



# ANNUAL REPORT

2020

2021

# ACKNOWLEDGEMENT OF THE LAND

We acknowledge that our membership spans multiple unceded traditional territories of many nations, and that the Family Enterprise Canada office in Oakville operates on the traditional territory of the Mississaugas, Neutral, Huron-Wendat and Haudenosaunee, and the Family Enterprise Foundation office in Montreal operates on the traditional territory of the Kanien'keha:ka (Mohawk). We recognize and deeply appreciate their historic connection to the land, and we have the responsibility to honour and respect the original keepers of this territory and the many Indigenous Peoples living here today.

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# ABOUT FAMILY ENTERPRISE CANADA\*

We are the national community for family business in Canada. Our goal is to ensure the long-term success and continuity of enterprising families and their family enterprises, across generations. Family Enterprise Canada empowers business families and Family Enterprise Advisors (FEAs) to thrive by providing dynamic peer communities, family-focused learning, relevant resources, a family enterprise specific designation and – together with our Foundation – a voice for all.

→ For more information about Family Enterprise Canada, please visit [FamilyEnterprise.ca](https://FamilyEnterprise.ca)



# ABOUT FAMILY ENTERPRISE FOUNDATION

Family Enterprise Foundation (FEF) is the charitable organization of Family Enterprise Canada. As the unified voice of family enterprise in Canada, Family Enterprise Foundation focuses on developing family-focused educational resources, conducting research, building a strong and connected ecosystem and promoting the success and sustainability of entrepreneurial families and their enterprises to ensure intergenerational longevity.

→ To learn more, please visit [FamilyEnterpriseFoundation.org](https://FamilyEnterpriseFoundation.org).

\*Family Enterprise Canada is a registered business name of Family Enterprise Xchange (FEX) and will not replace the legal corporate name until a name change resolution is approved by members at the Annual General Meeting on September 14, 2021.



# MESSAGE FROM THE CEO

What a year of disruption and change it has been – for the world, for our personal lives, for business families and for our organization. In addition to the stress and concerns we all experienced with our health and well-being, certain members in our community have struggled economically over the past year. Like many of you, however, we are emerging from the pandemic stronger and looking a little bit different. We adapted our programs and platform for the virtual environment and have continued our evolution to a truly national model while expanding our community to encompass the whole business family ecosystem in Canada. These exciting changes prompted a small but meaningful adjustment to our name. Going forward, we will be **Family Enterprise Canada**, a name that better reflects who and what we are today: one face, one voice, one community for Canadian family enterprise from coast to coast.

Our response to the operational and financial impacts of the pandemic and the progress achieved over the past year is a reflection of the tremendous work and commitment of our dedicated Family Enterprise Canada team. The adjustments to existing programs, introduction of new programs and activities and evolution of our business model are major team accomplishments under challenging conditions. On behalf of our whole community, I want to thank our dedicated team for their efforts and commitment.

We look forward to the coming year with a great sense of optimism knowing the proven strength and resilience of family enterprises. We believe Canadian business families and our designated Family Enterprise Advisors will play an important role in the economic recovery now underway. At Family Enterprise Canada, we too will embrace the opportunities and challenges that arise over the coming year to ensure our community continues to thrive and succeed.



**Bill Brushett**

President and CEO, Family Enterprise Canada  
President and CEO, Family Enterprise Foundation

# MESSAGE FROM OUR BOARD CHAIRS

Our purpose and mission are clear, we are committed to ensuring the success, continuity and sustainability of Canadian business families and their family enterprises.

Our research prior to the pandemic highlighted the considerable impact of family-owned businesses – small, medium and large – as the real backbone of our Canadian economy. The experiences of the past year and a half confirmed the critical integrated support systems family enterprises provide to our communities and to the social well-being of all Canadians. While many Canadian businesses struggled over the past eighteen months, many family-owned businesses from across the country stepped up and dug deep to support their employees, their communities and their businesses. They provided essential services, medical, personal and financial support to their employees and their communities' charitable and social services. They pivoted to produce PPE or focused their philanthropic activities where needed most, proving once again their critical role in the Canadian economy. The resilience and strength of the family enterprise system is indeed amazing.

