



A Treasure Trove *of* Family Newsletters

TEMPLATES, STORIES, TECHNIQUES, AND RESOURCES
DESIGNED TO SUPPORT YOUR FAMILY LEGACY

Mitzi Perdue



DEDICATION

Frank Perdue wasn't a family business theoretician, yet he put untold thought, effort, and love into influencing and designing his family's culture. He could have ignored this and left it to chance. Because he didn't, makes me believe that the admiration he deserves as a successful businessman was at least matched by the admiration he deserves as a successful family man.

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INTRODUCTION

What's Needed for Creating and Maintaining a High-Functioning Family?

THE SAD STORY OF THE FAMOUS LAST NAMES CLUB

I had a searing experience a few years ago. I was with a group that called ourselves, “The Famous Last Names Club,” and all 16 women who attended had last names that you would instantly recognize. (I wish I could tell you who was there, but honest, I can’t because one of the conditions of membership was, we could never reveal each other’s names.)

We used to get together over lunch in the private room of a financial institution that loves to cater to high net worth clients. The purpose was to talk about issues that confronted us because of our famous last names. One month the topic was, “How well do you get along with your sibling?”

We were sitting around a mahogany conference table, and we went around the table, giving our answers. A woman in her fifties answered first, describing how she and her sisters squabbled over everything, whether money, children, or even who was getting the most attention from their parents.

“The pain of this relationship permeates every hour of every day,” she said in words that seared into my memory.

Another woman in her late 30s talked about how her two brothers squeezed her out of the business by not letting her know when the meetings were. She felt miserable and betrayed, and again the pain was unending.

Still another in our group talked about how she felt when her brother took her to court over their father’s will, and she suddenly realized that her brother loved money more than her. He testified against her, and she said in the saddest voice you

can imagine, “I’m 70, and at this age, when your 80-year-old brother lies about you in court, it’s not something that can ever be put back together.”

MY EXPERIENCE WAS DIFFERENT

Hearing their stories, I was shocked. Of the 16 women, only one shared my experience of having a supportive family.

I was the last to answer, and when it came my turn to talk about my relationship with my siblings, it was embarrassing: I knew I was going to come across as Miss Goodie Two Shoes and on top of that, I didn’t want to make them feel badly by showcasing how different my experience had been.

What I could have said was, “The best part of my life is my relationship with my family, and my relationship with my siblings is the best part of that!”

What I did say was, “Mumble, mumble, mumble, mumble my experience doesn’t match yours but each family is different.”

Nobody followed up on my non-responsive answer. I dodged that small bullet. Still, the whole conversation made me realize yet again that yes, failing family relationships are everywhere and they’re unmercifully painful.

The experience reminded me of something I had recently read. Relationship problems are the reason that 70% of families don’t make it to the next generation.¹

The lunch ended and I was left wondering why it was that the two families I’m closest to are so different from what seems to be the norm. My family of origin is the Henderson family, and we began in 1890 with the Henderson Estate Company. This was the forerunner of the Sheraton Hotels, which my father co-founded. We’re about to have our 127th reunion, and in surveys, family members often say that the family reunions are the most joyous and meaningful parts of their lives.

My family by marriage is the Perdue Family, and the Perdues have been getting together regularly since Perdue Farms started in 1920. My Perdue family members are not just in-laws but some of the best friends I’ll ever have in life.

I admire them, love them, and both the Henderson and the Perdue families make me think of what Johnny Depp, the movie star, once said: “If someone were to harm my family, I would eat them. I might end up in jail for 500 years, but I would eat them.”

I think Johnny Depp had it just about right. If I ever meet him, I want to tell him, “Me too!”

What did the Hendersons and the Perdues do to remain united and high-functioning over a combined period of 224 years?

¹ *Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values*, by Roy Williams, available on Amazon.

SO HOW DO YOU TRANSMIT A CULTURE THAT SUPPORTS A HIGH-FUNCTIONING FAMILY?

When I look at my two families as well as some of the families I’ve known since childhood, I become ever more convinced that Robyn Fivush, the great family researcher from Emory University, has come across something extraordinarily significant. I’ll have more on her in a moment, but the short version is, her research shows that the culture we create by the stories we tell each other is the key to how we act and how we make sense of the world.

Family stories tell us who we are and how we should act. Our family stories are the bedrock of the family culture.

But how do you tell the stories that bind a family together if there are several generations and they live far apart?

That’s the question Frank and I were wrestling with back in 1995.

I remember we were driving from Midlothian, Virginia where we had been visiting his youngest daughter, Beverly Jennings. It was a four-and-a-half-hour drive, he was at the wheel, and we got to talking about how at 75 years old, he knew so many things about life, things he wanted to transmit to his children and grandchildren. He knew that the stories and precepts would make their lives happier and more fulfilling.

“For example?” I asked.

“They need to understand stewardship and philanthropy. They need to know the importance of frugality and humility and giving back. They need to know that people will be constantly coming to them with ‘can’t lose’ investments. They need to understand that they’re part of something bigger than just themselves.”

“Why don’t you just call them together and tell them these things? My father used to do this with me and my siblings. He’d sit us down in his den and talk to us about what my mother used to call ‘recipes for living.’”

Frank thought about this for a moment as we drove through a forested area of Virginia’s Eastern Shore. Then shaking his head as he continued to drive, “I can’t do that. It would feel really awkward.”

“But it would be a shame,” I answered, “to have your kids and grandkids miss out on information that could help them in their lives. They look up to you. They’d *want* to know.”

We drove on in silence for a few minutes. I knew it wasn’t in Frank’s personality to just stand up and lecture at his children. He was a shy man, and it didn’t suit his personality. On top of that, by 1995, his children and grandchildren were spread from Maine to Virginia. We’d have to find something else.

And then it hit me, something that I’ve done regularly for the next 22 years.

THE PERDUE FAMILY NEWSLETTER'S BEGINNINGS

“What about having a newsletter? I could interview you as if I were a reporter. I could ask you stories about your life and the values that you hold dear. Each child or grandchild could get his or her own copy of the newsletter.”

Frank immediately loved the idea. We started that weekend, and it was the beginning of something I've been doing for more than two decades.

Newsletters are a perfect way for transmitting your family's culture. Because of these newsletters, Frank's descendants know his views on a vast array of subjects, including such things as prenuptial agreements, career choice, and why living way below your means is a great life strategy.

The first year's newsletters consisted of my asking Frank about his stories and what he wanted those who came after him to know. However, the newsletters soon branched out to include interviews with other members of Frank's generation. Some of the aunts and uncles were in their late 80s or 90s, and I felt that if we didn't get their stories about their early lives, we'd lose those stories forever.

