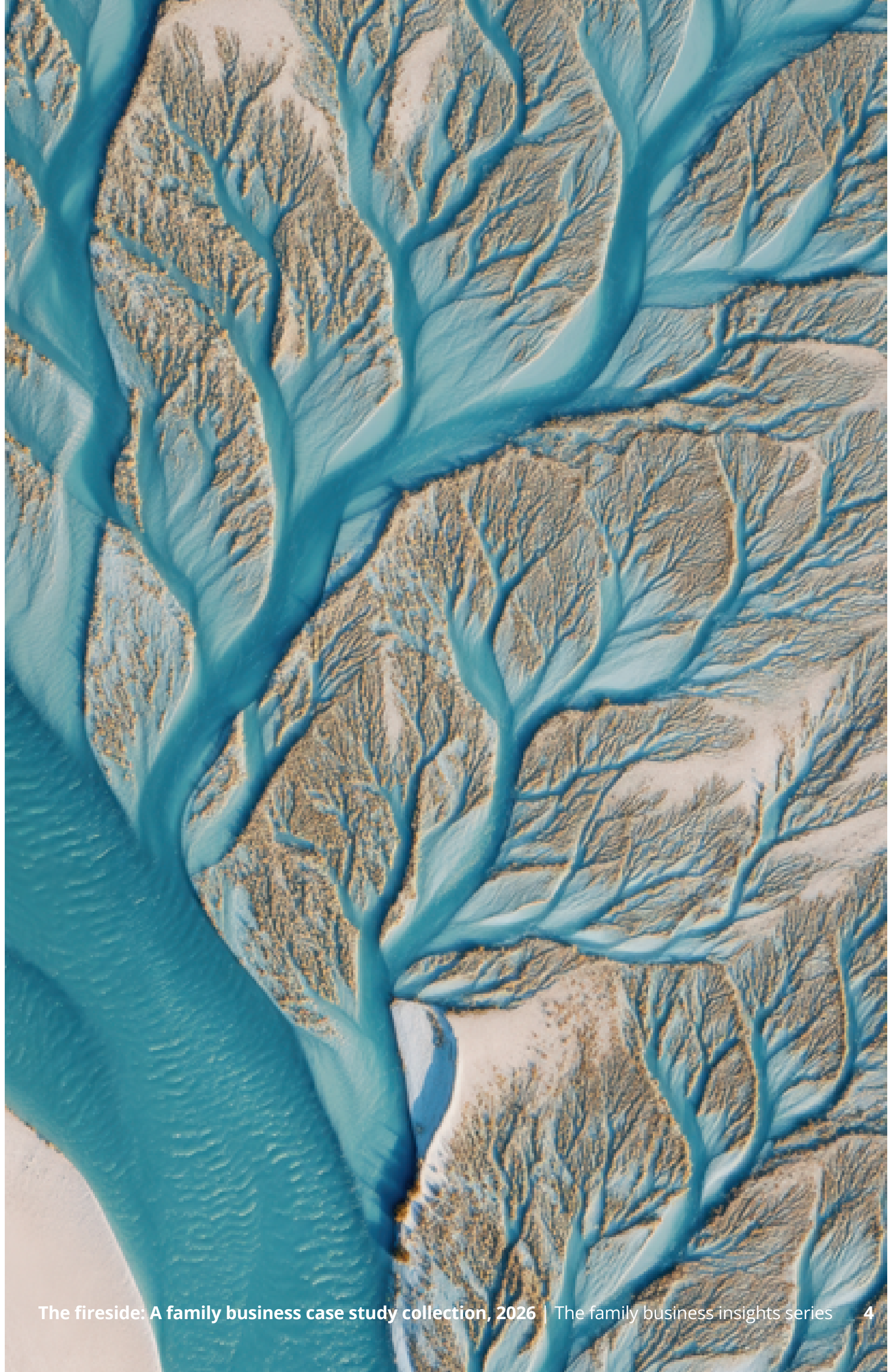


Staying power:
Inside a 117-year-old family business built on service, purpose, and good governance

As the third-generation CEO and president of W.S. Darley & Co., a century-old family-owned business based in Illinois serving first responders and defense teams, Paul Darley reflects on the company's growth, its approach to governance, and how he's setting the stage for future leaders.

Building and sustaining a family business for more than 100 years is a rare achievement, especially one that has exceeded US$1 billion in revenue. What is the secret to your longevity and success?

Throughout our journey, we have remained innovative and agile, shifting our product focus to align with demand and strengthening our position in larger, faster-growing markets. But at the heart of our longevity is our purpose—to provide comprehensive equipment solutions to first responders and tactical defense teams. We are proud to have served these exceptional heroes throughout our history. That sense of purpose not only drives our business—it defines who we are as a family.

My grandfather was born in Chicago six years after the Great Fire of 1871, which was an impetus for him to provide fire and police equipment to municipalities. When he founded our company in 1908, he produced that equipment and other municipal supplies and broadened the customer base by using a printed catalog, an innovative sales tool in the early 20th century.

He added fire trucks to the company's product line in the 1920s, producing them more efficiently than the industry leaders and selling them at a significantly lower price—a revolutionary approach at that time. When he was unable to find a supplier for fire truck pumps, he brought pump manufacturing in-house, expanding the company's capabilities and control over product quality.

Fast forward to World War II: We built 800 fire trucks for the US Department of Defense and thousands of pumps, which were left around the world and became a springboard for our international business. When my father joined the business in the 1950s, we stayed focused on fire trucks, supplies, and pumps, which we still provide to the Department of Defense and customers around the world today.

Like my grandfather, my father was both an entrepreneur and a natural leader, with two siblings who were happy to play supportive roles. As our family tree expanded from the second generation to the third—with 16 members—my father brought structure to the business which helped prepare us for new challenges. He formed an executive team with my older brother, our cousin, and me as we came of age and joined the company in the 1970s and 1980s. I became president and COO in 1997 and was named CEO in 2003. He assumed the role of chairman of the board in 2009.

