

TRUST, PRIDE and TALENT

Survival and success of
Australian family
businesses

“Challenges of cousin consortiums and sibling teams”

Lauren Aveling
A VELING



Photo courtesy Tourism Tasmania & Hobart City Council

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Introduction to AVELING



Family Business
Australia

- A Registered Training Organisation specialising in Safety and Leadership training predominantly for the Resources sector
 - Three training divisions: Safety, Leadership, E-learning
 - 4 locations within WA
 - 25 training rooms
 - 60 staff + 30 trainers



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History of AVELING



Family Business
Australia

- In 1997, Tony Aveling and Associates was formed under the directorship of Tony and June.
- In 1999 we moved to rented office space with two training rooms.
 - At this point, Jayson ran his business from the same office space.
- In 2000 the business won a contract with Hamersley Iron to conduct safety inductions.
- In 2003 we purchased premises with 3 training rooms.



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Family Business
Australia

- In 2005 another premises was purchased, increasing our capacity to 8 rooms plus a commercial kitchen.
- In 2006 we opened the new training facility.
 - Lauren entered the business on a full-time basis as an Accounts Clerk.
- In 2007 the E-learning team was developed and our first online course released.
- In 2011 a business restructure led to a change in reporting.
 - Lauren and Jayson were now the only two managers reporting directly to Tony.



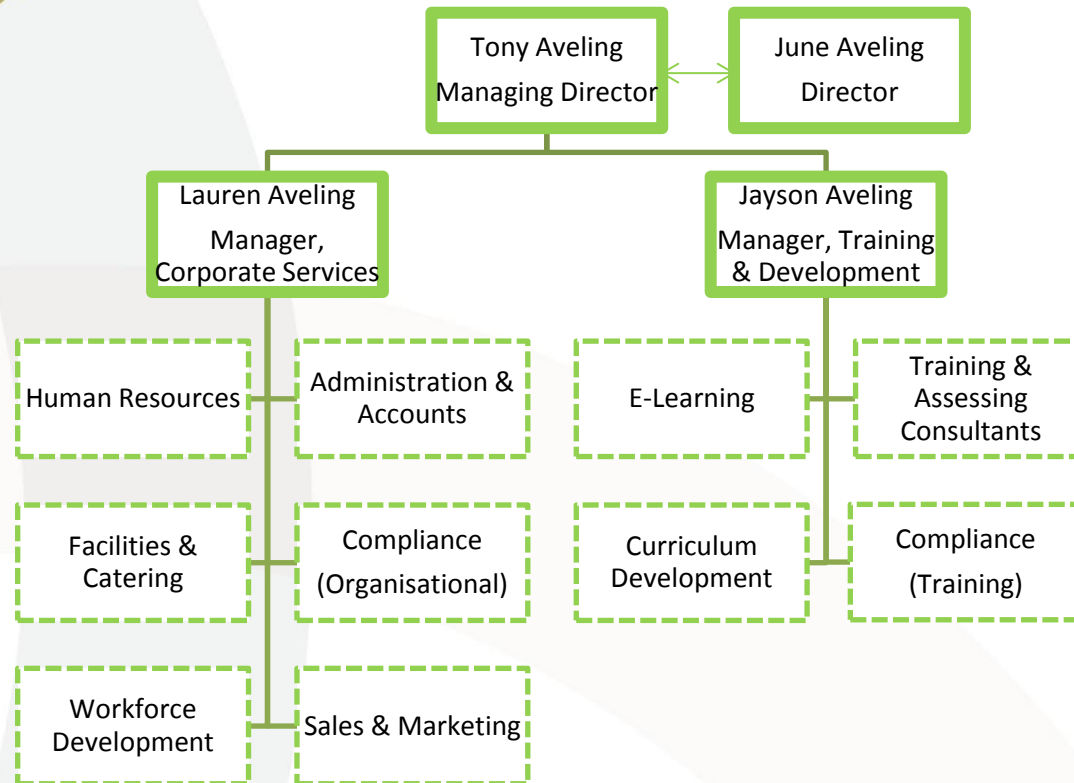
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Family Business
Australia

Organisation Chart



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The Aveling Family



Family Business
Australia

- Tony (61) is the middle one of five brothers
- Tony and June have Lauren (29) and Riann (28)
- Tony's older brother Roy, has two sons – Jayson (42) and Boyd (39)
- Jayson has two sons Harry (8) and Oscar (7)



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The Corporate Lifecycle

www.adizes.com



Family Business
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Business Governance



Family Business
Australia

- Directors are Tony, June, Lauren and Riann
- No defined board or Family Council
- Senior Management Meetings every month – Tony, June, Jayson and Lauren
- Currently looking at the need for more structure in relation to governance.



