

Entrepreneurs are born - or made by OSMOSIS

Much has been said of the failure of second generation family businesses in making it to the third generation or beyond. Here PHILIPPA TAYLOR tries to set the record straight.

A recent article in the Financial Review went so far as to say that there is a school of thought that believes that many family businesses belong in an industrial age, they're not worth passing on and the new generation of entrepreneurs will run (non-family) businesses in tune with the more dynamic, global business environment.

If that is true, a second generation family business in Ivanhoe, Victoria is proving an exception to the rule.

C-Direct, a business supplying an extensive product range within niche markets like corporate clubs, tertiary education institutions and hospitals, has undergone a number of changes and consolidation under the capable ownership and management of husband and wife team, Peter and Angela Ciliberto.

Their children, Danielle Ciliberto-Renner and Andrew Ciliberto were given the opportunity to obtain qualifications in their chosen fields, and both chose to join the family business; Danielle in the Human Resources and Customer Services Department, Andrew as the company's IT manager. Both children had worked in the family business, casually, during school holidays – so they knew what they were getting into.

It has often been said that technology is the great divider between the baby-boomers and subsequent generations. Peter makes no secret of the fact that the digital era caught him by surprise. "We were into photography in a big way, and we simply didn't see it coming", he said. But once he 'got it', he more than made up for his uncharacteristic lapse!

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Danielle-Ciliberto-Renner and brother Andrew

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Son Andrew, Peter says with pride, has been his coach. "Without Andrew's expertise in IT, we wouldn't be where we are today," said Peter. "He has the patience to teach me, and has helped me catch up".

Danielle, meanwhile, expanded her portfolio and began looking for opportunities in retail.

It wasn't long before brother and sister began to display their inherited entrepreneurial flair with the realization that diversification was the key to growth and the development of their own business.

Late last year, this enterprising young duo saw business opportunities growing from the era of the digital camera and the mobile phone. While thousands of people have embraced the technology of the digital camera, many now find themselves unable to print the pictures. Similarly, mobile phone users are frustrated by complicated phone plans.

They realised that an outlet offering simple solutions to the technological difficulties would attract a following, and founded Fusion Store in East Ivanhoe.

The store is a licensed Telstra dealer, and specialises in most major brand name digital cameras - and other technology based products like Apple ipods and MP3 players.

Customers can print their digital photographs in store. "It is a known fact that after our own age group, the over 65s are the next biggest users of E-Commerce," said Danielle. "We had one lady of 80 phone us for our email address, as she wanted to email her photos to us for printing. Retirees have the time to bring themselves up to speed in the latest technology."

The second generation team at C-Direct has an added boost in Danielle's husband and business partner. When C-Direct's project manager Robert Renner, married the boss's daughter, he joined the family business in every sense of the word.

Asked if they agreed with the newspaper article's assertion that young people are declining to enter the family business, the three disagree. "The incoming generation doesn't have to do it the same way. We had the family business as a safety net, and were encouraged to develop our own ideas," said Danielle.

The C-Direct/Fusion story is one of evolution; a fusion of generations that has led to continuing success. **FBA**

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