Your father understood the importance of governance as the family business started to mature. How has your approach evolved over time?

Getting a broader governance structure in place was a major focus for our third-generation leadership team. With 31 family members in the fourth generation, and already 45 in the fifth, we knew we needed a stronger framework to keep us aligned and on track. We are what you might call governance-heavy, with clear direction, clear purpose, and clear leadership tying everything together.

We have had a professional fiduciary board of directors for 25 years, and we also rely on two advisory boards—one focused on fire, one on defense. They are made up of industry experts, including many active and retired firefighting professionals and military members.

Our fiduciary board members are also top-notch, and include former Fortune 500 CEOs, business school professors, and US government leaders. These professionals bring a wide range of skills and experience to the table. They challenge our thinking, help shape our strategic and financial plans, and keep us focused on our execution and long-term direction. Our bylaws require that family members hold a majority of board seats, so we never lose control to a non-family majority. Of the nine current directors currently serving, four are outside professionals and five are family—two of whom are not involved in the business day-to-day, and three of us who are.

Most of our board members have been with us for more than a decade, and we are looking to bring in some next-generation members. We treat our advisory boards as kind of a proving ground—nearly all our family directors served on one first, so we gained a clear sense of how they contributed before they stepped into a governance role.

Looking to the future, what are your plans for the succession of the family business?

For a leadership standpoint, I will step down as president next year, at age 63, and hand the reins to my CFO—a non-family member. I plan to stay on as CEO until I turn 70. At that point, our current CFO will take on the CEO title.

This will mark the first time we have gone outside the family for company leadership. I was hesitant about this at first, but he is the right person for the job. With the experience, judgment, and trust of our team, he can steer us toward our next big milestone: hitting US$2 billion in revenue and beyond.

That said, this will always be a family business. It is 100% family-owned and we will maintain a strong family presence. A family member will always chair the board, and we have established cousin consortiums for each generation to stay engaged, provide guidance, and represent the family.

How have you planned for the next generation of family members to join the business?

I know the odds of a family business making it to a fourth generation are very low. We are determined to beat those odds. Our family constitution has been our anchor—it lays out our values and direction. I recommend every family business consider creating one. We rely on ours regularly for business and family matters.

We do everything by the book in line with our constitution. It includes a clear employment policy: next-generation members must work outside the company for three to five years before being eligible to join. If the timing and fit are right, they will come in at market rate, report to a non-family member, and be held to an equally high standard. We are committed to putting the best person in the job whether they are family or not.

We keep our growing family engaged through annual assemblies with guest speakers, forums on topics of interest, holiday gatherings, and a strong culture of giving—we aim to donate 10% of our profits to charity each year. Family members not working in the business can get involved in many ways, including in our family foundation. I make it a point to overcommunicate, and transparency is non-negotiable.

Business educators and experts today advise you to focus on one of three lanes: lowest cost, most innovative, or closest to the customer. We aim to do all three, but if we had to pick one, our relationship with the customer wins every time. Our customers serve and protect. We are proud to stand behind them—just like we have for more than 100 years.

Built to last:
How a legacy family business keeps its edge across five generations

We spoke with Timothy Wates, the fourth-generation chairman of the Wates Group, one of the largest family-owned construction, development, and property services companies in the United Kingdom with gross revenue exceeding US$3 billion. He shared key lessons from the company's 125-year journey—from navigating hardship to strengthening governance and preparing the next generation.

Only a small fraction of family businesses survive to their 100th year. How has your company evolved over time, and what lasting mark has each generation left on the business?

In 1897, my great-grandfather and his brothers ran various small businesses, including pubs and hotels before turning their focus to housing. My great-grandfather became the sole owner, and his sons took over as the second generation and grew the business substantially. They shifted into low-cost, volume housing as the suburbs of London grew, building simple, well-crafted homes that sold well. This focus on quality building is truly the foundation of our family business.

The third generation expanded operations into large-scale urban development in the 1950s and 1960s, using modular construction for apartment blocks, which was very innovative at the time. They continued to focus on housebuilding as well, and the company grew into a major construction business in the United Kingdom, with scale and profitability to match. Then came the recession of the early 1990s. Given their focus on business expansion, they were too highly leveraged when the downturn hit, and this left them exposed. It was a tough moment for the company, as the family had to sell off assets at an inopportune time to slim down operations, but everyone came out of it with a sharper focus on cash management and a more cautious approach to debt.

This was also around the time of the transition from the third generation to the fourth, which I am a part of. We inherited a very strong construction company, but also a damaged housebuilding business that was operating at an unsustainable small scale. So, we reoriented the company and shifted into land development, offering property services to housing associations, as well as commercial construction serving the public and private sectors. We were able to stabilize the business and rebuild our balance sheet with a more disciplined focus on cash management.

We also adopted an approach of professional management with active family ownership, meaning we are not CEOs of our business, unlike the generations before us. Instead, we recruit best-in-class executives, and a family member serves as a chair. We stay involved as active owners with a focus on excellent governance including a family office and family council (chaired by my cousin, Andy). We have continued to evolve the business, adding a mechanical and electrical engineering arm and recently rebooting our residential housing business to build large-scale, affordable housing with a focus on urban regeneration.

It sounds like you have brought the business—and your balance sheet—back to a strong, competitive position. What are your plans from here?

We are preparing for the next generation. We want to evolve into what we call a modern family enterprise. This involves moving from our current structure, which is a centralized group leading various businesses across construction, development, property services, engineering, and residential, to independent businesses that will exist alongside a substantially invested family office.

We see real value in this structure. For one, separating the business into autonomous entities makes it easier to manage buy/sell corporate transactions. It also helps manage risk—if one company struggles, it does not bring the rest down. Just as importantly, we think this model is more inspiring for our next-generation leaders. It gives them a chance to run their own show, to be entrepreneurial rather than operating within a large, centralized group. I will consider it a success if my generation hands down a well-run set of businesses alongside a strong, thoughtfully invested family office.

