

editor's note



ONE OF MY MOST VIVID MEMORIES FROM CHILDHOOD IS PLAYING HIDE-AND-SEEK AT MY FATHER'S SHOP. He was a subcontractor (doors, frames, and hardware) and his storage building included rows and rows of hollow metal frames—perfect tunnels for kids to run through and hide in.

My dad's company, Sanflo (named for my mom and my dad's original partner's wife), was a successful, vibrant, and growing company for more than two decades. But none of my siblings were interested in going into the business, and when my father's health slipped, the business went under. As with too many family businesses, there was no management succession plan in place. A recent survey by FMI Corporation (if you're not familiar with them, FMI is one of the leading contractor and construction industry consulting firms) reports that 24% of all contractors expect to no longer be active in their business in less than five years—yet 30% are not ready to transfer ownership and another 20% are unsure or unaware of techniques for transferring ownership. According to Hugh Rice, chairman of FMI, "Many owners simply do not understand how difficult it can be to manage a successful internal transfer. Transferring internally can take eight to 10 years and is not an easy proposition."

Rice offers five key components to ownership transfer and succession management:

1. Defining objectives and parameters of the plan
2. Valuing the business
3. Exploring and selecting appropriate ownership transfer techniques
4. Understanding and addressing management succession issues
5. Implementation and follow-through

Of course, management transfer isn't the only key workplace issue facing the fabrication community today. In response, this year's AISC Annual Meeting is focusing on this area. The Annual Meeting is a networking and educational opportunity open to all AISC members, but is primarily targeted to fabricators, service centers,

mills, detailers, and suppliers.

The meeting is at the Red Rock Resort Casino and Spa in Las Vegas (visit www.aisc.org/annualmeeting for more information) and will focus on a wide range of critical issues, including:

- Andrew Patron from FMI discussing "Attracting and Retaining a Quality Workforce"
- Patrick L. Cont from Sturm & Cont on "Immigration Reform and the Fabrication Industry"
- Author and Consultant Cam Marston on "Realities of the New Age Workforce"
- Wayne Rivers from the Family Business Institute on "Ownership Transition".

These issues affect all of us and are critical for the future success of the steel construction industry. In addition to these presentations, there are several formal and informal networking opportunities. The meeting is being held October 4-6 and provides an intriguing counterpoint to AISC's annual Steel Conference. While the latter is the industry's premier event and includes an enticing smorgasbord of technical sessions plus an ever-growing exhibit hall, the fall meeting is much smaller, focused on specific topics, and offers great opportunity for relationship building.

If you're intrigued, visit www.aisc.org/annualmeeting to register. Hope to see you in Las Vegas!

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