As we embark on a thoughtful post-pandemic recovery, we truly believe family enterprises will play a critical role in leading the way. It is a critical time for family enterprises, and it is incumbent upon us to support, encourage and champion family enterprise on a successful path towards a future where they continue to thrive.

At Family Enterprise Canada and Family Enterprise Foundation, we empower and inspire business families to be their best. We will continue to be the centre for the dissemination of collaborative research, to be the voice of family enterprise in Canada, to develop and provide access to world class educational resources, programs and thought leadership. We will continue building a connected community for business families and Family Enterprise Advisors, providing a platform for a flourishing eco-system where multi-generational continuity provides pathways for sustainability.

**WE INVITE ALL FAMILY ENTERPRISES TO JOIN OUR COMMUNITY.** If you know a family enterprise, invite them to be a part of our strong, dynamic community, where everyone speaks the same language – the language of family enterprise.

Finally, on behalf of our Boards of Directors, we want to express our appreciation to the talented team at Family Enterprise Canada and Family Enterprise Foundation. Through very trying times over the past year, they performed exceptionally well. They adapted to mitigate the operational and financial challenges of the pandemic, developed and introduced new programs and services, successfully executed a merger of two predecessor foundations to constitute Family Enterprise Foundation and continued to connect and engage our community across the country. Thank you for your commitment and dedication to our community.



**Susan St Amand**

Board Chair, Family Enterprise Canada



**Margaret-Jean Mannix**

Board Chair, Family Enterprise Foundation  
Board Vice Chair, Family Enterprise Canada

Highlights: Past, Present & Future

# A DYNAMIC PEER COMMUNITY THAT HELPS YOU THRIVE

## One Family Community, Two Unique Experiences

Member feedback over several years was to implement clear and concise membership options. We listened and together with our members we created **one unified family membership** that provides two different experience options: Foundational and Progressive. Families can be at different stages in their family enterprise journey, requiring different resources, levels of support and ways to participate in our community.

→ [Learn more](#) about our two Family membership experience options.



## Integrating Our FEA Designates

During the past year, we introduced a program for new FEA designates to help them build relationships and participate in the full Family Enterprise Canada experience. The objective is to ensure our newest FEAs are fully empowered by our community through member engagement, sharing of experiences, learning and contributing through Community Calls, creating content for newsletters and participating at events with a clear focus on driving the FEA connection to ensure our FEAs experience the full value of connecting with their peer community.

## FEA Peer Groups

FEAs have always valued the opportunity to connect with peers to share experiences, learn from each other and continue to build their skills. During the pandemic, we felt the time was right to establish self-moderated FEA Peer Groups. Some informal groups have been getting together already and we want to build on that success. We have taken a soft launch approach to this program to give us the opportunity to refine it and ensure it meets the needs of our FEAs. Flexibility in focus and design will be important to the overall success. In forming Peer Groups, we will recognize the differing interests of FEAs, such as learning, networking, focusing on an area of practice, and multi-disciplinary versus single disciplinary.





## NextGen, Our Fastest Growing Community

Our NextGen Community represents the voices of over 215 individuals from Canadian business families. Our NextGens tackle crucial business family issues with open, diverse and often non-traditional perspectives – pushing one another and holding each other accountable. With passion and commitment to leadership development in the rising generation, we can revert the “Shirtsleeves to Shirtsleeves” paradox.



### Family Enterprise Mentorship Program

In spring 2021, we introduced one of the most impactful and engaging family programs, the Mentorship Program. Focusing on the needs of our rising generation, the essence of this new program is to connect family business leaders of tomorrow with the leaders of today and yesterday. This unique program creates a culture of learning and provides personal and professional development to further Canadian family enterprise legacy and successful transitions.