Looking ahead 10 to 20 years, in addition to having a self-supporting family office, I envision that we will fully or partially own roughly 10 other major businesses, up from our five today. We will stay anchored in the built environment and continue to live our values and purpose. We will likely move further into technology and digital-driven solutions to expand our reach and efficiency. Our core trading businesses will remain focused on the United Kingdom— construction markets tend to favor local players, making it difficult to compete effectively overseas. Instead, we will achieve geographic and asset class diversification through our family office investments, which will help to mitigate risk and capitalize on gains felt in other sectors.

As you prepare to transition to the next generation, what tips can you share with other family businesses looking to achieve your longevity and success?

In addition to maintaining an agile mindset with a commitment to innovation, adaptability, and continuous improvement, a key ingredient in our "secret sauce" for longevity is keeping our ownership circle tight, which we have managed to do in every generation. This allows for less disagreement and more coordinated thought. Our business is 100% family owned. For family members who choose not to be a part of the professional ownership team, we ensure fair wealth distribution—giving them financial security without broadening the ownership base. This approach allows us to concentrate ownership solely among those who are fully engaged.

Of the hundreds of people in our family tree, only eight are controlling shareholders, three from the third generation, and five from the fourth. What unites us is a deep commitment to our values and culture of fairness, respect, and collaboration. We have stayed true to our core business in the built environment because we believe in what we do. A decent built environment is intrinsic to a flourishing society, and we are proud to deliver on that mission every day.

Our approach to cultivating the next generation of leaders is also deeply values-based and true to our culture. We have three family branches, and each one selects its own next-generation representatives—there is no single authority making that decision. As cousins, we have known each other since childhood, and those lifelong relationships have built the trust and mutual respect we rely on today.

Historically, there has not been a clear pathway for next-generation members who want to be actively involved. In contrast, our generation has worked diligently with outside advisers to help shape a more structured approach to succession. We have learned to be much more inclusive and have established a next-generation committee. We host social gatherings and provide an excellent graduate trainee scheme, which is one of the best in the industry. We have also cultivated a great relationship between the family office and the next generation. We consistently communicate to next-gen family members that their involvement is not just welcome, it is essential—we emphasize that they are doing the business a favor by joining, not the other way around. I think this is the right way of thinking, as there is a limited pool of family members. If we do not warmly engage the next generation, we will cease to remain a family business in the future.

Risk-ready, growth-minded: A century-old family business finds new footing in a shifting global landscape

As general director of Mexico-based welding products manufacturer Electrodos INFRA, Beatriz Cardoso provides perspective on the company's over 100-year legacy. She describes how the business is navigating today's geopolitical headwinds while investing in innovation, digital transformation, and a global growth strategy designed to balance risk with opportunity.

It is remarkable that your company is more than 100 years old and is still run by second-generation leaders. What is behind its long-term success?

The company began in 1919 as a welding business in Mexico City, founded by two visionary brothers, Alfonso and Fernando Franco. They recognized early on that welding had significant growth opportunity but limited availability of key supplies such as industrial gases like oxygen and acetylene as well as consumables for the welding processes. They bought an oxygen plant in Germany and brought the business to Mexico. They expanded from there, and as the first of such enterprises in Mexico, they experienced strong growth.

In 1969, their sons launched Electrodos INFRA, which has focused not only on the process of welding, but on the research, development, engineering, and materials behind it. The second-generation leaders, now in their 80s, carry on the spirit of the founders with unbounded passion and energy. Their work ethic, devotion, and drive for improvement inspire the organization—they keep their feet on the ground, but their eyes are always looking ahead. Five members of the second generation remain actively involved in the business and serve on the all-family board.

Given the current economic and geopolitical environment, what are the biggest challenges the company faces in relation to growth, and how are you strategically adapting to manage these risks?

The second generation has had an aggressive growth strategy in Mexico, where we hold 80% of the market for gases and more than 30% for welding consumables. However, we are currently facing two key economic and geopolitical challenges which have made us take a hard look at our strategy.

Thus far, in support of our local economy, our goods have been wholly produced and sold in Mexico. But the current environment is forcing a change. First, there has been an increase in the supply of similar goods to the Mexican market as certain competitors in Asia Pacific have looked to diversify their customer portfolio, particularly given the change in tariffs. This has created a real problem for us, as they are selling similar products at prices we simply cannot compete with. In fact, their finished products often cost the price of our raw materials alone, making our goods more expensive to consumers than the Asian alternatives.

As a result, we have shifted our product strategy to focus on more specialized fabrication, so that our products are more difficult to replicate. This will lower our volume, but it will make it harder for low-cost competitors to compete with us.

Second, we are feeling the impact of evolving tariffs, especially the substantial tariffs relating to steel and aluminum. We manufacture welding consumables for car assembly as well as parts for Mexican automakers. As a result of tariffs, our sales in Mexico for those consumables have dropped considerably since last year. To mitigate the loss, we are now focusing on international expansion, with an eye to selling our products throughout the Americas, especially in Canada, Chile, and Brazil, and we are exploring European market opportunities as well.

In turn, the economic and geopolitical situation is impacting our strategy both from a product and geographic diversification standpoint. We are not in a crisis, but we know we must adapt.

Beyond those avenues for growth, do you have any other investment priorities to spur your expansion?

Innovation has always been at the heart of our company. We have long been committed to research, development, engineering, and maintaining a strong information technology infrastructure across the organization.

We recently started working with a Silicon Valley tech start-up that provides a real time picture of all production machines. It is very user-friendly—and very powerful. Our operators can now monitor performance in real time, with visibility into which machines are running, which are not, and why. This solution has helped us increase productivity by 10% in just one year, which is a major improvement.

We are also introducing AI into new machinery we are buying from Italy. These machines can now alert us when maintenance is needed—it is like the machine says, "I need some oil," and the operator responds, "OK, I will take care of it." It significantly improves productivity while lowering operating costs. Our entire company, from senior leaders to frontline workers, are motivated by this technology and the results.

