

## The Family Business Network Pacific Asia

**“The life cycle of an Asian family business : How to create a meaningful legacy”**

Manila, 3 February 2010

Christian Stewart



# **The voice of Generation 1:**

**“I am thinking about whether my son is good enough to succeed me in running the business”**

# **The voice of Generation 1:**

**“I have listened to many people  
... and now I have made up my  
own mind. I have decided what  
to do”**

## **The voice of Generation 2:**

**“We meet with my father every Sunday for a family lunch and we talk about the business... on the other hand it is difficult for us to talk about the future with him.”**

# **In Generation 2:**

***Are you a Steward ? or  
Are you an Inheritor?***

***How about your siblings?***

# From G 2 to G3:

**“...my son has just finished his studies ... I think he should come and work for me now”**

## **The voice of Generation 3:**

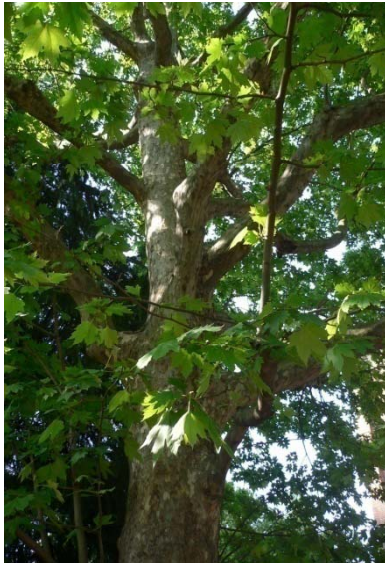
**“...when you join the family business you want to have some picture of what it can offer you, and where you can go....”**

## **The voice of Generation 3:**

**“...Because you are a family member people will always think you were promoted because of nepotism rather than your own merit....”**



# Family Legacy Asia (HK) Limited



The goal of Family Legacy Asia is to help families in Asia preserve their Human, Intellectual, Social and Financial Capital across the generations. But this is not an easy task. In Chinese there is a saying that wealth only lasts for three generations. Only one in three family controlled businesses successfully pass into the second generation and only about 10% last to the third generation. While the above statistics are well known, it would still be the exception rather than the norm to see a family in Asia adopting family governance practices.

Family Legacy Asia was established to provide Asian families with independent advice focused solely on helping families plan and then implement best succession and family governance practices.

- The right process can help a family that own and manage a business together to prepare for transitions.
- Clarifying roles and responsibilities and having an agreed process for family decision making and creating the right family forums can help avoid family conflict.
- “Family business governance” can help to solve succession problems in family businesses.
- Family business governance” can help maintain family shareholder unity and emotional commitment.
- The right process can help avoid arguments about who, in the next generation, is competent and qualified to work in the family business.

# **We act as an Expert Advisor in relation to Trust matters & we act as a Process Consultant helping families work on Family Governance. These are two different roles**

## **Family Governance Experience**

- **Interviewing key family members & giving feedback on the family transitions, family system, family culture etc.**
- **Planning and facilitating family meetings. Helping to form a Family Council**
- **Assessing emotional commitment to the family business through interviews**
- **Facilitating / project managing the preparation of family employment policies / shareholders agreements**
- **Developing an education & development program for the next generation**

## **Trust Experience**

- **Ensuring the family trust structures are aligned with the business succession planning objectives**
- **Establishing & administering Private Trust Company structures**
- **Family Banks**
- **Incentive Trusts**
- **Incorporating a Mentoring Committee into a trust**
- **Trusts to house the Family Office**

# Christian Stewart



Christian Stewart founded Family Legacy Asia to help Asian families preserve their family wealth for generations, by providing them with independent and objective advice on good family governance.

He has nineteen years experience in advising high net worth individuals and families on complex trust structuring, estate planning and succession matters, including fifteen years in Asia.

Before founding Family Legacy Asia, he was a Managing Director and the head of the Wealth Advisory Team in Asia for JPMorgan Private Bank for six years. In that capacity, he has worked with some of the leading families and Family Offices in Asia on family governance, private trust companies, and cutting edge wealth structuring techniques.

When he first joined JPMorgan Private Bank in 2002, its Asian Wealth Advisory team primarily focused on trust structuring. Christian transformed the services and skill set of his team by helping to bring to Asia JPMorgan's US know how and expertise on charity and philanthropy, family governance and family owned business succession, and applying this expertise for the benefit of JPMorgan's Asian clients. In his six years with JPMorgan, he grew their Wealth Advisory team in Asia from a team of 3, to a team of 8 professional Wealth Advisors.

Prior to joining JPMorgan, Christian was a Tax Partner at PricewaterhouseCoopers in Hong Kong. In his 7 1/2 years at PwC he helped found and lead its Trust and Private Client Group and helped PwC create a reputation as one of Hong Kong's leading firms in the trust planning area.

Christian started his career as a Solicitor in private practice in South Australia. During his 4 years as a Solicitor, he helped clients with tax, trusts, wills and estate planning work. He is qualified as a solicitor in the Australian State of South Australia, in England and Wales, and in Hong Kong.

In June 2002, he was named one of the top ten tax advisors in Hong Kong by the International Tax Review in its annual survey of leading tax advisors.

# Contact Information

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