→ [Learn more](#)



### Family Leadership Forum

The Family Leadership Forum, a professionally facilitated peer group designed for family members in a leadership position within their family enterprise, will launch in January 2022. The Forum will consist of eight to 10 members, led by two experienced moderators trained to work specifically with enterprising families. The Forum will provide participants with new perspectives and insights, as well as opportunities to network and strengthen their family enterprise and position it for growth and continuity.

→ [Learn more](#)





# Highlights: Past, Present & Future

## LEARNING TOGETHER, MOVING FORWARD

### Canadian Family Enterprise Forum 2021

In April 2021, we hosted our signature conference, **Canadian Family Enterprise Forum**, gathering over 250 family and FEA members virtually from coast to coast. The exceptional feedback from our community reflected the success of our insightful presentations and panel discussions on topics such as Social Impact, NextGen Dynamics, Supporting Senior Members of the Family, and more. While we all missed in-person connections, the collaboration of our FEAs and Enterprising Families during Forum allowed us to feel united as one community!

Together, we celebrated the achievements of Canadian family businesses at our National Family Enterprise of the Year Award (FEYA) celebration honouring three deeply inspiring family businesses: Burnbrae Farms, Schinkel Properties Inc. and our 2020 FEYA Recipient, Akhurst Machinery Limited.



### Families Summit of Minds 2020 & 2021

Our annual **Families Summit of Minds** conference connects enterprising families and global thought leaders in facilitated discussions, focusing on today's issues and tomorrow's opportunities, and draws on shared wisdom, contrasting opinions and solution-driven ideas. Last year, families gathered around the virtual summit table to learn about topics such as Mitigating Future Risks, Entitlement in Family Enterprise, The Digital Economy, and more.

We are planning to return to in-person for our 2021 Families Summit of Minds. On November 12 and 13, enterprising families and global thought leaders will gather in Montreal to explore important issues impacting business families today and into the future. Preparation for this unique event is progressing rapidly and the program has been finalized and includes an exciting lineup of topics and peer discussions.

→ [Learn more](#) about the 2021 Families Summit of Minds.

## **FEA Program Continues To Grow!**

In early 2020, at the start of the pandemic, we had to pivot quickly to move the FEA Program, traditionally an in-person experience, to online delivery. Thanks to the exceptional work of our team and faculty, we were able to successfully complete two in-progress cohorts virtually and launch four new virtual cohorts over the past 18 months. In total, there were 163 FEA candidates who either started the program or completed the program during the pandemic. It has been encouraging and rewarding to see enrolment and demand for the FEA Program remain so strong and continue to grow.

As vaccination rates improve and restrictions are lifted, we are planning a return to in-person delivery of the FEA Program starting in early 2022 with a Vancouver cohort in January followed by a Toronto cohort in May. However, we do see continuing demand for a virtual offering, particularly from candidates who must travel to our program locations, as well as out-of-country participants. Consequently, we anticipate continuing to offer the virtual experience with at least one cohort each year.

## **FEA Advanced Curriculum and Continuing Education**

We are developing an advanced education curriculum that builds on the learnings of the FEA Program. The primary objectives are to advance and strengthen the knowledge, skills and abilities of FEAs and to provide a continuous structured path of high-end learning on specialized topics. While being developed for FEAs, we see potential to leverage this content with business families and other interested groups in the future. The concept plan is based on a series of “mini certifications” in certain specialized topical areas (e.g., governance, family dynamics, advanced advisory skills) based on the domains of our learning continuum. We are currently engaging with focus groups with a goal to pilot the program late fall or early 2022.



Highlights: Past, Present & Future

# RESOURCES TO BUILD STRONGER FAMILY ENTERPRISES

## FamilyEnterprise.ca Resource Centre

Over the past year, we made tremendous progress adding content from the Foundation and building out our Resource Centre – unlocking significant value for business families and FEAs. Our Resource Centre contains over 1,700 pieces of content, including videos, articles, case studies, 14 new interactive activities and online courses such as Compass for Entrepreneurial Families and the recently released Financial Management for the Rising Generation. Resources are searchable by topic, audience and format making it easy to find and access relevant resources for families and FEAs.