While these are not small investments, the return has been outstanding. I strongly encourage other family business leaders to explore digital technology solutions. Of course, you need to choose wisely and find the right fit for your operations, but when you do, the results can be fantastic.

I have one final piece of advice for anyone working in a family business. Family enterprises are built on trust and respect—and that trust must be visible in everything you do. It should never leave the minds of your people or your leadership. You have to protect it—and, most importantly, you have to pass it on.

Guided by the past, built for the future: How one family business stays grounded while evolving across generations

We sat down with Salman Shaban, a third-generation family member and business unit leader at Dubai-based metals recycler Lucky Group, to discuss his company's purpose, approach to governance, and plans for succession. He shared important generational insights and practical lessons that have helped his business endure—and continue to evolve.

Your family business has thrived for generations. How did it get its start, and what do you credit for its longevity?

My grandfather established a trading business in the 1960s with a longer-term vision to add more value than simply transferring goods from Point A to Point B. In 1973, he and my uncles, two of his eldest sons, transformed the company from commodities trading into a value-add model focused on metal recycling, starting in the United Arab Emirates. It has since grown to a network of recycling operations around the world, with strategic footprints in North America, the Far East, and the Middle East.

Each of these operations is independently owned and managed by a resident family member, with operational autonomy under the shared banner of our family business. While we are geographically dispersed, we remain aligned by following common models and standardized operating procedures. We also stay in close contact, sharing wisdom and best practices informally and in weekly virtual family business meetings.

Governance has been critical to making this model work. With operations spread across regions and generations, we rely on third-party oversight to maintain consistency and objectivity, turning to external board members, auditors, and advisers for guidance. Members of the second generation remain active in the business, alongside the third generation. We also benefit from the strategic input of longtime employees who have become part of the family.

We have a corporate board that manages the business, and an informal family board—which I highly recommend—focused on areas like training, mentorship, ethics, and family meetings.

Together, they help keep the business and the family grounded, aligned, and prepared for the future.

How have you approached succession planning—and what steps do you take to ensure the next generation is ready?

We anticipate our fourth generation will be joining the business soon. A number of them are in their late teens and early twenties, currently studying at university or working summer jobs, so succession is top of mind for us. Fortunately, we have a strong foundation on which to build a plan that suits the next generation as they come of age.

My late uncle, one of the founders of Lucky Group, was a visionary leader who believed in documenting our family's experiences and values so that future generations can learn from them. We revisit these memories often, and we cherish what our elders left behind to inspire and guide us.

We also have a core ethos surrounding our family and business—principles passed down by our second-generation leaders. The first tenet is to remain debt free, a policy our elders always followed. While we cannot predict the future, we intend to honor their advice and continue to avoid leverage. Second, we fully hedge our market exposure, using pricing and investment strategies to protect against commodity price swings and volatile markets.

This ethos is shared with family members throughout their lives. Understanding and embracing it played a key role in our transition from the second to the third generation, and we expect it will continue to shape and support future generations.

That foundation is reinforced through early exposure to the business. When next-generation family members reach junior high school, they begin visiting our factories, plants, warehouses, and offices so that their DNA starts to build around the family business. In my case, my father and uncles would bring treats and allow us to play games to make the business feel like a fun place, not a boring one.

And once the next generation enters their 20s, they join our weekly family business meetings to start learning the dynamics and inner workings of the business.

For those interested in joining the company, there is a clear path. Family members must hold at least an undergraduate degree or a college diploma and have some outside work experience. They then enter a management training program and take on a series of roles with full accountability. For example, after I joined Lucky Group, I worked in our global offices across multiple countries. I rotated through every corner of the business—trading offices, warehouses, recycling operations, and manufacturing plants, as well as the head office, where I was exposed to logistics, risk management, human resources, sales, procurement, and more.

What are some key lessons you have learned to pass down to future generations?

Looking back over our history, we have learned that every decade brings a new lesson, whether it is due to political upheaval, a financial crisis, or a medical crisis like the COVID-19 pandemic. Our core principle of risk aversion, combined with our operating model of independent business units, allows us to stay agile. We think of ourselves as fast-moving ships, able to adjust course quickly when needed. This agility helps us keep our edge in today's VUCA world of volatility, uncertainty, complexity, and ambiguity. No matter how strong your internal benchmarks, you need to be ready for external shocks that can catch you off guard.

Our previous generations also taught us to take a long-term view. Later this year, we will celebrate the 50th anniversary of our first brick-and-mortar recycling facility established in Dubai, UAE. While our flexible approach has allowed us to adapt to changing customer demands, that facility still stands in the same location it was built in 1976. I remember my uncle saying that the factory wasn't built for him—but for our children, and generations to come.

Another best practice is how we meet the logistics challenge presented by today's global economic uncertainty, with shifting tariffs, regulations, and trade policies. Because our business is supply chain-heavy—recycled metals are a raw material that go into products like planes, cars, TVs, and appliances—we closely monitor potential disruptions. As part of our business continuity plan, we have adopted what we call a three-quote system applied to every critical supply or service, including banking, commodities, logistics, and vendor relationships. For each of these, we maintain three qualified partners. If there is supply chain disruption and one fails, we have two backups. The moment we have turned to the first backup, we are already sourcing a fourth supplier.

These are the lessons we will pass down to future generations—we also believe in sharing them with our colleagues and peers. That said, we are still learning every day. As our elders showed us, you must be ready to unlearn and relearn again. That mindset—of staying open, adaptable, and grounded in what came before—may be the most important legacy we can carry forward.

Legacy in motion:
Navigating succession and next-generation leadership

As the second-generation managing director of Richard Crookes Constructions, a leading family-owned Australian construction management firm with US$1.5 billion in revenue, Jamie Crookes offers a candid look at sustaining growth and managing the generational transitions important to future success.

Your family business has been driven by your father's passion for the craft of construction since its founding in 1976. As you helped guide the company and build on his legacy, how has your approach to leadership and succession evolved and what lessons have emerged as you look toward the future?

