

Creutzverhör #3 · · · · ·

»Passing on the company is like a fresh start!«



From left to right: Arthur Piront, Vincent Piront, Guillaume Piront

Michel Grignard



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»Passing on the company is like a fresh start!«

How is the current crisis affecting the transfer of family businesses? For many entrepreneurs, the company they have founded or taken over constitutes the bulk of their personal assets. A lifetime's work, or the work of several lives, can be wiped out if one does not prepare to pass on the business well in advance.

For this third »Creutzverhör«, Michael Kalscheuer and Tom Rasqué met with Vincent Piront (55) and his sons Guillaume and Arthur (28 and 23). Experts in the insulation and waterproofing of industrial buildings, they run three separate but highly complementary companies: Vincent Piront SA (www.vincentpiront.com), Phonotech (www.phonotech.com) and RMS8 (www.rms8.be). This original approach to generational handover ticked the boxes for Michel Grignard: now retired, the co-founder of BDO Belgium still assists a few families in their investment projects in Belgium and Luxembourg.

Here are their testimonials ...

Michael Kalscheuer – How are you dealing with the current crisis?

Arthur Piront – I have been working at full throttle. When you run a company, you don't ask yourself questions, you just go for it. And in the construction sector, the consequences of the crisis are not immediate, even if we are now seeing some tensions on the suppliers' side, with some shortages.

Guillaume Piront – Orders have not stopped and we have a lot of work to do at the beginning of the year. It's for 2022–2023 that I'm more worried, because fewer projects will have been launched in the meantime. That's why we took advantage of the lockdown period, at a time when we had fewer meetings with customers, to work on new soundproofing products.

Vincent Piront – At the beginning of the crisis, last March, I must admit that I was very scared. When you see people panicking, the stock market plummeting, you wonder if you're going to be able to resist. Especially since 2019 was not an excellent year. Even if the impact of the crisis is delayed by 12 to 18 months in the building industry, we know that construction projects will run out of steam. So, to compensate, we have reoriented ourselves towards the renovation market: in the region, hundreds of millions of square meters of flat roofs need to be renovated every twenty years. Very quickly, we launched a campaign aimed at landlords ... and it's starting to bear fruit.



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Tom Rasqué – Mr Grignard, do you see similar reactions in other family businesses?

Michel Grignard – Yes, when the crisis comes, you have to be daring! And that's often where family entrepreneurs make the difference. After all, we live through at least one crisis every decade. Of course, each one is different, but those who tell you that you couldn't expect it obviously don't think long-term: a ten-year plan with continuous growth is not reasonable. You need to internalize the possibility of a crisis in order to anticipate the bad times, to prepare for them, but also to know how to bounce back. Because after each crisis, there is renewal, redevelopment and new growth. In a crisis, there are those who freeze up, who retreat into their igloo. And there are entrepreneurs who dare, who innovate.

Michael Kalscheuer – Crisis periods reveal the strengths of family businesses?

Michel Grignard – Action-reaction: the great strength of family businesses is their speed of decision and intervention, their adaptability, their flexibility. Large companies are sometimes more resilient, but do not decide quickly. Faced with a problem, they will create a task-force with five commissions, which will deliver five reports, with power struggles to determine which study is the most relevant, before submitting proposals to the general management who will water them down ... before presenting scenarios to the board of directors the following quarter. It's easy to lose a year! My credo: »Make a mistake, but decide!«. Out of ten decisions, there will be 3 or 4 mistakes, but also 5 or 6 good ideas that help you make giant steps forward. The worst thing is not to decide, to go around in circles.

Vincent Piront – I can confirm, our big advantage is reactivity. No need to convince distant decision-makers, because this is our own business: we roll up our sleeves and work harder. At the same time, we think long term, especially when the next generations are coming along!

Guillaume Piront – I believe that we also react quickly because we are in direct contact with customers, employees, suppliers ...

Arthur Piront – And between us, things go fast too! In a crisis situation, family support, the possibility to talk with one's father and between brothers, that counts a lot. I never feel alone!

Michel Grignard – You're lucky Arthur, because very often the risk in family businesses is that the entrepreneur finds himself alone and doesn't know how to confront his point of view with other people. It's very important to know how to surround yourself, to confront yourself with an ally, someone who is there to help in good times and in stormy weather, but who will also challenge you, who will force you to defend your decisions. This has not yet become common practice: most business leaders are afraid to open their hearts and their books. It's normal, they have chosen not to have a boss, they don't want to report to anyone.

Vincent Piront – I know very well what you mean Michel. At 55, I still feel like a young and dynamic boss. But you are never safe from an accident or illness: that's why I wanted to transfer my business to my sons.