### Family Learning Discovery Tool

The Family Learning Discovery tool, developed by the Foundation, sets business families on specialized learning paths to acquire the skills they need to succeed, build resilience and maintain transgenerational longevity. Participants are scored in three categories and offered recommendations that include topical reading materials, family enterprise related courses and activities and motivational videos from experts and peers in the family enterprise sphere. Over 300 family members used the assessment tool in 2020 and have since started their learning journey.

### Compass for Entrepreneurial Families

Our community can now access Compass for Entrepreneurial Families, an educational program developed to provide business families with a better understanding of fundamental, contemporary concepts in family business. Based on the experience and expertise of family business owners and scholars, the course is focused on five core areas:

- Balance between family and business
- Understanding life stages and their impact on family and business dynamics
- What it means to be an owner
- Effective decision-making
- Planning for the future







## “Let’s Talk **Family Enterprise**” Podcast

Our Let’s Talk Family Enterprise podcast, launched in April 2019, continues to bring valuable insights and thought provoking discussion to our community. With episodes released monthly, experts explore global ideas, concepts and models related to family enterprise advising. The podcast was created for FEA designates and members of Family Enterprise Canada in particular, but it is made available to enterprising families and advisors in Canada, the USA and world-wide through various podcast platforms.



## Family Enterprise Barometer

In collaboration with Monthly Barometer, Family Enterprise Foundation curates and issues to our Progressive Family members a valuable, predictive and analytical monthly newsletter that distills how the five major macro issues (economics, society, geopolitics, environment and technology) intersect and impact Enterprising Families in today’s world.

## Membership Discovery Tool

A streamlined process for new, future and renewing members. This onboarding diagnostic survey helps assess family needs and life-cycle stage along a continuum, then suggests the most beneficial path to a membership experience. It supports our overarching principle, **We’re here for your family, no matter where you are in your family enterprise journey!**

→ [Learn more](#)



## Highlights: Past, Present & Future

# THE VOICE OF CANADIAN FAMILY ENTERPRISE

A key mandate of Family Enterprise Foundation is to be the voice of family enterprise in Canada and a leader in family enterprise research. We seek to develop insights and thought leadership based on family-focused research which supports business families with the significant challenges they face. Another objective of our research is to influence public policy in a way that creates more positive outcomes for family enterprises, enhancing their ability to contribute to the Canadian economy and job creation in the future.

### Family Business Pulse Survey

This time of challenge and change is also a powerful learning opportunity for family enterprises and their leaders. We partnered with WATSON Inc. on a series of Family Business Pulse Surveys to learn from the experiences of family enterprise leaders and to gain their insights into what has helped leaders and businesses survive and thrive. Survey results were shared with our community in an article and live webinar events.



### Continuity Intentions of Canadian Family-Owned Businesses – Ongoing Research Project

Having lived through the COVID-19 pandemic, we understand that some families' continuity plans have been altered significantly over the past 12 to 18 months. Therefore, we felt it was time to conduct a new survey to understand the current continuity intentions of family businesses. Working on our behalf, Abacus Data completed a survey of 300 Canadian family business leaders in June 2021. Through this survey, we have gained new insight into family business continuity intentions post COVID-19. The research focused on the transition of ownership, including intentions, timelines and perceived barriers to and within family ownership. We plan to release the findings and share insights from this survey in early fall.