I joined the business in 1987 and am proud of the strong partnership I have built with my father during our 39 years of working together. His foundational, risk-aware approach coupled with an openness to exploring new opportunities created a culture that has been essential to our growth and resilience. We have evolved into an organization that delivers construction management services to both the public and private sectors across a wide range of projects, including schools, hospitals, and commercial spaces.

Our first generational transition took place about 20 years ago, when I moved into a leadership role. That experience showed us the importance of planning ahead and engaging independent perspectives to support the process.

Today, there are three of us in the second generation, and we are taking steps toward our next generational transfer. While I am the only one of my siblings involved in daily operations, we are all shareholders, which makes communication and clarity essential. With eight members of the third generation, including two of my sons who have started exploring careers in construction, we want to ensure we put the right structures in place early.

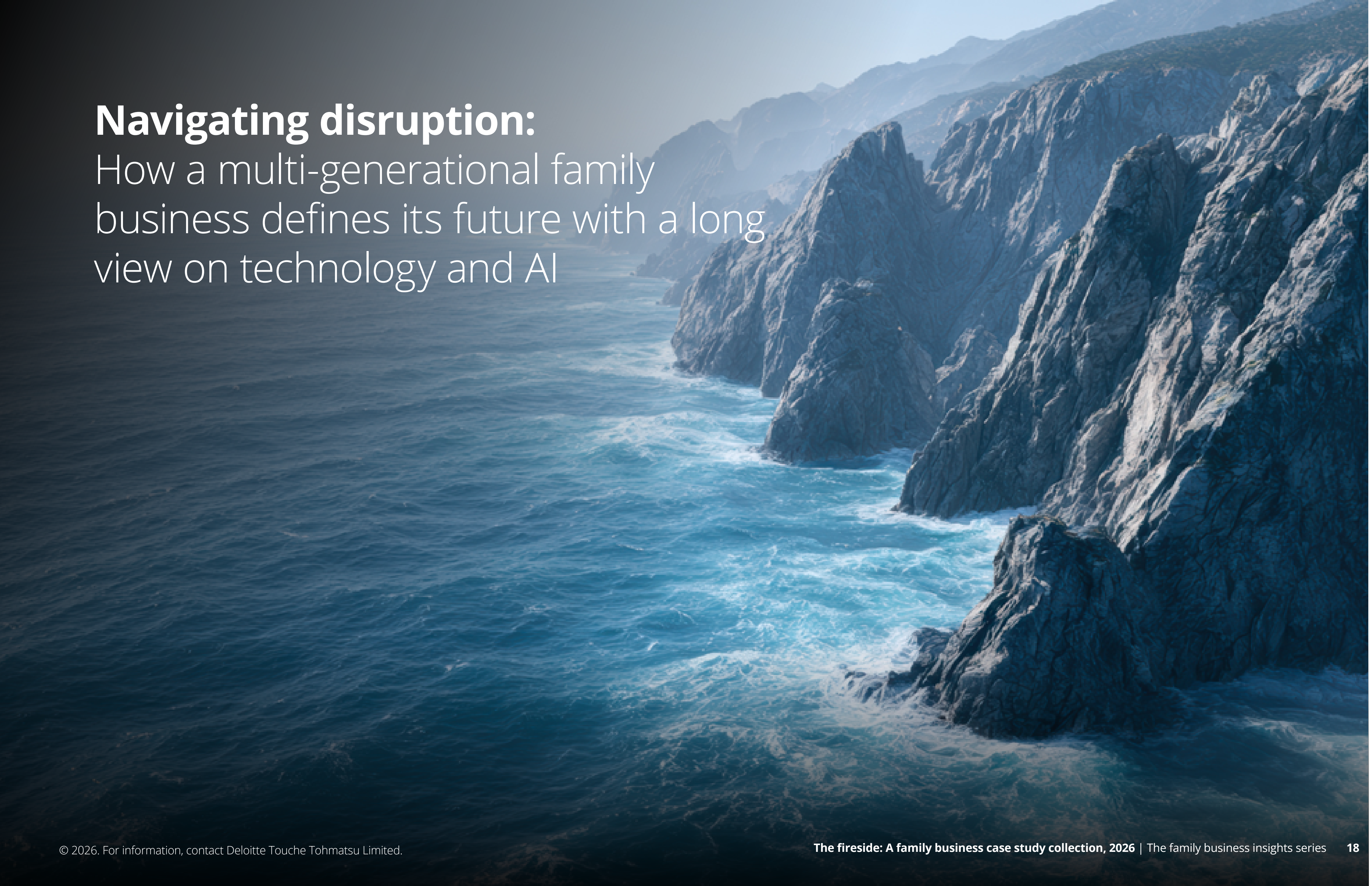
How are you preparing your business—and your family—for that transition to the third generation?

We are being intentional in building our plans for the future. A key priority for us is to not create a sense of obligation—family members should join the business because they are genuinely interested, not because of any perceived pressures. At the same time, we are working on clearer guidelines for progression, so that any family member who joins knows advancement is based on merit, supported by oversight from our independent directors. The board now includes two external members who bring an outside perspective on governance and risk, which is invaluable as we focus on succession and long-term sustainability.

At the same time, as the business grows, so does the complexity. We are trying to get ahead of any misunderstandings by establishing transparent processes, clarifying expectations, and communicating openly among siblings and the wider family.

What value have you found in this approach to succession and family business governance?

Above all, having structured conversations—even when they are uncomfortable—has made a real difference. External guidance and independent voices have helped us tackle difficult topics head-on, rather than sweeping them aside. This process has strengthened both our family ties and the business itself. It is reassuring to know that we are not alone, and that many families face these challenges. Taking a proactive, honest approach has been essential to keeping our business—and our family—united for the next generation.



Navigating disruption:

How a multi-generational family business defines its future with a long view on technology and AI

Steve Rigby, a second-generation family member and co-chief executive officer of Rigby Group, a leading US$5 billion global technology and investment firm based in Europe, shares his thoughts on the rise of AI—and how organizations can leverage AI and other transformative technologies to drive innovation and position their business for long-term success.