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Challenges of Family Business



Family Business
Australia

- Different communication and leadership styles made more challenging by the need to maintain personal relationships.
- Different ways of thinking within the family.
- The importance for family members to understand the functions of all areas of the business.
- Respectfulness of the family relationships.





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O'Sullivan Family



ABBE CORRUGATED
CORRUGATED CARDBOARD PACKAGING



ABBE INDUSTRIAL PACKAGING
CORRUGATED CARDBOARD & TIMBER PACKAGING



AUSTCOR PACKAGING
CORRUGATED CARDBOARD PACKAGING
"Small enough to care, big enough to deliver"

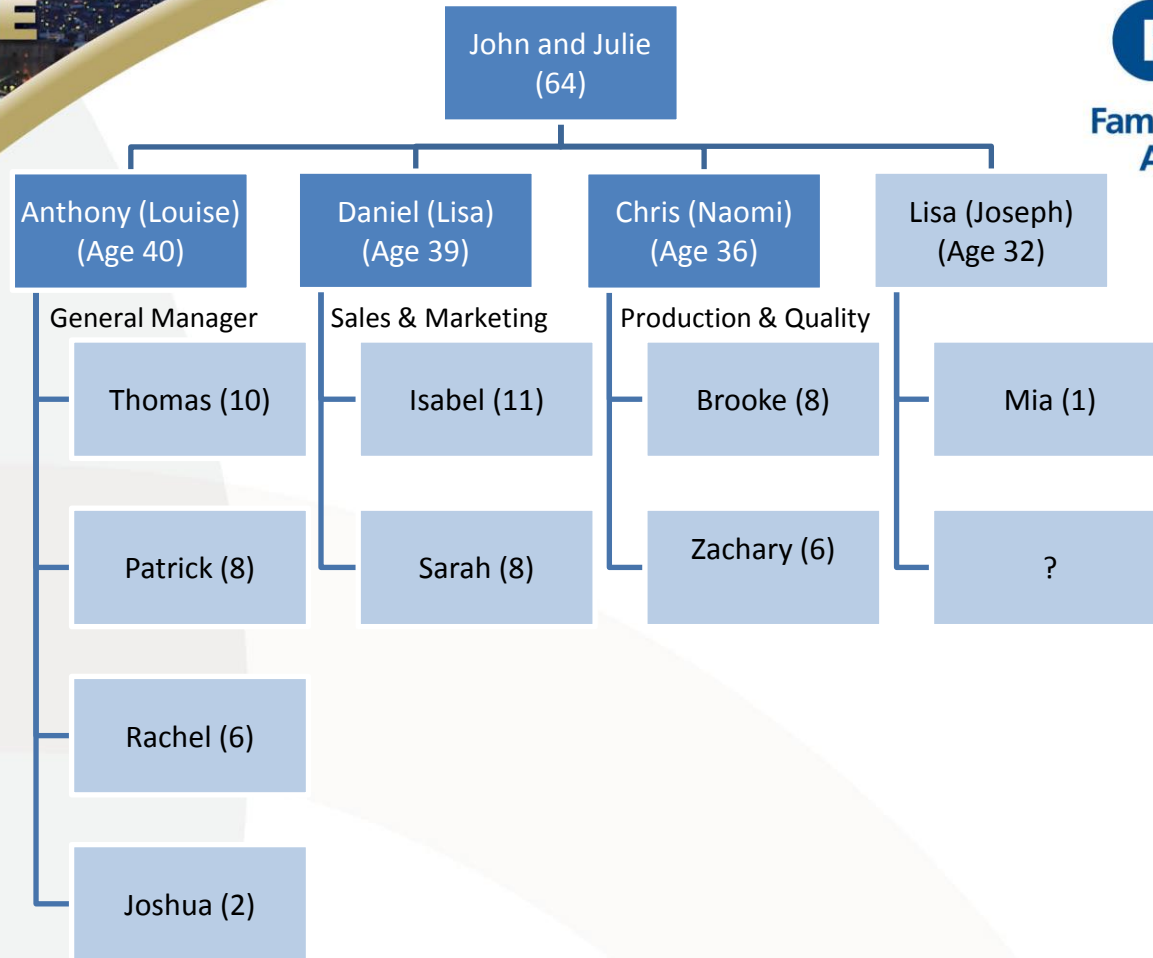


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Family Business
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Our History



Family Business
Australia

- 1954 PJ O'Sullivan founded Cardboard Containers Manufacturing Co.
- 1970 Father and Uncle commenced work alongside their Father
- 1986 Cardboard Containers was sold to Amcor and the Smorgon Family
- 1990 Uncle founded Abbe Corrugated and asked Father to join
- 1992 Anthony and Daniel joined starting work in the factory
