

Business Case - Business Succession Program for Hamilton

Presenter

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Discussion Summary

- A 2018 study by the Canadian Federation of Business provided statistics that 72% of Canadian business owners planned to exit their business in the next ten years, with 47% planning to exit in the next five years.
- A large percentage of these businesses do not have a business succession plan in place (either a formal or an informal one)
- A large percentage of those businesses are relatively small businesses including small independent businesses (without a significant asset base or profitability) that would have a hard time finding a professional service organization to help them with transition to a new ownership group.
- The business community provided feedback to the City of Hamilton's Economic Development Division about the importance of this issue and a desire for attention to be placed on this issue, and an "Action" was created in the 2016-2020 Economic Development Action Plan to pursue a potential "program".
 - o Research has been undertaken on the general issue and whether there are example programs out there being delivered by private or public organizations to address the gap in services available.
 - o I have been tasked with developing a Business Succession Program business model, and to search for funding opportunities to operate a pilot project.
- I am interested in sharing information about this initiative (which is in its early stages) with Hamilton BIAs, and to solicit feedback from those organizations about the perceived need for a program like this, and what specific components of a program should look like.