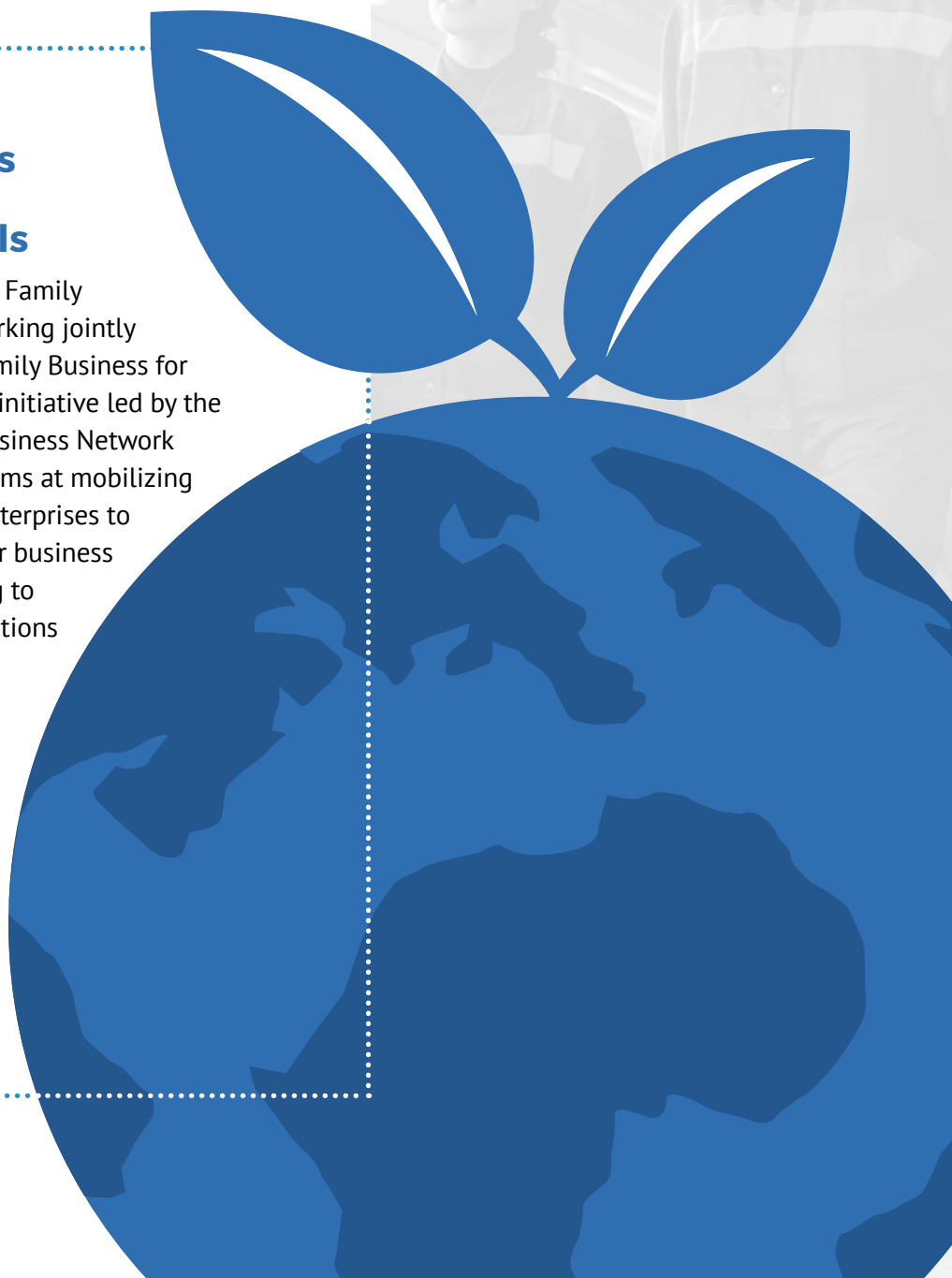


## Canada Revenue Consultations on Disbursement Quota

Family Enterprise Foundation initiated conversations with several business families to provide input for the ongoing Canada Revenue Agency consultations on the Disbursement Quota for Foundations. Family foundations are actively involved in philanthropy and make significant contributions to the family enterprise community. It is important that their interest be considered and that their voice be heard.

## Partnering With the United Nations on Sustainable Development Goals

Family Enterprise Canada and Family Enterprise Foundation are working jointly to bring to our community Family Business for Sustainable Development, an initiative led by the United Nations and Family Business Network International. This initiative aims at mobilizing business families and their enterprises to embed sustainability into their business strategies, thereby committing to concrete, measurable contributions toward identified Sustainable Development Goals (SDGs). The initiative includes the family business sustainability pledge and the adoption of transparent and comparable core sustainability indicators. Family Enterprise Canada will be launching activities specific to this initiative in fall of 2021.