Tom Rasqué – Has the crisis slowed down your company transfer project?



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Vincent Piront – Not at all. But I must say that we're not talking about a quick transaction, like »here are the keys, I'll take my check and good luck to you!« We started a long process, which will take years. This process involves the integration of my sons into the group, the transmission of all the experience I have acquired in 35 years, but above all their training by themselves, through the difficulties they will encounter in their respective projects.

Guillaume Piront – This gives us a great deal of freedom. I use my abilities as best I can, while being guided by my father on the big picture, but not for the small problems for which I have to act and acquire my own experience. Had we worked at the same time in the same company, with Arthur, we would have stepped on each other's toes. Honestly, between my father, who is very demanding, and my brother, who always has his own ideas, it could quickly degenerate and harm our private relationships. And that was out of the question! Here, we communicate to guide each other, to help each other, to share.

Arthur Piront – The three of us have one or two meetings a week to discuss the big choices, but that's all. It is during these meetings that all decisions are made. The problems of the week, but also the medium- and long-term projects are discussed, each one brings his solution proposal, and a collegial decision is each time found without any particular conflict.

***Michael Kalscheuer* – What advice would you give to other entrepreneurs?**

Arthur Piront – First of all, you have to do something you love! Just because I had the opportunity to work in the group doesn't mean that I absolutely had to do it. I did it because it's exactly what I wanted to do, what my studies were about. I was excited about becoming an entrepreneur and I seized the opportunity when it presented itself. Clearly, at some point I had to make a choice. I could have continued my studies and completed a Master's degree at the University. But I have no regrets at all ...

Guillaume Piront – You have to be passionate about your job. Passion also comes from the fact that each one in his own corner, we have the freedom to carry out what we want to do. When you look forward to going to work in the morning, that's when you can have interesting ideas, perform well, create happiness in the workplace with your staff. If you come in with a long face, grumbling, you can't expect your staff to smile and do a good job. You have to be at ease with yourself.

Vincent Piront – Life isn't about yesterday, it's not tomorrow... it's now! Too few people integrate the present in their private and professional choices. We integrate the future a lot, with long-term projects and financial goals. We integrate the past a little to take advantage of what we have learnt, both positive and negative. But you have to integrate the present! My biggest achievement is the pleasure I find at work every day. For the rest, giving advice is risky, because each situation is different, each family is different. All I can say is that I'm having a wonderful time right now with my sons. They find their jobs fulfilling, they impress me with their adaptability ... but also with a level of skills I had no idea they possessed!

Michel Grignard – Vincent, I must nevertheless emphasize that what you are doing is both rare and exemplary. Too many entrepreneurs wait until the last moment, yet it is better to leave too soon than too late. Before you have lost the taste for risk and become obsessed



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with protecting what you have built, which is often a sure sign of imminent stagnation and decline. You started early, which also prepares the company, makes it transferable. The »one-man-show« company is worthless, because it cannot be run by anyone other than its current boss. In order to sell or transfer the company, everything must be documented, from the production processes to relations with customers and all stakeholders. It's hard, when you have everything in your head ... it takes time.

Tom Rasqué – And for the buyers, those of the new generation?

Michel Grignard – They are the ones who will give the company a new impetus! To do this, it's best to arrive with some experience, even if it means going elsewhere first, to work in other companies or other countries. Except if, like Guillaume and Arthur, you can run your own company to prove yourself, with a great deal of freedom. And even then, I would recommend that you devote two to three weeks a year to training, to put your business into perspective. On the other hand, it can be very frustrating for children to have to wait for the omnipresent father to decide to pass the baton. This is not the case with Vincent, but it is still very common. I always tell daughters and sons that they can encourage their father – or mother – by showing that they are ready to take on responsibilities, by suggesting new projects, a company to buy or a product to launch. If they don't show their appetite, they may one day learn that their parents sold the business without consulting them.

Michael Kalscheuer – Any closing words of advice?

Michel Grignard – Communicate! Talk to each other regularly, within the family and with your trusted advisor, including about painful topics, to clear the air. A family business is a beautiful creature, you really have to take care of it ...

Vincent Piront – There is nothing more motivating than to see your children evolve in the family business. For me, passing on the company is like a fresh start: it gives me new perspectives in my private and professional life.

Arthur Piront – Always take decisions that make you happy ... and for the crisis, put things into perspective and remain positive!

Guillaume Piront – In my job, I have realized what an incredibly vast number of projects we could undertake. My head is brimming with ideas. The future is rich and the world is full of promise.

Tom Rasqué – Thank you gentlemen, I really wish you a lot of happiness ...

Michael Kalscheuer – ... and many more successful business achievements!

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