And what stories there were! There were family members who, growing up around 1910, lived in a log house where snow blew through the cracks in the logs. They'd have to get up at 5:00 am in an unheated room, and one of them had to milk the cows each day before going to school.

The newsletters soon evolved to include interviews with newly-engaged couples, descriptions of weddings, and a continuing series of interviews with family members about their careers. The newsletters became truly “news and stories” letters as opposed to simply newsletters.

In writing about what was going on in the family and by telling stories from family members, I had by accident hit on something important. According to Dr. Fivush, (she's the Director of the Family Narratives Lab at Emory University), high-functioning families are ones whose members know their family stories.

HELP DESIGN YOUR FAMILY CULTURE

It turns out that the stories we tell ourselves are what bind us together. Stories makes us stronger and more resilient.

“We have empirical evidence for this,” Fivush told me in a phone conversation. “Members of these families are better off both physically and psychologically, they do better academically, and they're more satisfied with life.”

Unfortunately, these high-functioning families are not the norm. As Roy Williams, a family business advisor from the Williams Group once told me, (and I mentioned this earlier), roughly 70% of family businesses don't make it to the second generation, and only 3% make it to the fourth generation.

The reason for these discouraging figures is that most often the family business didn't have a culture that supported staying together. The fact is, every family has a culture but the question is whether the culture is one that came about by accident or

by design. The ones that came about by accident and that left values and attitudes to chance rarely support either a high-functioning family life or a family business that stays in the family.

In the ones that failed, often there were quarrels or jealousies, or individuals who felt it was more important to be right than to have a relationship. Their family culture didn't protect them from these toxic attitudes. And as I mentioned at the beginning of this Introduction, I've witnessed the pain and sadness that accompanies cultures that don't support encouraging people to realize that they're part of something bigger than themselves.

With your newsletters, you can help design your family's culture so that it supports being a high-functioning family. The family culture you help design is like an internal computer software program that lets family members know, “This is how we do things.” With your newsletters, you can give your family a better chance of being in the 30% that do make it to the next generation.

WHAT WOULD YOU GIVE TO HAVE A HIGH-FUNCTIONING FAMILY?

Wouldn't you like to have a family whose members enjoy and support each other, who are resilient through life's successes and setbacks, and who share positive values centering on ‘what it means to be us.’ Wouldn't you like to encourage a culture of thinking of “us” rather than “I”?

Think about this a moment: The most important task of any generation is to teach the generations that come afterwards how to lead happy and fulfilling lives. With your newsletters, you're taking a major step towards making this happen.

That would be beyond price, right?

The good news is, it can happen And fortunately for members of family businesses, the same factors that make families function well can also help your family business stay in the family.

It gets down to an observation by E.O. Wilson, the Harvard professor who devotes his life to saving wildlife. In the quote you're about to read, he's referring to species, but in your mind, substitute “family” for every time he says, “them.”

The more we know about them, the more we understand them; the more we understand them, the more we care about them; the more we care about them, the more we get to love them. When we love something, it is beautiful and we want to protect it.

That's why, by writing newsletters and telling your family's news and your family's stories you can do something priceless to help protect and preserve your family across the generations. Communicating with family members on a regular basis can be one of the more important things you do to keep the family together.

YOU'RE NOT A WRITER? NOT TO WORRY!

Ah, that dear friend is precisely why I wrote *A Treasure Trove of Family Newsletters*. In this manual, you'll find sample newsletters that you can use for ideas, or in many cases you might simply want to copy the content, substituting appropriate names from your family.

Another approach is, you'll find lists of questions that go with each newsletter. Pick and choose ones that work best for your situation and answer them. Voilà, you've got your own personalized newsletter.

The sample newsletters and sample questions are just a jumping off point for your creativity. But I do have a word of advice: don't hold yourself to a too-high standard at the beginning.

My personal motto is, "Done is better than perfect," and you'll achieve 95% of the goal of writing the newsletter (namely, helping guide and reinforce the family culture) just by having written it. You don't need to be Shakespeare!

If you want to improve your writing over time, I have some suggestions for you in the Appendix, "I want to be a better writer!" But at the beginning, focus on the goal of helping keep your family together by keeping them informed. It's carrying out Wilson's, "The more we understand them, the more we care about them."

So, in the immortal words of the Nike slogan, "Just do it!"

HOW DO I USE THE TEMPLATES?

Does composing and formatting a family newsletter seem like a daunting task? I'm sympathetic as can be about this, so I've tried to make it as easy as possible for you.

It will take some effort on your part, but keep in mind that the rewards can be both life-changing and priceless.

So, you're ready to tackle the family newsletter? First, the good news: when you get past the first one, the next will be ten times easier, and each one after that will be easier still.

One thing that should make it easier is, the sample newsletters you'll find here typically are short, usually only a couple of pages long. You can make them longer if you choose, but two pages is easier than a longer newsletter. And importantly, in today's fast-paced world your family members are more likely to read a short newsletter. They're also more likely to remember and be impacted by a short message than a longer one.

If you're not familiar with formatting mechanics such as cutting and pasting or using drop-down boxes, please, please don't endure the frustration of struggling with this by yourself. (For one thing, I don't want you to hate me, and since I know how exasperating learning new programs can be, I don't want to risk that.)

I said this would take effort, but I don't want it to be unnecessarily hard. Ask your 12-year old nephew (or whoever) to show you any mechanics that you're not familiar with.

So, here's the step-by-step approach to creating your first newsletter:

1. Read through the list of possible newsletter topics.
2. Click on the one you want. If you're reading this on a screen, they're hyperlinked. If you're reading the print version, use the good old-fashioned table of contents. The templates are designed for Microsoft Word.
3. Most newsletters will involve an interview. This takes some effort but it's so worth it because you'll get information that will be lost if someone doesn't record it. There's a real chance that years from now your descendants will be grateful for the record that you're creating. It will be a significant contribution to strengthening the family culture.
4. If you've never conducted an interview, here are a couple of tips. If your family members live nearby, then by all means do the interview in person. Most people doing interviews record them, and there are services on the Internet such as UpWork where you can find people who will transcribe interviews for you. Your interview with your family member can be a perfect bonding time for both of you. However, you don't have to do interviews in person. I almost always do interviews by phone, but that's partly because both the Henderson and Perdue families are so spread out. When I start my phone interview, I alert my interviewee that I need them to speak slowly because I'm taking notes as we speak and that I may need to ask him or her to repeat what they just said.
5. When doing the interviews, take advantage of the sample questions in the templates. Some will be totally inappropriate for your situation, but they can help spark your imagination.
6. Be prepared for a learning curve and be patient with yourself the first few times. Doing interviews takes some getting used to, but once you've gotten comfortable with it, this is a skill that will stay with you and you can use many, many times. There's something amazingly special about recording and sharing someone's life and values and knowledge and experience. You'll be playing a role (even if it's only a small role), in making their life more significant. That, by the way, is one of the nicest pay-offs for writing newsletters.
7. Using the information from your interview, fill in the blanks in the template. If you're not familiar with copying and pasting, get help, at least the first few times. These skills are a genuine pain-in-the-neck the first few times, but soon you'll be doing them without even thinking about them; they'll become automatic.