Your company has deep roots in technology. How has its role in the tech space evolved since your father launched the business 50 years ago?

Our story is one of continuous reinvention—anchored in family legacy and driven by a strong belief in technology's power to transform business. From the outset, when we began in recruitment, technology was more than a business vertical—it was an engine of growth. My father had an instinct for spotting emerging trends, scaling the company to more than US$100 million by the mid-1990s. Over time, we expanded from a single trading entity into a diversified group, reinvesting gains from venture sales and strategic partnerships to fuel new technology-driven growth and enter emerging sectors.

How is your business positioning itself to capitalize on the potential of AI?

The evolution of AI over the next decade is probably the one thing that keeps me up at night. We see AI as a multifaceted force that is poised to upend industries, redefine roles, and create entirely new opportunities for growth. Our approach combines ecosystem investments and partnerships with a focused commitment to internal AI integration so that we remain competitive.

From an external standpoint, we are active investors in leading AI companies, taking positions that deliver financial returns and keep us at the forefront of transformative technology. We are also collaborating with a top-tier global AI solutions provider to help shape regional capabilities and infrastructure for future business needs.

Inside our organization, we are deploying AI agents to replace repetitive human tasks with intelligent automation. While progress is slower than we would like, this work is essential—it frees our people up to focus on higher-value, more creative work that drives the business forward. Our commitment to AI is deliberate and ongoing, reflecting both urgency and care.

What do you see as the key challenges of AI?

Cybersecurity remains a major concern for any organization—and especially family businesses that may not have the infrastructure or dedicated resources of larger enterprises. But the rise of AI has amplified the risk. In the past, cyberattacks were driven by human hackers working tirelessly to break into systems—but they could only move so fast. Now, AI-driven systems can launch automated, large-scale attacks continuously and at unprecedented speed. It represents a new level of exposure that demands an equally advanced response.

More broadly, I worry about workforce displacement across industries and around the world. Outside of our company, when looking at the broader market, we are witnessing job losses at roughly 30% among white-collar workers and 20% among blue-collar workers—driven not only by automation, but by the convergence of AI, robotics, and data as well as the rise of multi-agent systems. The challenge for leaders is determining how those affected workers transition into new roles as the nature of work evolves. Building pathways for reskilling and adaptation will be important.

What advice do you have for other family businesses?

Continued investment in cybersecurity is important. Right now, there is a vast array of solutions in the market, and the more fragmented your systems, the greater the risk of gaps because you are stitching things together yourself. Consolidating to integrated cybersecurity platforms will increase resilience and reduce risk over the long run. Implementing AI at scale brings its own set of challenges. You may encounter employee resistance, especially if people worry that new technologies could put their jobs at risk. That is natural. Change at this level requires both cultural and operational shifts. It is a reminder that digital transformation is as much about people as it is about technology. Family businesses are in a unique position to balance both because we can take a long-term view and maintain a deep sense of responsibility toward our teams. That means leaning into innovation but doing so with empathy—helping employees grow alongside the change and share in the progress it creates. By leading with vision and prioritizing their people, family businesses can build a future where technology drives lasting growth and shared opportunity.

Taking the reins:
How a non-family CEO is shaping the next chapter of a 100-year-old family business

Opting for an external appointment to lead a family business is not an easy decision. Whatever the reason—evolving family dynamics, a strategic shift, or a need for new ideas—it often marks a turning point in the company's journey. Gerald Slemko, CEO of Canada-based Trudell Medical International, a global medical device provider, shares his experience of stepping into the top role at a legacy business.

You were named the first non-family CEO of a century-old business in 2015. What led to the owner making that decision?

The former owner/CEO of Trudell, who married into the founding family, took over the business in the 1960s. Over the next 50 years, he drove significant growth and transformed the company into a global leader in respiratory care products and services. When he was diagnosed with cancer in 2015, he asked me to run the company after his passing. At the time, I had served on the board for two years, and we had developed a strong working relationship from previous experience. His son, the only one of his four children involved in the business, became executive chair.

Appointing a non-family CEO aligned with the owner's longstanding belief that his children should not take on operational roles. He had seen elsewhere how fallouts from sibling conflicts can occur at a family-owned business. That experience shaped his decision to keep governance and management separate—and to bring in operational leadership from outside the family.

What did you learn about the business when you stepped into the CEO role? What changes did you make, and how have they helped the company evolve?

Entrepreneurs often build close personal relationships with long-standing employees and stay involved in every decision. That was certainly true of our former CEO, a hands-on operator who treated employees like family. As the business grew, that approach brought two challenges: decision-making bottlenecks, with everything flowing through one individual, and difficulty making tough personnel decisions as roles evolved and new skills were needed.

When I became CEO, we overhauled the management structure. Division general managers had not been empowered to make decisions or operate autonomously, which limited their effectiveness. So, I led a series of organizational changes to shift the company from an entrepreneurial, owner-led model to a professionally managed, family-owned business. The impact has been significant—we have more than doubled our revenue and profitability over the past decade.

We faced a similar challenge with the board, which had been composed mostly of the former CEO's close friends. It was not an easy transition, but we moved to a more typically professional board structure with members who bring specific business acumen and relevant experience. Today, we have six independent directors and three non-independent directors, including the executive chair from the family. We prioritized diverse skills—industry expertise, entrepreneurial thinking, and valuable relationships—to create a board that actively guides us forward.

As a private, family-owned business, we can take the long view. Public companies are often focused on quarterly results and share price; we set annual targets and remain committed to our long-term strategy. We know some investments may take years to pay off, but we are prepared for that without the pressure of outside shareholders..

Speaking of investments in the business, where do you stand in adopting advanced technologies to support growth and innovation?

I am a strong believer in technology as a driver of progress. We are currently reimplementing our ERP system to improve efficiency and data visibility. We have also made major advancements in AI, building an in-house team of nine programmers, developers, and an AI scientist focused on integrating AI into our products and operations.