- 1997 Parents bought out Uncle
- 1998 Chris joined the company
- 2003 Relocate Factory from Campbellfield (5,000m²) to Broadmeadows (20,000m²)
- 2008 Purchase majority share of Austcor Packaging (NSW)
- 2008 Family agrees to stay working together on same site (Broadmeadows) and Business Partners manage Austcor Packaging
- 2009 Purchase a timber and heavy duty packaging business and commence Abbe Industrial Packaging
- 2013 Relocate from Broadmeadows (20,000m²) to Coolaroo (33,000m²)



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Family Business
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Snapshot

- Market Share ~5% Nationally
- 290 Employees (across 3 sites) – Abbe (170) Austcor (100) AIP (20)
- 2,700 Active Customers
- Order Quantities from 1 to 100,000 boxes
- 400km² of Corrugated Cardboard produced per day
- 500,000 Boxes produced per day
- Shortest lead times in the industry
- Over 6,000 Pallets of Boxes delivered each week
- In-house Structural Design, Graphic Design, Plate Making, Ink Mixing
- Ranked #1 Quality & Service by BIS Shrapnel last 3 reports



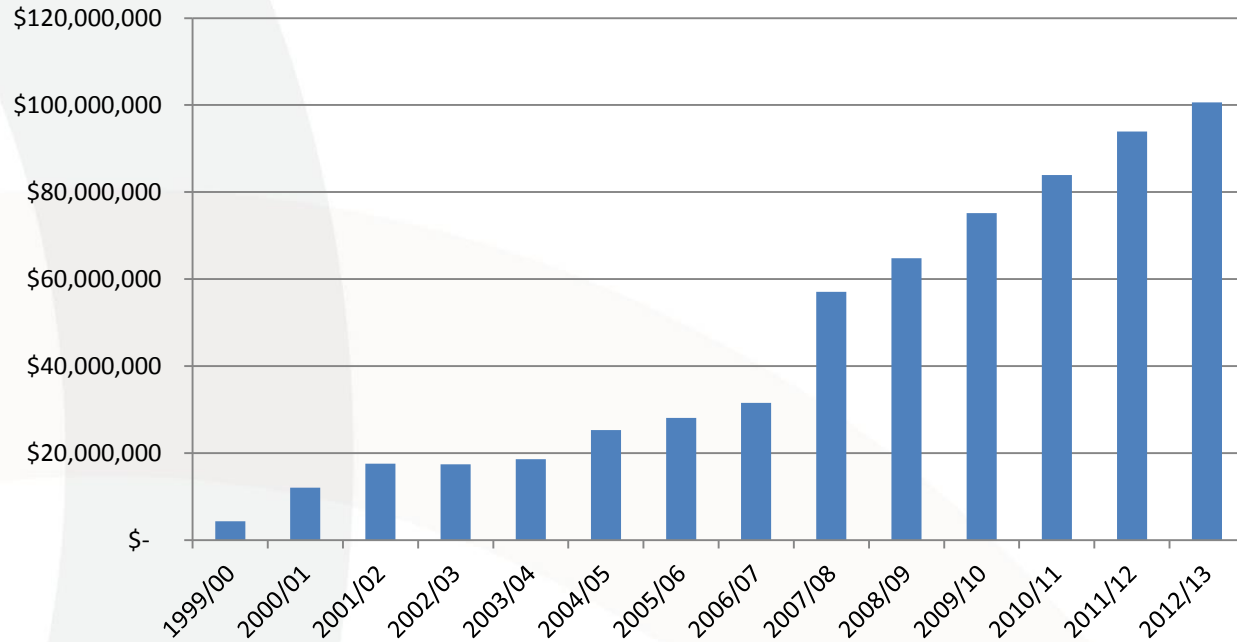
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\$ Sales