8. OK, you've got your newsletter written. And you've probably gotten help from someone who's had experience with layouts. It's time for editing. Get a trusted friend to look for typos or parts that aren't clear or are "land mines," where something could be taken the wrong way. I think it's close to essential to have someone else review it before sending it out.
9. I make it a point to show the final copy to the person I interviewed. Usually they're pleased. But there sure are cases where, with the best intentions, I just didn't get it right. If they want something changed, I always change it. This is for history and it's got to be right.
10. Distribute it. In my case, I send it out electronically to everyone, but there are also family members who want hard copies, so I use snail mail as well. I also make sure the family archivist has several copies.

When you've finished your first one, rejoice. The second one will be easier, and by the time you've been doing them for a year, you'll find that writing a family newsletter can feel like second nature.

The wonderful thing is, the act of writing these newsletters means you're doing something priceless for your family. Newsletters are not going to solve all family problems, but they can go a long way to preventing them. And what you're doing is likely to be a tremendous gift to the next generation.

So let's get started!



A Family Quarrel? Be Proactive—or Else!

MOST FAMILY BUSINESSES FAIL TO MAKE IT TO THE NEXT GENERATION. THESE FAILURES almost never come out of the blue. The stresses and strains in family businesses are for the most part predictable, and with nine million family-owned businesses in the United States alone, we know a lot about what those stresses and strains are. In fact there's a whole academic field devoted to family businesses, and there are some brilliant people devoting their lives to these studies.

Since family quarrels are one of the larger factors in family businesses not making it to the next generation, what can your family do to be proactive about preventing them?

As you'll see in the following newsletter, I recommend getting help before you need it. My motto on this is, "It wasn't raining when Noah built the Ark!" Establish a relationship with a trusted family business advisor, and avoid having to reinvent the wheel.

This is an example of the sample texts that you might choose to use as is, with of course some input to personalize it. Or you might choose to begin from scratch, with the sample questions as a way of getting started. I very much hope you do include this topic in one of your newsletters. The stakes couldn't be higher, and a small investment in time and money can prevent untold misery in the future.

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

This month's newsletter is something of a cautionary tale. There's some downbeat information, but there's a lot that's positive in it as well, and every family member can benefit from knowing the information. It relates to a shocking and sobering statistic from Drew Mendoza, Managing Principal of The Family Business Consulting Group (FBCG).

He told me, "In my 23 years of experience with 2400 clients, I've never seen even one family business that started down the road of litigating with each other that was later able to pull back."

It turns out that if you've started litigation, you've not only crossed a bridge, you've almost certainly blown up the bridge behind you. Reconciliation pretty much doesn't happen once litigation has begun.

By the way, Mendoza knows why families continue down the road of litigation once it's started. "A litigator," he points out, "is employed to do the best for the client. Unfortunately, what's good for the individual client may not be good for the family as a whole or for the family business."

Mendoza's statistic of 0 for 2400 underlies something that we probably already feel in our bones: It's important to intervene early if it looks like a family business quarrel could get out of hand.

In view of Mendoza's long and intense experience with what happens once litigation has begun, he and his 23 colleagues at the FBCG will not take members of family businesses as clients who have initiated litigation. For the kind of service FBCG can provide, by the time a family member is dealing with a litigator, it's too late.

This attitude may seem harsh, but Mendoza and his colleagues have built their reputation around preventing things from getting to this state. What they excel at is, they know that even though each family is unique, nevertheless, the challenges and opportunities they each face are normal and predictable. They have the knowledge, tools, and experiences to address these.

The stakes can be extremely high. The happiness of the family and the health of the business are riding on getting this right. Every family business (including ours) needs to put in the effort it takes to get the right advice.

What are the steps Mendoza would recommend to us?

Plan to spend time on this. It's likely to be a long-term relationship spanning generations so it's worth getting it right.

He advises for people who don't already have a family advisor, develop a selection process. He says, "I often encourage people to test drive the consultant by asking the consultant, 'How do you think we ought to go about developing our selection process?'"

Again, for those who don't already have an advisor, plan how the decision will be made. Is it by all members of the family? Is it a selection committee? Is the decision by majority or does it need to be a consensus? Or is our family one where the patriarch or matriarch is the right one to make it?

Some families may want to have the selection committee interview 5 or 6 firms and then winnow it down to 2 or 3, which the selection committee then presents to other family members. When families are still small, it may be enough for one or two family members simply to make the decision.

One of the biggest pain points for any family business is that as many as 70% of them will not be able to pass their wealth and their

family business on to the next generation. The most frequent cause for this is family relationships that aren't working out. In this case, we know that being proactive is essential.

Family members can reach Drew Mendoza at the Family Business Consulting Group by e-mailing him at: Mendoza@theFBCG.com Or call him at: 773-604-5005. FBCG's website has hundreds of relevant articles and an excellent search engine designed to help families like ours.

Love to all of you,

Sample Questions

Some families have the tradition that it's good to get issues out on the table, even yelling about them if necessary, but no matter what, family members are never to bring in lawyers or the press. Should this apply to our family?

- Do you see any role for litigators in our family relationships?
- What do you see as some of the predictable issues that we as a family business will face?
- Are we prepared for succession issues?
- Sibling rivalry?
- Conflict between those who work in the business and those who are stockholders?
- Voting rights?
- Roles of family members by blood and by marriage?
- Divorce?
- Sale of the company?
- Do we need a family business advisor?
- How do we go about finding a family business advisor?
- If we have one, has it been a positive experience?
- What else should we be doing to keep the family together over time?



Where Do We Each Fit In? A Discussion that Families Need to Have

I'VE LONG THOUGHT THAT IN BOTH THE IDEAL SOCIETY AND THE IDEAL FAMILY, there's room for everyone and each person is appreciated and valued, whatever their gifts or shortcomings. My ideal family is also egalitarian. There's humility, warmth, caring, and people know they belong and know that they're there for each other.

That's what I think would be ideal. Nobody achieves the ideal, but as poet Robert Browning said, "Man's reach should exceed his grasp" and for me at least it's something to aim for.

Ah, but what happens when an individual family member doesn't feel that she or he belongs? What if the siblings are all going to fabulous colleges and got amazing grades in high school and she didn't? What if it feels like everyone else is amazing, and this child is a normal kid. Where does he or she fit in?