Overall, our operations have become significantly more effective and efficient. By year-end, our AI team will grow to around 20 people focused on two major priorities. One of those is to build an AI-powered, voice-activated consumer service center that can operate 24/7 in 50 languages. This solution will allow patients around the world to get quick, accurate answers to their questions in their own language. Second, we are developing an AI-driven system to identify relevant RFPs (request for proposals) in real time and generate draft responses for our team to refine. This will save thousands of hours annually and help us uncover opportunities we might have otherwise missed.

It is also important to note that we have a no-layoff policy. As we introduce AI/automation, we focus on finding new opportunities for people. In the long run, automation is essential for efficiency, but not at the expense of the workforce that helped build our business. Given this commitment to staff, we actually had four employees come up with ideas to eliminate their jobs to help save the company money, so our approach has been positively received.

What advice do you have for other non-family members in leadership positions in a family business?

One of the most valuable lessons I have learned is to not shy away from change—make informed, decisive moves early on. There is truth to the idea that a CEO's first 100 days can drive real momentum. It is a window when bold action is easier to take, before the status quo sets in.

Transparency and communication are essential. Change is never easy, so it is important to share a clear cultural vision and help people understand the "why." We put 180 managers through a three-day training program on managing change and using it to build our core values and culture.

A constant focus on growth is also critical—there is no standing still. You are either moving forward or falling behind. Give your employees opportunities to grow and incentives to drive innovation. We also hire and retain people based on attitude, fit, and intelligence. I have been inspired by Patrick Lencioni's book The Ideal Team Player, which defines the best team members as hungry, humble, and smart. We have embedded those values into our culture and hiring process. More often than not, emotional intelligence is what sets successful teams and leaders apart.

Finally, for outsiders in a family business, my advice comes down to two things. First, stay independent. It is important to avoid favoritism to maintain the family's trust. Second, be prepared to play the role of mediator. Navigating family dynamics effectively requires strong relationships and an honest, open dialogue. Earning trust takes time—it is a journey, but the foundation of trust, honesty, and strong relationships is what ultimately allows you to lead with real impact in a family business.

Printing the future:
How AI is transforming a 130-year-old family business

We spoke with Al Kennickell, a third-generation family member and president of The Kennickell Group, a legacy United States-based family-owned printing business, who shares how bold technology investments and a hands-on approach to learning AI have shaped both his outlook and the company's competitive edge. His insights reveal how prioritizing innovation and adaptability has helped the company thrive amid constant change.

Very few family businesses last more than a century. How has your approach to embracing technology influenced that longevity?

Our second-generation leadership, my father and his brother, were instrumental in growing the business my grandfather started in 1892. They guided the company through the Great Depression early in their careers, and, as a result, they were more cautious than those of us without that experience. When I came on board in my mid-20s and wanted to invest US$400,000 in new printing press technology, they agreed to sell the business to me. That investment paid off and positioned us as a pioneer in our market.

Fast forward to today: we have not only implemented new printing solutions through the years, but we are now leveraging AI to gain a real competitive advantage.

Before we get into your use of AI, how have other technology investments spurred your growth?

The printing industry today is dramatically different than when I entered the business 40 years ago. Advances like high-speed inkjet, which replaced toner, have been a game changer. We invested US$1.5 million in a high-speed inkjet press just a few years ago, which helped cement our standing in the market. We have always been open to taking risks on new technologies, and that approach has paid off for us. It is a mindset that our next-generation leaders—my daughter and stepson, now in their 30s and ready to take the reins—embrace as well. Their openness to innovation will help the business continue to evolve and lead in our industry.

You mentioned your forward-thinking approach to AI adoption. How have you integrated AI into your business, and what benefits are you experiencing?

My AI journey began at an industry summit in Singapore, where I learned about the technology's immense potential. Rather than waiting on the sidelines, my team and I jumped in—learning from online resources and tapping into local experts. This hands-on approach led me to share our story on a well-known industry podcast, helping others see how even traditional businesses can harness AI for lasting advantage.

Like many organizations, we use AI bots and tools to save time on routine tasks like writing case studies and responding to emails—with close oversight, of course. We are now exploring ways to apply AI in our sales and marketing efforts, using new tools to identify and reach out to prospective customers. I am also collaborating with industry peers to provide guidance on their AI initiatives and to see how we might use AI for process automation in the future. While we are still in the early stages, I am convinced that actively learning, experimenting, and sharing ideas is key to staying ahead.

What advice do you have for other family businesses on the use of AI and other emerging solutions?

All I can say is that if you are a family business owner and you are sleeping on AI, there is a real chance you could be left behind. It is that powerful.

Looking ahead, our commitment to innovation—whether through highspeed presses or the latest in AI—remains our guiding principle. For us, leading the way is not just about technology; it is about honoring our founders' spirit by fostering curiosity, adaptability, and courage, so we can build an even stronger business for generations to come.

Fortifying the future:
A multi-billion-dollar business enhances cybersecurity and embraces digital technology to stay ahead

A leading US-based consumer products manufacturer shares how the family-owned business is strengthening its cyber defenses and adopting new digital tools to help them stay nimble and secure in today's evolving risk landscape.

In Deloitte Private's recent family business survey, respondents cited a lack of preparedness for cyberattacks as their top internal risk. How is your company addressing this challenge—and building resilience across the business?

We use third-party cybersecurity software but run it entirely in-house to maintain control and oversight. Recently, we adopted a system that uses AI agents to detect the most credible threats in real time. This is a major step forward from our previous approach, where people in our security operations center monitored systems and flagged suspicious activity, as they triggered many false alarms that drained staff's attention and sense of urgency. Now, when the alarm goes off, people know it matters.

While agentic AI plays a critical role in our cyber defense, the broader rise of AI is also fueling a new wave of cyberthreats. As more businesses adopt AI tools to generate insights and support decision-making, they often share vast amounts of sensitive data with AI startups, which operate in the cloud and have varying levels of security protocols that can create a new channel for potential attacks.