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Family Business
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Business Challenges

- Maintaining & enhancing the family culture in a growing business
 - Internally
 - Externally
- Continue to grow the business
 - Maintain strategic business direction
 - Profitable sustainable growth
 - Maintaining focus in new and niche markets
- Transition and Governance
 - Transition from G1 to G2
 - Preparing for G3 to enter the business. (hopefully!)



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Fruit & Vegetable
Meat, Poultry & Seafood
Dairy
Confectionery
Printers
Processed Foods
Wine & Beverage
Clothing & textile
Electronics
Consumer/Point of Sale
Industrial
Bulk Packaging
Protective Packaging



Family Business
Australia





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TOBIN BROTHERS FUNERALS

- Founded 1934 by brothers Leo, Phonse, Tom and Kevin
- Established in the Flemington area of Melbourne, serving predominantly Catholic families
- In our first year of trade we conducted 53 funerals, 2012-13 we conducted 5585 funerals, market share 22-23%
- 21 Funeral Chapels, Murray Valley Cremations and majority share in Amalgamated Casket Company
- Employ 180 people and turnover approx \$35mil

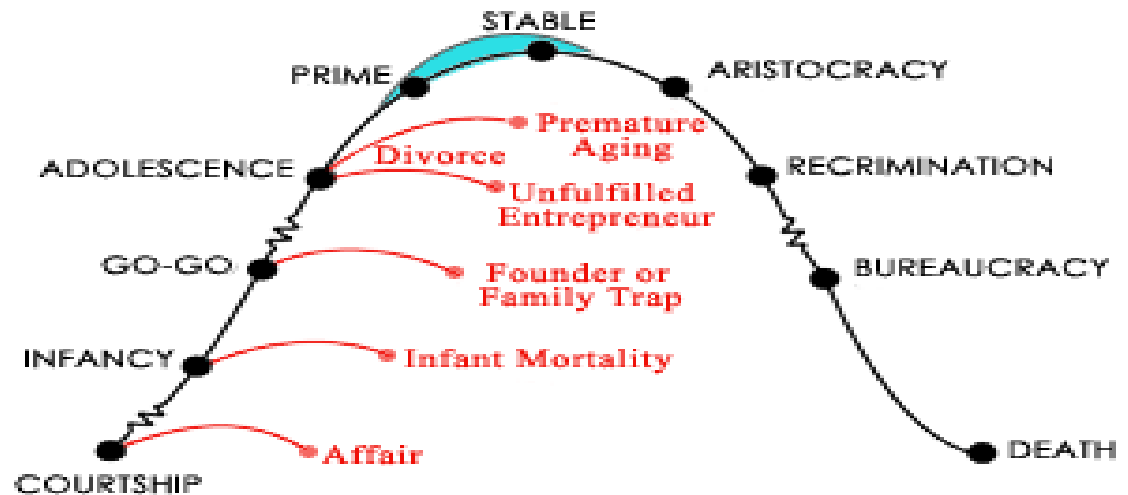


Photo courtesy Tourism Tasmania & Hobart City Council

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Tobin Brothers “lifecycle”



