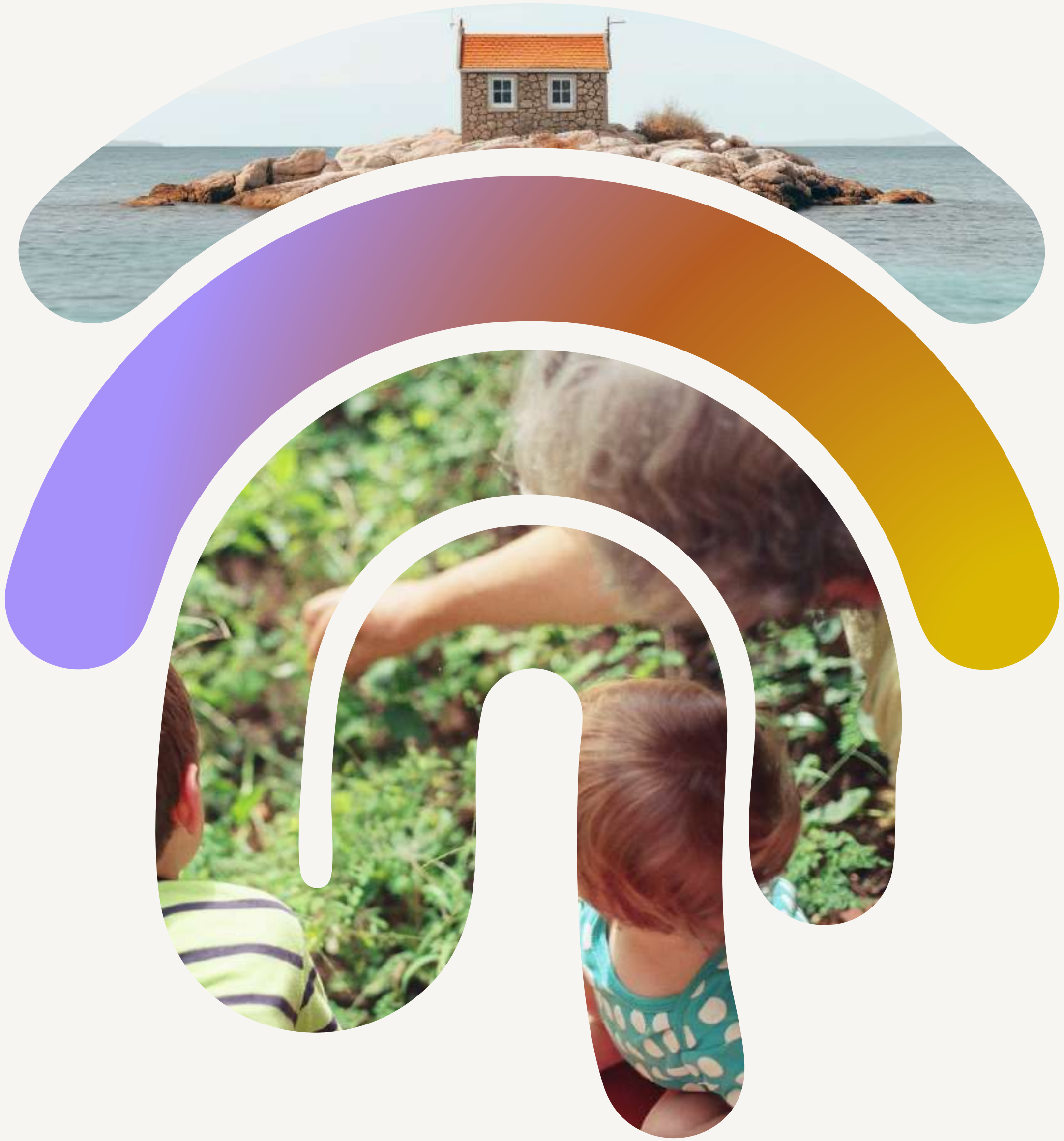


HEC PARIS | Dieter Schwarz Foundation FAMILY BUSINESS center

TRANSMISSION AS THE ULTIMATE ENTREPRENEURIAL ACT

Executive summary and practitioner insights by Angèle Marinelli, PhD Candidate, and Cécile de Lisle, Executive Director, HEC Paris Dieter Schwarz Foundation Family Business Center, based on the Meaneo White Paper of Baschet and Sensey with the scientific contribution of HEC Paris Dieter Schwarz Foundation Family Business Center and a foreword by Dr Cécile de Lisle.