We are taking a more measured approach in our use of AI because of these vulnerabilities. There are no guarantees of security, and in many cases, even well-vetted companies offer little real protection. While others may rush in for fear of missing out on the AI revolution, we are taking a more deliberate path. We would rather be a fast follower than operate on the bleeding edge.

How are you preparing employees to recognize and respond to AI-driven cyberthreats?

AI poses a growing threat to businesses in ways that are harder to detect, especially as the technology becomes more accurate and sophisticated. For example, just a few years ago, phishing emails were often obviously fake with misspellings and poor grammar. But today, they are AI-generated and can easily trick employees into clicking on them. Malicious actors can also profile an employee's writing style and tone, generating emails that are highly convincing.

In addition to our cybersecurity software, we prioritize training and informing employees about the risks and how they play an important role in helping to prevent a cyberattack. We hold regular webcasts and live sessions with employees at all levels of our organization. In a recent webcast, our Chief Information Security Officer (CISO) opened with a deep-fake video of a senior finance executive. When it was revealed that it was not really him, people were shocked. That opened a lot of people's eyes to cyber deception and threats.

Our CISO emphasized the importance of communicating any potential breaches immediately—do not try to hide them. Every second counts to stem the threat, and we believe no employee should be reprimanded for making a mistake or getting tricked. This is an important message because it is human nature to think you might face negative repercussions for making a wrong decision, and this could lead to breaches not being reported.

Have you ever experienced a noticeable hit from a cyberattack?

The rigor of our tools and the vigilance of our people have helped protect us so far, but we know we are always vulnerable. Fortunately, the most significant issue we faced amounted to less than US$20,000. A small third-party vendor at one of our facilities had been attacked, and a hacker gained access to their system and monitored their activity for months. Because the owner regularly communicated with our accounts payable team, they were not suspicious when they received an email from her about a new bank account. In fact, because the hackers had infiltrated the owner's system, they were able to send the message directly from the owner's email account. Our team sent the payment as requested, unaware of the breach. The problem only surfaced when the owner followed up, asking about the missing payment. Unfortunately, the owner was unable to recover the payment, even after contacting the FBI. The hacker was untraceable. After that incident, we instituted a strict validation policy: no payment or account changes are processed unless they are confirmed independently with a trusted contact in our system, not in an email chain. It is about checks and balances, a rigorous process to validate all requests as a first step.

Our family business report notes that the number one priority for companies this year is to build out their technology transformation platform. What are your efforts here?

We are launching a partnership with a leading software provider to implement their integrated tools platform, tapping into their AI-powered chatbot, analytics, and other advanced applications. This allows us to leapfrog in key areas while reinforcing trust in our security protocols.

We are also working to integrate our core operational systems—for example, feeding data from our time management application to our shop floor software, and tying that to our enterprise resource planning (ERP) and human capital platforms. Furthermore, we have begun using large language and data models to better understand the business. In addition to measuring productivity levels, we are looking to uncover best practices like how some teams maintain consistently low scrap rates. If we can identify and spotlight them and celebrate their success this can help other teams improve.

We cannot get those answers today because of disparate systems, but with these efforts, we are building the visibility we need to uncover deeper insights and take more informed action.

As we roll out these technologies, we are also redeploying our people into more strategic roles. With access to more integrated data, they are no longer just completing tasks, they are learning to make smarter decisions and think like business leaders. This evolution reflects our longstanding culture of agility, empowering our people to adapt, learn, and lead as our business transforms.

Lessons in resilience:
A CEO's account of cybersecurity challenges in virtual health care

In this candid interview, a leader from a virtual medical care provider based in North America recounts the organization's experience navigating a significant cybersecurity breach. Through reflections on internal vulnerabilities, crisis response, and the impact on client trust, the interviewee shares practical insights on the real-world consequences of cyberthreats and the critical importance of robust security strategies and insurance support in health care technology.

How do you deem the current threat of cybersecurity to your business?

One of our portfolio companies, a virtual care provider offering remote patient monitoring, experienced a cybersecurity breach. It was one of the most difficult challenges we have faced. Trust is paramount in medical care delivery. A data breach erodes the confidence a provider has established with patients and the broader health care community and risks damaging the reputation of the entire organization. In our case, we could manage the financial damage and the operational issues resulting from the attack, but the reputational risk was the most important factor to control. We were able to preserve our credibility by receiving guidance from an outstanding team of legal, communications, and cyber experts assembled by our cybersecurity insurance provider. We were fully transparent with our customers from the start and maintained ongoing, open channels to address their concerns and restore confidence.

How did the breach happen?

As in many cyber incidents, the breach stemmed from human error: a programmer moved real patient data to an unsecured test site. Cybercriminals exploited that vulnerability and accessed 15,000 to 20,000 patients' data records.

What was the financial and reputational impact to your business?

The direct cost including legal fees, crisis communications, and new cybersecurity measures was just under US$2 million, nearly all covered by insurance. However, the reputational risk was far greater than the financial considerations. Over a six-month intensive response, we sustained our credibility by communicating openly with stakeholders—including hospitals, health authorities, and each affected patient through weekly updates and individual outreach. As a result, we lost only two customers, underscoring the effectiveness of prompt, transparent action and expert guidance.

What have you done to strengthen your cybersecurity?

After the breach, we added levels of protection throughout our systems, enhanced employee cybersecurity training, and built out a dedicated security team combining in-house staff with external partners. We now regularly conduct simulated attacks and frequent phishing exercises to keep our team ready for future threats.

What advice would you give other family business owners about cybersecurity protection?

Cybersecurity insurance is essential not only for coverage, but for immediate access to expert support. In our case, response teams were assembled within hours, saving us weeks of research, sourcing, and interviews. Just as crucial is a commitment to transparency, rapid stakeholder communication, and ongoing efforts to maintain strong internal controls and training. Those steps helped us protect both our reputation and our operations when it mattered most.

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