That's a subject worth addressing because, ideally, everyone needs to feel that the family is a place where everyone belongs. I was touched and moved beyond words when a 17-year old step grand-child raised this question. The act of raising the question meant that it was on its way to being resolved. If she hadn't brought it up, we couldn't have dealt with it. (and as a PS to this story, 20 years later she's popular, adored, effective, and looked up to. Boy, does she fit in! How nice that we could talk about it.)

Does your family have this issue? Is it worth discussing in a newsletter?

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

This issue has an interview that I think you'll find interesting and thought-provoking. Everyone knows that there are some wonderful advantages to having a famous relative, but there are also some problems with this, and Whitney has had the courage to raise one of them. Bravo, Whitney, for dealing with this head on!

Love to all of you,

Interview with Whitney Van Der Hyde

Mitzi: Sometimes people in this family wonder if they fit in. Tell me how you feel about it.

Whitney: Because Pops was so successful, I feel that I'm supposed to do something really amazing with my life. I feel that I have to succeed and do something really great, and that means it's hard to be just me. It's even harder because I feel there's a lot of competition among the cousins. Everyone wants to know what college you're going to and what your SAT scores are.

Mitzi: How do you wish it were? What would you change?

Whitney: I feel that the goal should be to fulfill yourself rather than fill someone else's mold. Each person has to think about what really is important to them. Who you are should be more important than what college you go to or how much money you make. Our family ought to embrace that. We each have different gifts and we need to accept that and not just be forced into a standard mold. Like if I wanted to live in a shack in the mountains, that would be okay.

Mitzi: Your mother tells me that having too much competitiveness wasn't much of an issue for her generation. They grew up with the notion that you didn't have to be the best, you just had to do your best.

Whitney: I recognize that if I feel pressure, it may be that I impose some of it on myself, that it's self-generated.

Mitzi: Still, if you feel it, it counts. Talk about how the culture of this family should be.

Whitney: Ideally it would be a place where you come to feel safe and secure and accepted for who you are. The outside world is going to judge you no matter what, and the family should be a place of acceptance and refuge.

Mitzi: I'm so glad you brought all of this up. It will generate thinking and discussion about who we are and who we want to be. Thank you for a tremendous service to the family.

Sample Questions

- Sometimes people in this family wonder if they fit in, true? Tell us how you feel about it.
- What kind of change would be helpful to you? How do you wish things were in an ideal world?
- Is there more competitiveness than you feel comfortable with? Do you feel accepted?
- Do you feel too much pressure to perform?
- Do you feel that your particular gifts are valued?
- Do we focus too much on academic success or monetary success? How should we measure the worth of each of us?
- Our family has tremendous academic diversity from college graduates to high school dropouts. What can we do to make everyone feel embraced and valued?



Having A Super Successful Parent: A Fabulous Legacy or Painful Impediment?

THIS IS A CONTINUATION OF THE SUBJECT WHITNEY VAN DER HYDE STARTED WHEN she asked where she fit in when there was so much pressure to be awesome. She felt that there was not enough room left for people to be themselves.

This is a tremendously important subject. It gets to the heart of what it means to be a family. A true family accepts everyone for who they are and supports and embraces this. In view of the central importance of this question, I of course asked Frank about his views on this.

Since you're a part of a family business, there's a fair chance that you run into the same kind of issues. Is there a founder who's larger than life? Are there family members who came after who forever worry that they're not living up to the awesomeness of the founder?

Chances are that this may be happening. Literature and the headlines are full of individuals who end up unhappy or have substance abuse or failed marriages or even trouble with the law because they didn't successfully deal with the identity issues that can sometimes accompany having a super successful relative.

I love it that in our family, one of the family members was comfortable enough to bring the issue into the open. If this is an issue in your family (or even if you don't know that it is, but think it might be), here's a chance to deal with it. Your family culture will almost certainly handle it with answers that differ from what Frank said. But his answers can be a springboard to your own family's dealing with this critical issue in your own way.

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

In the last newsletter, Whitney brought up an extraordinarily important topic: how do we accept that family members have different gifts and yet everyone needs to fit in? I asked Pops/Frank about the issue and he was deeply touched that Whitney had brought it up. Here's our conversation, with Pops answering the question about where we each fit in.

Pops: My attitude has always been that every individual is an individual. They don't have to be famous or wealthy in order to be important. The person who does kind and generous things to their fellow human beings is just as important as a person who happens to be in the right place at the right time and becomes wealthy because of it.

Mitzi: Where does wealth fit into this?

Pops: Accumulation of money is not an indication of the more important things in life, which are one's relationship to other human beings.

Mitzi: What about a kid who isn't a success in school or doesn't go to a great college?

Pops: I didn't go to a prestigious college, and for that matter, I didn't finish college. My grades were only B- or C+ and I probably would not have been able to get into college except that it was easy to get in because there was a depression and many kids could not afford to go.

Mitzi: But maybe high grades are a predictor of how you'll do later in your career.

Pops: High grades in school aren't necessarily an indicator of greatness or a predictor of success. Wealth is quite often a result of a person, not necessarily a very smart person, being in the right place at the right time. In my case I was very lucky to have the right parents and had the good fortune to get in on the ground floor of a burgeoning industry.

Mitzi: Well, what about hard work?

Pops: Did I take fuller advantage of being part of a growing industry? Perhaps. Maybe. I worked harder to achieve than some of the others who had the same opportunity but that was partly because I was compensating for not being particularly smart. I felt I had to work harder.

Mitzi: Did you think you would be a success when you were Whitney's age?

Pops: No, I expected to be shoveling chicken manure the rest of my life. I had no dreams of grandeur. After two years of college, I knew that I wasn't suited to being a school teacher and I didn't know what to transfer to because I didn't know what I wanted to do. When I went home, I had no sense of ever becoming well-known.

Mitzi: The family lore says that you brought up your four children with the idea that they didn't have to be the best there was, just the best they could be.

Pops: People need to follow their own star and be real individuals.

Mitzi: What other advice do have for those who come after you who find being in your shadow a daunting experience?

Pops: The important thing in life is happiness, not accumulation of wealth. Love to all of you,

Sample Questions

- How do we deal with the pressure to be extraordinary if you have an extraordinary relative?
- Where does wealth fit into this?
- What about a kid who isn't a success in school or doesn't go to a great college?
- Where does hard work fit in?
- Did you expect to be a success when you were young?
- What other advice do have for those who come after you who find being in your shadow a daunting experience?
- Do you know what makes you happy?
- Do you understand that you are wonderful just the way you are?