ADIZES ORGANIZATIONAL LIFECYCLES™

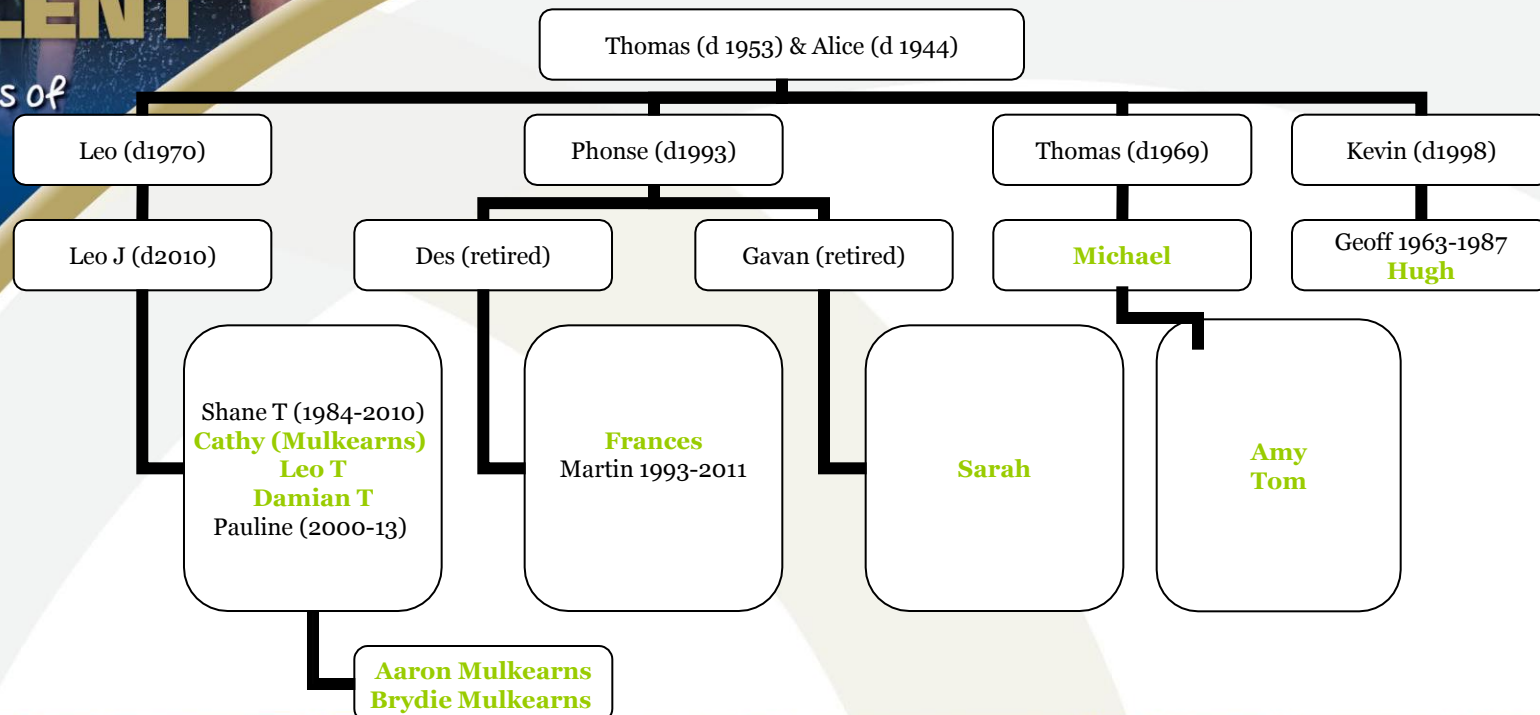


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The Tobin Family





A.V. TOBIN

**FUNERAL
DIRECTOR**

UNDERTAKER

Phone **FU6645**

**FUNERAL
PARLORS**

Phone
FU6645

**UNDERTAKER
AND
EMBALMER**

**A.V. TOBIN
—
FUNERAL DIRECTOR**



Photo courtesy Tourism Tasmania & Hobart City Council



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Tobin Brothers Organisation

SHAREHOLDERS

Michael Tobin and Leo Tobin

BOARD OF DIRECTIONS

1 from each shareholding family
2 non family senior managers
1 external business adviser

SENIOR MANAGEMENT

Managing Director- non family
General Manager- non family / Manager Operations- non family
HR/ Training- non family

BRANCH MANAGERS

5 family
10 non family



Photo courtesy Tourism Tasmania & Hobart City Council



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CHALLENGES...

- The changing landscape of our industry:
Media and technology, more savvy shoppers, competition
- Family in the business:
Criteria for entry, roles within, strategy for exit
- Succession of ownership- 2nd generation to 3rd