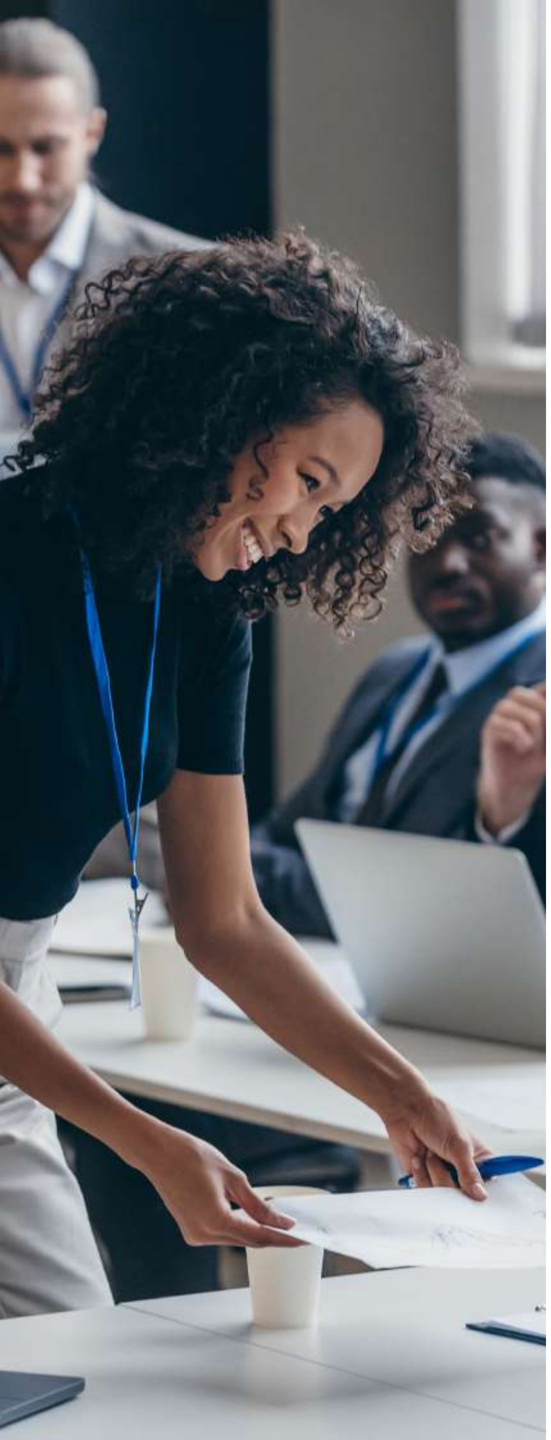
This summary draws on the core elements of Baschet and Sensey's research, with interpretation and application developed independently by Angèle Marinelli, and Cécile de Lisle for a family business audience.

EXECUTIVE SUMMARY

Transmission is oftentimes treated as a transaction, but it's actually an existential passage, and treating it as a deal is why most fail. Nearly 370,000 French companies will change hands by 2030, yet fewer than a quarter reach the second generation and barely 20% the third. Two-thirds of SME transmissions fail to preserve value within five years, and the causes are almost never technical: they fail when human, cultural, and organizational ties were never clarified. Owners' real priorities contradict how the ecosystem talks to them. Only 14% rank price maximization first, while 48% prioritize continuity and job preservation and 40% say the successor's values and character matter most, yet bankers, lawyers, and accountants speak multiples, clauses, and closing timelines, never the meaning of the project itself. The result is that owners delay, retreat into denial, or hand over a company with no compass, exposing successors to risks the founder never had to name out loud.

BUT WHAT DOES THIS MEANS FOR YOUR FIRM?

Continue reading to learn **three key levers to help you** and **questions** to ask in your family firm!



THE THREE STRUCTURING DYNAMICS

LUCIDITY

Name what you want to transmit, what you're prepared to transform, and what must stay intangible, before any negotiation begins. This clarification is the foundation: without it, the successor inherits a company but not a direction, and the outgoing leader has nothing solid to hand off but assets.