Standing on Principle? Translation: “I’m Addicted to Being Right”

ONE OF THE MORE POWERFUL CONVERSATIONS I CAN REMEMBER CAME AT AN OPAL Family Business Conference in Newport, Rhode Island. I was talking with a businessman, Justin McEvily about why businesses fail, and he said, “It’s because so many people are addicted to being right.” As we continued the conversation, he mentioned that it’s often a choice between being right and having a relationship. The person who is addicted to being right never learned to put the good of the family above his or her own ego, and that person makes a terrible bargain by having the heroin of “being right,” prevent what he or she probably wants most in life, and that is, a loving supportive family.

This is another letter where it may be convenient for you to use a lot of the sample text as is. Frankly, I’d be flattered if you did! I give it to you! It’s yours! But then again, if you have personal things you want to say on this subject, these are your newsletters, so please do what suits you best.

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

"The happier the family, the healthier the company!"

In view of the importance of this, I thought you might enjoy a conversation I had with Roy Williams, a family business consultant with more than 50 year's experience. He and his team at the Williams Group have surveyed more than 3000 families on why business families flourish—or fail.

Love to all of you,

INTERVIEW WITH ROY WILLIAMS

Question: How often does it happen that business families fail to pass on an inheritance to the next generation?

Williams: We found that 70% of families wanting to transfer wealth from the family business to the next generation failed. In this case, "failed" means some combination of foolish expenditures, incompetence, family feuding, financial reverses, with the result that the wealth was involuntarily removed from the control of the beneficiary. Interestingly, this 70% failure rate holds true for virtually every country in the world. It even happens with people who win the lottery; 70% of the winners lose it all within a couple of years

Question: Why?

Williams: People guess that it's governance or trusts or other estate planning issues, but by themselves, even when done right, these don't protect a family from being one of the 70% that doesn't make it. I compare addressing only the legal and governance issues to putting a Band-Aid on someone who has cancer. Unfortunately, if you ignore the core issues, those issues may kill the patient.

Question: So what are the core issues?

Williams: The biggest difference between success and failure is whether the families prepared the children and grandchildren for their futures. Does the family have a mission? A strategy to attain it? Is there enough trust among family members to carry out their mission?

Question: Explain trust. I think I know it when I see it, and I can recognize when it's not there, but just what is trust?

Williams: I'll explain by using an illustration of when trust had died, and how it was rebuilt. About three years ago, I asked a young woman whose family was one of my clients if she trusted her dad. "Of course not!" she answered with bitterness. "His priorities are money and business and I don't count!"

"Give me an example of why you feel that way," I asked.

"Last week he asked me to be at the office at 3:00 pm. When I got there, he kept me waiting

for more than three hours. It was clear that I just didn't count."

"Did you tell your father how you felt?' I gently prodded.

"Yes, over and over again," she said, and then added with a sad little sigh, "but he never listens."

Something had to be done and soon. I arranged for the father and daughter to meet at my office. I then asked the young woman to tell her father what she had previously told me.

What happened next was surprising.

She told her father how she felt about the episode, but even in this setting it was clear that the father wasn't listening. We asked her to repeat what she had just said, and even after the third time, I could tell the father wasn't processing the information. Finally, the fourth time, we had him repeat what his daughter had just said.

Even then, he didn't hear her!

It took three additional times of his repeating what his daughter had just said, and then suddenly, he got it. Tears started rolling down his cheeks as he blurted out, as if the words were torn from his heart, "I didn't know I was doing this. I promise I'll never do it again!"

"You will too," shot back his daughter. "I know your priorities!"

But interestingly, the breakthrough has now lasted three years. He had finally understood, and in the time since he has kept his promise, and he was able to act on it once he understood. His subsequent actions demonstrated that he really cared.

Question: You said you'd explain how the story would relate to trust.

Williams: Notice the four critical areas of trust that were initially violated and then put back in place:

1. Trust is made up first, of reliability: When someone promises to do something, do they do it? Initially, the father didn't keep his promise of meeting his daughter at 3:00 pm. It was part of a pattern of unreliability.
2. Second, is sincerity: Does the individual present an exterior that is not in sync with their true interior feelings? The father acted as if he wanted to see his daughter at 3:00 pm, but instead felt that whatever was going on in his business was more important.
3. Third is competence: Can the individual deliver on what's promised? The father could have been ready at the agreed-on time, but wasn't. But when we pointed out the problem, he was able to change.
4. Finally, does the person care? Initially, the father didn't care because he was totally oblivious to the fact that there was a problem. But once he got it, he cared deeply.

Question: So, trust was restored even when initially it looked impossible!

Williams: When you get at the core issues, such as trust and communication, and from there you get to the core values that hold a family together, and build on this to get to the family's purpose and mission, the results can be astonishing. I've seen this repeatedly: you have a compass to move forward into the future.

Sample Questions

- What's the relationship between the family doing well and the company doing well?
- What are the reasons most families are unable to pass the company and their wealth to the next generation?
- Do we need more than financial planning, and legal and governance help?
- What are the core issues our family needs to come to grips with?
- Are we preparing the next generation and the generation after them for their future?
- Does our family have a mission?
- Do we have a strategy to attain it?
- Do we have enough trust among ourselves to be able to carry out the mission?
- Do we automatically give family members the benefit of the doubt?
- Is there a family story of trust that was lost and then regained?
- Listening is a major part of making trust happen. If we don't hear the problems, we can't do anything about them. Do we all make a sufficient effort to listen?
- Are we reliable, as in, we keep our word?
- Do we have sincerity? Does how we act on the outside match our interior feelings?
- Can we competently deliver what we've promised?
- Do we care?



A Cautionary Tale: Tear Your Hair Over This, or Better, Do Some Soul-searching

I'M IN FAVOR OF SENDING SEVERAL "CAUTIONARY TALE" NEWSLETTERS DURING THE year. My reason is, among the biggest risks a family faces is family members not getting along. Anything you can do to guide their thinking towards remembering that they're part of something bigger than themselves is probably a plus, and it's also worthwhile for them to know that a quarrel gone bad can mean the risk of losing almost everything they hold dear. That's why I have so many of these kinds of newsletters included in the Family Culture Section. However, use them throughout the year as opposed to all at once. Have some lighter and more fun ones in between.

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends

Frank/Pops often talked how his dearest wish is that the family grow in cohesiveness and harmony. He wanted that for you because he loved you and wanted what's best for you.

But there's an additional reason why it is good to think of the good of the whole family and never act selfishly. The families who don't, suffer terribly. I'm going to give you an example of a family that I was close to and adored.

It was a family with a patriarch and a matriarch, whom I'll call Barry and Alice Smith. Barry Smith, the patriarch, was a prince of a person. He was kind, wise, and as a businessman, brilliantly successful

He owned many patents, including the patent for the process that makes powdered milk from dairy waste, and he also owned vast tracts of land in the mid-West.

