

Financial Advisory

Investment Banking

Private Equity



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The plot does not change ... Only the theatre and the actors!

de Visscher & Co.

When Tyson Foods, Smucker's, Heineken ... and other great family businesses needed capital to grow and transition to future generations, they went first and foremost to their business friends. When the Young Presidents Organization (YPO) was started, members went to their peers when they needed advice and capital. Growing a family company is hard work and requires capital and advice from like-minded investors who understand what it takes and view themselves as partners to the business owners rather than just investors. Somehow, in the easy money decade of the 90's and early 21st century, family businesses drifted towards the fast money from banks and private equity funds to solve their liquidity or capital dilemma. Preaching Patient Capital to family businesses was a very lonely exercise ... Well, things changed quickly in the Great Recession. Private equity investors and banks alike exercised necessary investment provisions to protect their short-term investments and earn a hefty return, at the detriment of the family owners patient capital. Those family businesses, who could not meet the demand of investors, were recapitalized, sold or merged, even if the long-term prospects for the business were brilliant, the family ownership was solid and the governance well developed.

Now, in the aftermath of the crisis, we are seeing once again family businesses seeking long-term partners - not just investors - to meet the liquidity demands of growing families or finance the investments of globalization. And who would be better long-term partners to a family business than a single family office, which experiences or has experienced the same challenges faced by today's family

business; which understand family dynamics and which has a long-term view on return and capital investments. For the single family offices, partnering with business-owning families alleviates most disadvantages of private equity. It is a direct investment and not a blind pool. It is long-term allowing the family to build another legacy asset. It is based on trust and relationship with like-minded owners. Last but not least, family businesses are branded and poised for growth with the right long-term partners.

In 2010, de Visscher & Co. established Family Capital Partners ("FCP") to serve as a conduit of long-term equity capital from Family Offices and patient sources of capital to invest in growing Family Owned Companies looking for trustworthy, value-added and like-minded capital partners. "Families Investing in Families"™

Families Investing in Families™ is the future family business capital model. Around the globe, single family offices have been growing in number and size. Each and everyone of them will continue to seek opportunities to invest long-term with other families ... because they can trust them. Growing family businesses operating in a global economy will

continue to seek long-capital partners ... they can trust. Trust and not some artificial calculation of unknown future return becomes the cornerstone of the partnership between single family offices and family businesses. The family's patient capital has found a like-minded partner in the single family office to assist in providing capital for liquidity of shareholders or growth capital for the business. So indeed the plot does not change. A family business is born; it grows over the generations to becoming a single family office, which in turn will invest in another family company seeking a long-term partner. This family company will grow over the generations to also becoming a single family office ... And the great family of family businesses is born!

François M. de Visscher

December 2010



Life Care Companies LLC
has received financing commitments totaling

\$50,000,000



The undersigned served as exclusive financial advisor to Life Care Companies LLC



This announcement appears as a matter of record only.

de Visscher & Co. recently completed two engagements with Life Care Services (LCS), beginning with an in-depth assessment of the Company's corporate finance options and alternatives in order to best accomplish the Company's strategic goal of creating a cash reserve of "dry powder" to implement its growth and acquisition strategy. The Company had the further goals of achieving liquidity for key shareholders and maintaining control of the Company. de Visscher sourced attractive, long-term oriented, "patient capital" investors that would align well with LCS' goals. As a result, LCS obtained a commitment for \$50MM of low cost, minority ownership, common stock equity capital that can remain in place for 10 years. To complement the equity raise and complete the "dry powder" capital strategy, de Visscher facilitated increasing the Company's senior debt financing to \$50MM, allowing the Company to combine its long-term equity capital base with additional low-cost debt to best position itself for future growth.

de Visscher & Co. recently assisted Robison Oil, a family-owned heating oil and energy provider, in refinancing its debt during difficult industry conditions. de Visscher helped Robison analyze the various debt, equity and strategic options that were available to the Company. As a result, Robison decided to seek a long-term equity partner to help in its growth plans and allow the Company to expand the amount and extend the maturity of its low cost debt facilities. de Visscher delivered an investor group that provided minority ownership capital that allowed Robison to also refinance the Company's debt facilities. The new capital allowed management to accumulate resources to fund future growth as well as create an adequate cushion against market volatility.

December 2010



Singer Energy Group LLC
has received financing commitments and a preferred equity investment totaling

\$32,000,000





The undersigned served as exclusive financial advisor to Singer Energy Group LLC



This announcement appears as a matter of record only.

Advisor of the Quarter

James Olan Hutcheson, President



The number one reason a family business calls my firm for help is uncertainty.

In the past 16 years, ReGENERATION Partners has had the privilege of working with approximately 140 client families. These family enterprises have ranged from some of the world's largest companies to mom-and-pop micro-enterprises. While the challenges of each enterprise have ranged significantly, at the very core, the issues are

surprisingly similar. The number-one reason why the family and/or the business brings in our firm is when they are facing uncertainty.

