

It's a Framing Affair

Businesses run together by family members present their own set of challenges and benefits.

by Joshua Gabriel

Family business is big business. According to *The Family Business Review*, family-owned businesses comprise 80 to 90% of all business enterprises in North America. The framing industry is no different. There are a large number of framing-related businesses where more than one family member is involved. That can bring unique challenges as well as great triumphs.

It's not uncommon to find spouses, siblings, or parents and their children working together within a framing company. It seems to be a very rewarding proposition. Since parents are often reluctant to impose career choices upon their children, many younger family members that do choose to enter the business are passionate about the craft. Bernard Saliba started Setauket Frame Shop in East Setauket, NY more than 30 years ago.

Today, he and his wife, Shirley, reside in Florida, having left their business behind in the well-prepared hands of their daughters, Dawn and Jennifer. Dawn Saliba started working for her parents at age 16. She remembers seeing her first Norman Rockwell print and immediately loving the power of art. "I have always loved having the opportunity to build relationships with customers," says Saliba. "Picture framing is an amazing thing in that it has the power to make every picture look different."

Perhaps a major benefit of working within a larger organization is the ability to interact and build relationships with a lot of people. That is less likely in a family business where relatives often



The Saliba family have worked together for years in their business, Setauket Frame Shop in East Setauket, NY. From left to right is Bernard and Shirley Saliba, Jennifer Marcello, and Dawn Saliba.

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take on the role of friend, co-worker, and, in some instances, "boss." "Jennifer and I have always been close," says Saliba. "Operating a small business with a family member may not help my social life but I am more than content. I feel like I work with my best friend."

Working in a family business often means long hours. "We were taught early on that there is no overtime pay in a family business," says Saliba. "You simply work until everything is finished and everyone is expected to pitch in." Despite the lack of "extra compensation," doing work that serves to directly benefit a family can prove even more rewarding.

Those interested in bringing a family member into their business may face challenging matters. Although few are willing to suggest that compensation is an issue, it can cause tension when the amount of work is not perceived as equal. Another concern is balancing work and family life. Evelyn Boswell, a researcher at Montana State University found that family businesses tend to represent themselves as driven by their own family's values.

Unfortunately they often fail to put those "family values" in writing. That may affect employees not related to the family.

Disagreements among co-workers are common in all businesses, but when family is involved problems can linger outside the office. Stan Fleishman of The Frame Factory in Chicago, IL believes it's easier to resolve business conflicts when family members are involved. Says Fleishman, "There are always different opinions and ideas, but regardless of the conflict you will always be family."

Fleishman considers himself very fortunate. As a father of grown children he relishes the opportunity to see his four daughters each day. Each of the daughters has been intimately involved with the business for years, often providing help as young children before individually going off to college. Currently, they are each responsible for different facets of the business. And their dad couldn't be more proud. "I would recommend a family business to anyone," says Fleishman, "...that is if their children are as great as my daughters."

Most individuals involved with family believe that trust is an important and positive attribute. Fleishman agrees, noting, "Where could I possibly find a more trustworthy employee?" Anyone considering a relative for an open position should consider the trust factor.



Brothers Mike (l) and Kevin (r) Milano find both value and enjoyment in working together at FramERICA.

While most employees prove equally honest, having family involved does tend to put the store owner at ease.

Business owners intending to one day pass their "baby" on to the next generation should be careful to make notes of all the allies and associates they have made. Jeremiah Itzkowitz, a third generation member of Yale Picture Frame and Moulding in Brooklyn, NY, has benefited greatly from the contacts made by his father and grandfather. "My grandfa-

ther started this business in 1929," says Itzkowitz. "He and my father have always tried to stress that the same mistake shouldn't be made twice. I think their collective experience has been a big help."

There is also often an open sharing of knowledge in a family business that allows for coverage in times of need. Whether the issue is a sick day, an important bank deposit, or just the need to bounce ideas off of someone,

having a group of relatives familiar with the inner workings of a company adds a unique support structure. "I believe that you would be hard pressed to find a boss that shares everything," says Itzkowitz. "But in families nothing is hidden."

Those involved in a family business, or those hoping the next generation will carry on, should speak with a lawyer about legally protecting all parties. The University of Connecticut Family Business Program reports, "Inadequate estate planning and failure to properly prepare and provide for the transition to the next generation, coupled with the lack of funds to pay estate taxes, were among the three lead-

ing causes for the failure of family-owned businesses. In 47% of the cases, the transition and ultimate collapse of the firm was precipitated by the founder's death."

It's also a sound idea to generate legal documents that outline each family member's role should any unfortunate disagreements be too much to overcome. Please

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note that individual states handle these matters differently. It's therefore best to contact an attorney within the state that your business is incorporated.

Although most instances in which family members work together involve a company owned by that family, that is not always the case. Framerica, a moulding manufacturer in Yaphank, NY, currently employs 31 sets of relatives, a practice that the company believes provides a positive atmosphere. "I wasn't surprised to learn that there were that many relatives... we encourage it," notes Dave Rosner, the company's senior vice president of marketing. "I think they enjoy seeing each other and sharing their experiences with-

out having to deal with the normal concerns of a family business."

At least one pair agrees. Brothers Kevin and Mike Milano work closely together, in sales and marketing respectively. "I had the benefit of Kevin telling me that [Framerica] was a great place to work," says Mike. "We both enjoy working together."

If you have ever heard your grandfather say, "You take the good with the bad," he was probably referencing his sibling partner. There are disagreements, battles over money, and long hours. There is loyalty, friendship, and openness. So speak with a lawyer, lend a helping hand... and continue to take the good with the bad. Enjoy the good. ■

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Joshua Gabriel has spent many years in the picture framing industry, the last several focused on marketing. With a bachelor's degree in business marketing, he has done extensive writing and research in the field.