He had a loving wife, Alice, who was also a loving mother. The four sons, who were

in their 20s and 30s when I knew them, were handsome, healthy, had attended the best colleges, were fun to be with, and seemed to have everything going for them. Money flowed in, and to a friend of the family who loved them all (that would be me) it looked as if they were the most fortunate of families.

But then something happened that under most circumstances wouldn't have had terrible consequences. Barry had a minor stroke. He

wasn't gravely ill, but he was hospitalized for several weeks.

During this time, the brothers had what started out as a small disagreement on who would run things in his absence. Tempers flared and the different family members started standing "on principal."

(As a quick side note, I have a lawyer friend who told me that he was doing mental cartwheels of joy whenever a client told him "I'm standing on principal." For the lawyer, those magically delicious four words meant that the client had kissed rationality good-bye and would spend immense amounts of money to win. A client who stood on principal meant a guaranteed mink coat for the lawyer's wife.)

Anyway, back to the Smith family: Things escalated...and escalated...and escalated. By the time Barry was out of the hospital, the quarrel had become so severe that he was unable to stop it.

Over the ensuing months, each of the four sons hired his own lawyer, and by now crucial decisions affecting the company and its employees could not be made. The family company was put in the hands of a court-appointed receiver who had the right to make decisions about this \$50 million company.

Once the receiver was in charge, instead of running it, he sold the assets. The company was sold in a fire sale atmosphere at about 10% of what it was worth. Barry Smith felt that

the receiver had only his own interest at heart and no interest in the good of the company.

By this time, the kids hated each other so much that they could and no longer could see that they were destroying themselves. They kept fighting until there was nothing left.

Barry had another stroke and died in the hospital, broken-hearted. Alice lost her grip on reality. However, while she still retained some of her faculties left, she told me, "I tried to teach them everything and give them everything, but I forgot something really essential, I forgot to teach them not to be selfish."

This story is sad, but not completely unusual. John Ward, the great family business guru, can tell of many families that didn't survive because they didn't learn to put the good of the whole family above the good of the individual. In almost every family, there are

times when you have a choice of being right or having a relationship. Even if you are "right," does it matter if your intransigence cost you everything you hold dear?

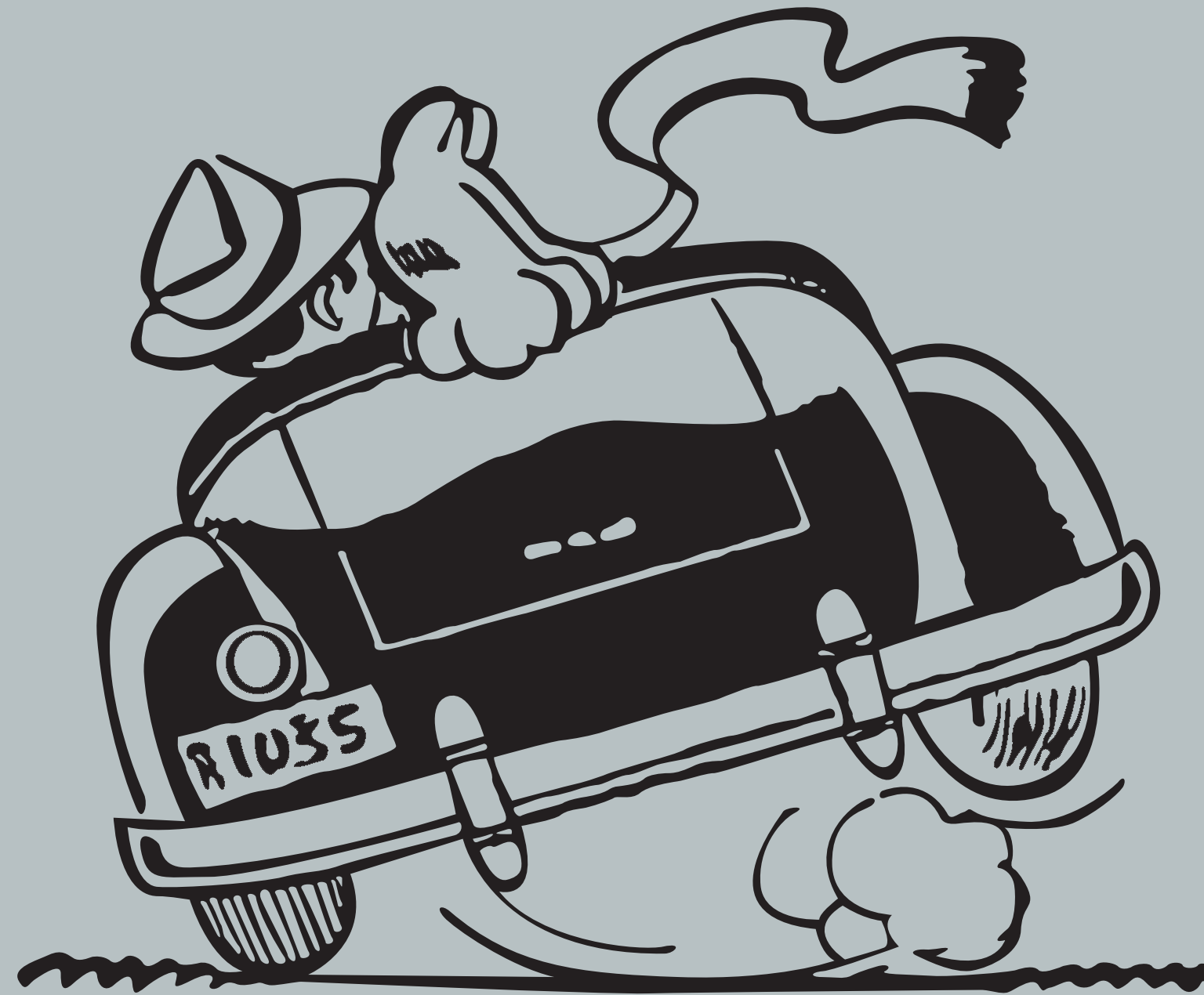
There are some morals to this cautionary tale:

1. Don't let a quarrel escalate. No one wins, and the bigger the quarrel, the greater the loss.
2. In a family quarrel, do not "stand on principle." Standing on principle is another term for being addicted to being right. Which is another term for being self-centered. Which is actually another term for being stupid.