The most common causes of uncertainty are conflict, governance, business performance, or succession. Conflict in a family enterprise is common and frankly, expected, just as it is in many areas of our lives. In a family enterprise, however, the conflict often emanates among siblings, within or between generations, or between shareholders and management. The long histories and complicated intimate relationships make resolving intra-family conflict a subtle and challenging issue.

What's good for family businesses is often good for the economy. Some 80% or 90% of US companies are family owned, producing \$6 trillion in revenue and providing 78% of new jobs. Often, family businesses outperform companies without family ownership or involvement. However, only 33% successfully pass to the second generation, just 10% pass to the third generation, and only 4% make it to the fourth generation.

A recent survey of 83 family businesses identified common problems that threaten family business survival, including predictable culprits, such as relationship conflict, aging, financial issues, and health. Startlingly, though, more than half reported grappling with issues related to addiction. Several psychological problems were also named: mood disorders, attention deficit disorder (ADD), and depression. Another common challenge: "someone not at the table that influences actions at the table."

Governance issues represent another significant source of stress for many family enterprises. Often a family enterprise starts small and grows and expands without a lot of long-range planning. One day, the leaders realize they have an enterprise worth preserving for the future and learn that they lack key governance agreements such as a shareholders' agreement, buy and sell terms, accountability, compensation rules, and an employment policy for family members.

In the recent recession years, it is no surprise that business performance has added to uncertainty. Dealing with poor performance is especially challenging in family enterprises because of tradition, family hierarchy, and embedded relationships that create roadblocks to change.

But the greatest source of uncertainty in family enterprises is succession. Questions about the future leadership of the family enterprise hits so many sensitive areas that it is the primary reason why so many family businesses fail to survive past the first generation.

Succession issues abound and cause significant angst among both the older and younger generations of leadership and ownership. Succession issues are most difficult to manage when (1) the succeeding generation lacks the desire or skills to do the work, (2) an entitlement attitude dominates, (3) the senior generation has not developed outside interest or has not adequately planned financially for the future, (4) ownership is confused with the role of management and ownership, or (5) the business has been managed without a genuine focus on caring and preserving for the future (adequate capital reserves, strategic planning, capable management, estate planning, etc.).

Successfully managing the succession dilemma presents two primary choices: transferring the business to heirs or selling to a third party. Each option has benefits and limitations. In both cases, a successful transition requires several key ingredients:

- **a quality team of professionals** who have experience and know how to work with other team members, including a family business consultant and a financial advisor. The financial analysis required for a thorough and independent analysis is not the domain of your in-house controller or your CPA but rather a specialty firm. Firms such as de Visscher & Company will involve the corporate controller as well as the CPA as they are critical members of the team;
- **planning several years ahead**, to help the current leader identify and develop the best candidates for successor; to help the company develop the financial strength needed to fund the transition; to help the current leader adequately develop his or her own personal financial strength to support a comfortable retirement; and to develop outside interests so the outgoing leader will have something meaningful to retire to (such as civic, industry or charitable leadership roles);
- **solid governance systems**, including a shareholders' agreement, buy and sell terms, accountability, compensation rules, and an employment policy for family members; and
- **healthy interpersonal relationships** that allow for transparency, effective and respectful communication, clear boundaries, and spending time together away from the company.

The decision to sell or keep, lead or follow is often made just once in a generation. But it can be the most important decision of that generation. Recognizing that the long-term survival of every business will involve transferring ownership and control to others is the foundation block for a successful succession.

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*A Recent
Survey ...*

Top Ten Concerns of Single Family Offices in 2010

1. Investment Strategies to Preserve and Grow Wealth
2. Outsourced vs. SFO In-House Services
3. Entrepreneurship Within the Single Family Office
4. Direct Investment in Private Companies
5. Multi-Generational Wealth Preservation / Asset Protection
6. Integration of Next Generation
7. Emerging Markets Investments
8. Attracting and Retaining SFO Talent
9. SFO Legislation
10. Socially Responsible Investing Without Sacrifice

Source: Survey conducted by The Family Office Association, 2010, Greenwich, CT.

de Visscher & Co.'s Upcoming Speaking Engagements

The Institute for Business Owners & Executives
New York, NY
March 23, 2011
www.fifpe.org

European Families in Business Conference
Milan, Italy
July 7 & 8, 2011
www.campdenconferences.com

Family Office Association Spring Global Summit
Greenwich, CT
April 21, 2011
(François de Visscher will be Chairing this event)
www.familyofficeassociation.org

FFI Mid-Atlantic Chapter
Philadelphia, PA
September 21, 2011
www.ffi.org

IFERA World family Business Conference
Sicily, Italy
July 1, 2011
www.ifera.org

**Family Firm Institute Conference
NeXt Generation. New Generations.**
Boston, MA
October 12 - 15, 2011
www.ffi.org



de Visscher & Co.

is an independent financial advisor to business owning families and closely held businesses worldwide. Through a unique combination of financial advisory, capital raising and investment banking services the team at de Visscher & Co. creates high value-added solutions to the liquidity needs of shareholders and the capital needs of their businesses.

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A National Affiliate Network of seasoned, professional services firms dedicated to providing growth advisory and investment banking services to middle market and family-owned companies and their principals.

Website: www.businessgrowthalliance.net