METHOD

Replace the one-time deal with an explicit framework such as the white paper's Carnet de Transmission Durable, which covers five pillars, a story of continuity, a map of risks and dependencies, a continuity project built jointly with the successor, mechanisms that align economic interests, and a calendar that orchestrates the handover step by step.

POSTURE

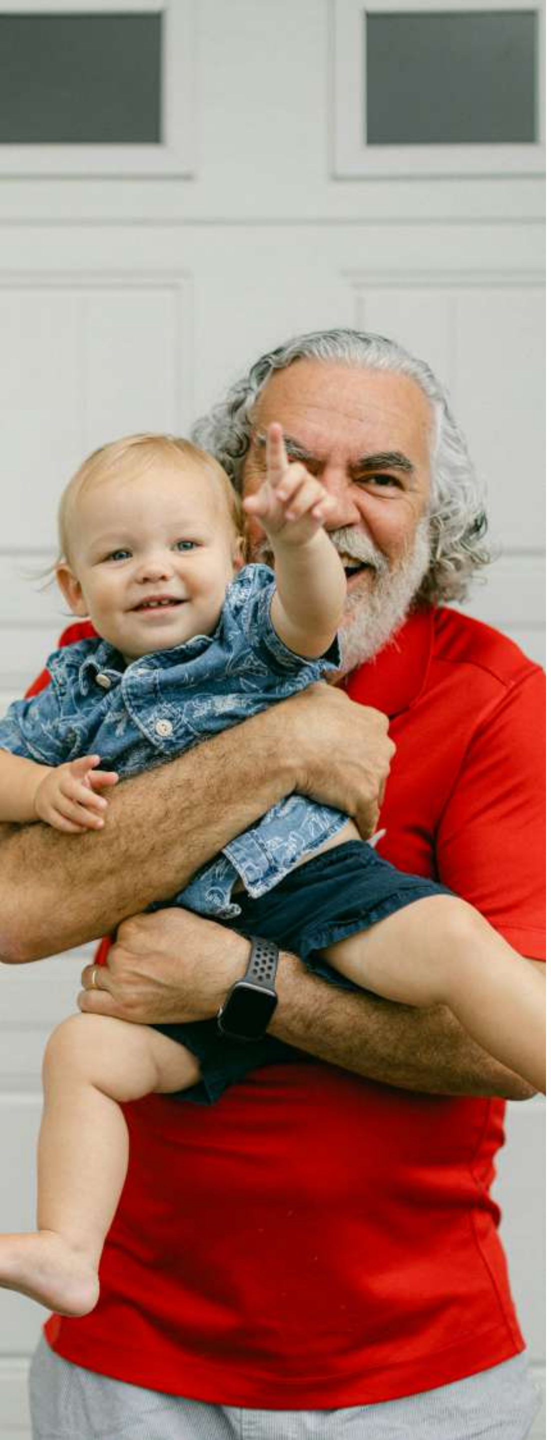
Durable transmissions are the ones where the outgoing leader holds a fair presence instead of clinging or vanishing, the successor commits to a clear line instead of hedging, and the organization behaves consistently throughout. Coherence between what's said and what's done is what ultimately legitimizes the successor.

THE BOTTOMLINE

These three levers are sequential, not optional. Method without lucidity produces a well-organized process pointed nowhere. Posture without method produces good intentions with no structure to hold them.

Firms that govern their transmission through all three see it consistently: teams adopt the new governance faster, clients perceive continuity as credible, financial partners gain real visibility, the successor gains legitimacy sooner, and the outgoing leader finds a fair place rather than a forced exit.

Transmission is not an ending. It's an act of leadership toward employees, clients, territories, and the broader economic fabric the company belongs to. Governing a transmission well is governing a piece of the country's economic future, and it starts two to three years before the deal, not at the closing table.



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QUESTIONS TO ASK WITHIN YOUR FAMILY FIRM

? Have we clarified, in writing, what we want to preserve and what we're willing to transform, early enough that we won't become part of that statistic?

? Beyond the deal checklist our bankers and lawyers hand us, have we built our own method: a continuity project that reflects what we care about, not just what closes fastest?

? Do we have an actual sequenced calendar with milestones, or is our transition still living in "we'll figure it out when it's time"?

? Is our posture, and our successor's, already consistent enough that the organization would trust this handover if it happened tomorrow?