Love to all of you,

Sample Questions

- How important is family harmony?
- Do we do enough to encourage thinking of the good of the whole family?
- Do we do enough to discourage people from being selfish?
- What are some of the things that could happen in our family that could spark a major disagreement?
- Can we do anything to prepare for such an event?
- Talk about what “standing on principle” means to you. Is it an admirable trait, or is it irrational virtue-signaling and part of an addiction to being right that can leave misery and dissension in its wake?
- Does our family have an agreement never to bring in lawyers for a family quarrel? Do we recognize that when a family member begins litigation against the family, that there’s an overwhelming likelihood that this means the death knell of the family?
- Do we understand that there are times when we have a choice of being right or having a relationship? And that an ego-centric approach to being right can cost not only the individual but the family itself almost everything they hold dear?



Establishing Trust: In a Family Business, It's Not Optional

“The happier the family, the healthier the company!”

This is a phrase I've often heard at family stockholder meetings, and it matches perfectly something Frank said in one of our earliest family newsletters: “The most important thing we can do as a family, is to do those things that keep us together as a family.” He understood that happy families mean healthy companies.

In view of the importance of this, here's a newsletter that your family members might enjoy. It's based on an interview I had with Roy Williams, a family business consultant with more than 50 years' experience. He and his team at the Williams Group have surveyed more than 3000 families on why business families flourish— or fail. In this newsletter, you can share his wisdom with members of your family. And there's plenty of wisdom there!

This is another one of the newsletters which you might want to copy with only minor adjustments. On the other hand, if you have experience with establishing trust, then please share your own experience with your family!

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

Several years ago Frank and I attended a conference put on by John Ward, the family business theorist and guru. The subject of the meeting was what factors create and encourage a strong family culture. Frank was deeply impressed by it, and one of the takeaways from it for him was, "Families that do the best over the long haul are those that have a strong culture."

Frank always recognized that families that have a strong culture and a strong sense of their values are the ones that last. During our 17 years together, I witnessed that he put enormous effort into insuring and strengthening our family culture. In fact, his willingness to take a day off to attend John Ward's conference was a proof of his interest in the topic.

He did many things to help support a strong family culture. One of these was to endow our family vacations, so they'd continue even after his passing.

Frank understood that a crucial element in keeping a family's culture strong and vibrant is the simple fact of spending time together. He understood that proximity, that is, actually being physically close to each other and spending time together is, to use a phrase he liked, "the sine qua non" (the essential condition) of developing closeness and understanding.

That's one of the reasons he took the somewhat unusual step of endowing the family vacations. We both knew from watching other families that often, after a patriarch passes on, the family drifts apart, maybe seeing each other every few years when there's a wedding or a death. And then one day, what was once the family is no more.

However, Frank and I had talked about how the Henderson family has managed to stay close for more than a century. There are several mechanisms that made this happen, including a shared interest in philanthropy. Still, one of the easiest to replicate and one that guarantees that we see each other at least once a year, is that back in 1890, John Cleaves Symmes Henderson endowed the annual Henderson Family Dinner. It continues to this day, except now it's a three-day weekend instead of just a dinner.

I view the time families spend together as being deposits in the Bank of Family Closeness. A family that has a tradition of getting together even after the founder is long gone has a common bond of shared experiences and shared identity. I think Frank's willingness to endow the family vacations has been tremendously important for strengthening the family culture.

Spending time together is the lifeblood of family closeness. People who spend time together over the years own a treasure trove of memories that they can draw on when times get tough.

The family newsletters were yet another series of deposits in the Bank of Family Closeness. As Robyn Fivush, the Emory University specialist in families says, the families that spend time together and share their stories are the high-functioning families. They're the ones with a strong and vibrant

culture. They're the ones that do best over the long haul.

Love to all of you,

Sample Questions

- What's the relationship between the family doing well and the company doing well?
- What are the reasons most families are unable to pass the company and their wealth to the next generation?
- Do we need more than financial planning, and legal and governance help?
- What are the core issues our family needs to come to grips with?
- Are we preparing the next generation and the generation after them for their future?
- Does our family have a mission?
- Do we have a strategy to attain it?
- Do we have enough trust among ourselves to be able to carry out the mission?
- Do we automatically give family members the benefit of the doubt?
- Is there a family story of trust that was lost and then regained?
- Listening is a major part of making trust happen. If we don't hear the problems, we can't do anything about them. Do we all make a sufficient effort to listen?
- Are we reliable, as in, we keep our word?
- Do we have sincerity? Does how we act on the outside match our interior feelings?
- Can we competently deliver what we've promised?
- Do we care?
- Do we believe that trust that has been damaged can be restored?

Sample Questions

- Talk about the importance of family harmony.
- Do we do enough to encourage thinking of the good of the whole family?
- Do we do enough to discourage people from being selfish?
- What are some of the things that could happen in our family that could spark a major disagreement?
- Can we do anything to prepare for such an event?
- Talk about what “standing on principle” means to you. Is it an admirable trait, or is it irrational virtue-signaling and part of an addiction to being right that can leave misery and dissension in its wake?
- Does our family have an agreement never to bring in lawyers for a family quarrel? Do we recognize that when a family member begins litigation against the family, that there’s an overwhelming likelihood that this means the death knell of the family?
- Do we understand that there are times when we have a choice of being right or having a relationship? And that an ego-centric approach to being right can cost not only the individual but the family itself almost everything they hold dear?

PERDUE FAMILY NEWSLETTER



Dearest Family and Family Friends:

I don't know how you got so lucky, but today you get to know Carlos's favorite Chinese dish. It's Chicken Feet in Black Bean Sauce. I just know every one of you is going to rush right out and try it.

Especially Jan. But I think we can count on Sandy's loving the recipe also.

Okay, I'm joking. I really do have Carlos's chicken feet recipe, but I was warned that it was seriously poor salesmanship to put the recipe at the beginning of my collection of recipes.

You may wonder why I suddenly have all these recipes. Well, Rick Lloyd suggested putting out an e-mail call for recipes, and here are the first ones that came in.

The rules were, it did not have to be an actual recipe. It could be favorite take-out, favorite fast food, favorite meal to put together when you wanted something a cut above peanut butter sandwiches, and what to do if by some frightening circumstance, you ended up with a chicken whose brand name rhymes with bison.

Enjoy the answers!

Love to all of you,

Mitzi

Mommy Du Soup

Salt to taste and lots of pepper
1 big onion finely chopped
Beef bone
3 beef bouillon
3 TBS sugar
2-3 cans DelMonte chopped tomatoes
Parsely
2 cans whole corn with juice
< ½ c barley (optional, thickens soup a lot)
rinse water from cans= ½ pot or 4"
25min total
Carrots-return to boil
Celery chunks
15 min total
string beans-fresh
12 min total
potatoes
sweet potatoes
8min total
peas-fresh or frozen
Want total of at least 8 qt soup eventually.
onion, beef bone, bouillon, sugar, tomatoes,
corn, parsley, barley
carrots and celery 10 min then . . .
fresh green beans 3 min then . . .
potatoes and sweet potatoes 4 min then . . .
peas-fresh or frozen 8 min more and done.

