SAK financial
Unlocking Business Wealth

CASE STUDY:

INCENTIVIZING FOR THE LONG-TERM

OVERVIEW

A 50-year-old technology firm owned 51% by Brother 1 and 49% owned by widow of Brother 2. Current president is the son of Brother 1 and, along with his management team, wants business to flourish.

CHALLENGES

The business has been conservatively operated, providing limited benefits and lower-than-average wages for its employees. New equipment has not been acquired to keep up with current technology, inventory has not been properly controlled, product design has been stifled or non-existent and morale was poor.

S|A|K FINANCIAL SOLUTION

The controlling stockholder agreed to relax his control of the business and permit his son, the President, and his team to purchase new equipment, hire new engineers, form a foreign joint venture, and pursue new technology. In exchange for their efforts, the team was given a long-term incentive plan that provides each a large monetary reward when a liquidity event occurs.

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