Susan adds, "This is the basic recipe that I got years ago. Mommy Du doesn't bother with the barley anymore. She will often add good quality beef. I use frozen corn and green beans and just cook a little longer. Mommy Du will actually add most any vegetable and frequently varies the recipe."



Importance of Spending Time Together: Making Deposits in the Bank of Family Closeness

WHEN I'M GIVING TALKS TO FAMILY BUSINESS AUDIENCES, PEOPLE OFTEN WANT TO know the secret of my two families and their ability to stay together for a combined period of more than two centuries. There are dozens of things that each family does to strengthen a culture of cohesiveness, but one that towers in importance is what I call, "Making deposits in the Bank of Family Closeness." And that means spending time together. For a nuclear family, that would mean having meals together and sharing stories. For families that include several generations and that are geographically separated, a valuable substitute is spending vacations or weekends together at least once a year.

Spending time together is an important concept. Use this newsletter to start people thinking about making time to be together. Feel free to quote any part of the sample text (here or anywhere else, that's what it's there for), or use the sample questions to spark your own ideas.

Sample Questions

- What helps keep our family together?
- What are some of the elements of our family culture?
- What are values that we cherish?
- How important is it for us to spend time together?
- What are the benefits of spending time together?
- What can we do to ensure that our family stays together in the future?
- Should the founder or current matriarch or patriarch make provision in their estate to fund family vacations or dinners in perpetuity?
- What are some of the holiday traditions that we need to pass on to future generations?
- How can we improve the family newsletters?



Families, Recipes, and Memories Thereof: Key Ingredients for Family Bonding

FOOD IS ENDLESSLY IMPORTANT TO FAMILY COHESIVENESS. IT'S OVER DINNER THAT the family can reconnect emotionally and it's over dinner that kids get to learn the family stories and "what it means to be us."

But that's not the end of it. According to Joe Califano, head of the Columbia Center on Addiction and Substance Abuse, the number of meals you have together correlates directly with your kids' vulnerability to drugs. If you regularly have five meals together during the week, it's highly protective. The children are likely to have absorbed attitudes about who they are, and these attitudes help make them better able to resist peer pressures.

Preparing recipes from older family members is an excellent way of increasing the bonding that happens in high-functioning families. It gives younger members a sense of where they came from and that the world didn't just start with them.

Be sure to collect significant recipes because someday, Aunt Alice or Grandma won't be around to share those recipes with you. Ah, this makes me remember a recipe I wish I had asked for!

It has to do with boiled corned beef. Since my father was President and Chairman of the Sheraton Hotels, and since he recognized that having a great chef could make or break a hotel, he put significant effort into personally recruiting the Sheraton chefs.

One day in the late 1940s, father decided as part of his recruitment efforts that he'd invite one of the world-famous chefs he was courting to come for dinner at our at our family home in Lincoln, Massachusetts. Uh, er..but...he neglected to tell Mother that he was bringing home a VIP guest.

The menu that night was New England Boiled Dinner, and mother, somewhat embarrassed at having such plain fare for a world famous chef, gamely served the food to her five children, plus father and grandfather, and the celebrity chef.

The chef was delirious with praise, “Oh Mrs. Henderson,” he gushed, “I have never tasted such a delicious meal in my life!”

A moment later, Father noticed that Mother had gotten up from the table and seemingly fled into the kitchen.

Concerned and surprised, he followed her. Mother was in tears by the kitchen sink, dabbing her eyes with her apron.

“Molly,” Father said, “what’s wrong?”

“The chef was making fun of me,” Mother whimpered, burying her face against his chest.

“No, Dear,” Father reassured her. “The chef was so used to fancy cooking that he didn’t know how good simple foods lovingly prepared, can be.”

“Really?”

“Really!”

Mother looked happy again. She and Father returned to the dinner table and she resumed being the charming and gracious hostess that she was famous for being.

I remember the event because I was there, but in addition, it turned into a family story that I bet we told 100 times. But you know what? I sure wish I had the recipe so I could cook it while serving it to my grandchildren.

Recipes can be a magnificent way of connecting with your family history. Please, please collect the recipes while you can!

I’m sharing some Perdue recipes in the sample text, but I’m counting on you using your own family recipes that will go with your own family stories.

Sample Questions

- What foods do you particularly remember eating as a child?
- What is your all-time favorite food?
- What is earliest memory of food?
- Do you have memories of foods you loved that were served during holidays?
- What do you remember from school lunches?
- Did you have a lunch box?
- What’s the first thing you cooked?
- Who is the best cook in the family?
- Who taught you to cook?
- Were any of your children fussy eaters?
- What did you do about it?
- Do you have a sweet tooth?
- There’s a lot of talk these days about sugar being bad for us. Any thoughts on this?
- Do you enjoy cooking?
- Who does most of the cooking in the house?
- Do you like to have people over to eat?
- Do you have favorite recipes that you’d like to share?
- Please write a great, big, long essay on Why Perdue Chicken Is Fabulous.



Charitable Giving: One of the Best Ways of Keeping Families Together

OVER AND OVER AGAIN, I'VE SEEN THAT PHILANTHROPY IS THE GLUE THAT HELPS KEEP families together across the generations. It's certainly true in the Henderson and Perdue families, but it's almost always present in the cases of families that last for generations.

Philanthropy is great for the recipients, but it's fabulous blessing for the givers. Families that engage in philanthropy have an inoculation against selfishness. Choosing to think of someone besides yourself guarantees that you're not focusing exclusively on yourself. And then I think of something from Frank's Ethical Will, where he told his children and all those who came after him, "If you want to be happy, think of what you can do for someone else. If you want to be miserable, think what's owed to you."

In my opinion the biggest reason 70% of family businesses don't make it past the first generation is selfishness. People get into quarrels, they're addicted to being right, and they don't see themselves as being part of something bigger than themselves. These are all hallmarks of selfishness.

In the Henderson family, selfishness is looked down on. My sister Augusta Petrone sums it up by saying, "Self is sin." I don't think she means this in a strictly religious sense, but rather that selfishness causes so much pain and dysfunction that it's both a symptom and a cause of misery.

Being charitable may be the world's best inoculant against selfishness. Experiencing the joy of giving can be a barrier against the cramped, self-centered approach that leads to unhappiness. Use this newsletter as a way of supporting a culture of unselfishness. As always, feel free to copy any part of this that's useful to you. And by all means, please put your personal stamp on it, using your wisdom and your experience.