# GOVERNANCE UPDATE

## Update on Family Enterprise Canada Board Directors and Committees

Last year, we welcomed six new Board Directors following their election at the AGM on September 15, 2020. The new Directors underwent intensive onboarding sessions where they were briefed on our strategy, operational model, communities, marketing, content and resources, activities and programs. As promised, the Board also established and activated several new Committees that include the Family Council and a Joint Sustainability Committee.



## Diversity, Equity and Inclusion

The Governance and Nominating Committee have started their work on a diversity and inclusion policy for the organization. The Committee introduced diversity, equity and inclusion training that is offered by the Canadian Centre for Diversity and Inclusion. The training has been completed by Board Directors and the Leadership Team and will be completed by Family Enterprise Canada staff, Council members and academic instructors in the fall.

## Joint Sustainability Committee

Family Enterprise Foundation and Family Enterprise Canada established a joint sustainability committee that focuses on developing and implementing our fundraising strategy. The Committee, which is Chaired by Karen Macdonald and includes Board Directors of both organizations, have started a campaign that aims to raise funds for specific projects related to:

- **knowledge creation**, which includes developing family-focused educational courses and resources,
- **research**, that will help shape public policy and protect the interests of family enterprises, and
- the **building of a cohesive well-supported community** of family enterprises.



## A Special Thank you

The Boards of Family Enterprise Canada and Family Enterprise Foundation, members of our community and our staff would like to say “Thank you!” to Jim Burton for his vision, passion, leadership, dedication and commitment to Family Enterprise in Canada.

And to Bill Sheffield, thank you for your dedication, commitment, leadership and devotion to the economic backbone of the Canadian economy. These two men have ridden the waves of the future and created a crest for us to continue in perpetuity. It is up to all of us, to keep on top of the crest and make the vision for family enterprise a reality.

We welcome your continued engagement with our community.



Jim Burton



William Sheffield

# OUR SUPPORTERS

## Thank You

To our Founding, Legacy and Charter members, we want to say a very big **Thank You** for your ongoing financial support of our community. Your commitment and dedication to our purpose, vision and strategy has enabled us to invest in building our capability and growing the family enterprise community across Canada. We appreciate the opportunity to continue working with you in the future.

### FOUNDING MEMBERS

James. A Burton & Family

BMO Wealth Management

David C. Bentall and  
Next Step Advisors Inc.

Nicola Wealth

PPI

TD Wealth

Allen S. Taylor & Family

### LEGACY MEMBERS

Northland Wealth Management

Alec G. Henley Group

William H. Sheffield

WCD

### CHARTER MEMBERS

KPMG Enterprise

Groupe M. Bacal Group

ITI Financial Inc.

WealthCo.

Sirius Financial Services

Flanagan Foodservice

Overbay

The Telos Group

## Our Community Ambassadors

Our Ambassadors play a vital role within our community, providing leadership and supporting important aspects of our member experience. A special **Thank You** to all the Ambassadors for your dedication and commitment over the past year, as our community navigated through the challenges and uncertainties brought on by the pandemic.





## Opportunities to Support Our Community and Work

### **Making an Impact Through Alliance Membership With Family Enterprise Canada**

The family enterprise community needs the support of its key stakeholders now more than ever! As the national community for family business, our goal is to ensure the long-term success and continuity of business families and their family enterprises, across generations. Professional advisors, financial institutions, corporations and firms that work closely with business families have a role to play in supporting their growth and prosperity. If family-owned businesses are important to you, then you will want to be closely connected to our community. Your support helps us to empower the family enterprise community.



### **Making an Impact With Family Enterprise Foundation**

You, your family or your organization can support the Family Enterprise Foundation by investing in projects focused under our strategic pillars: education, research and voice and a strong ecosystem to support family business in Canada. Your contribution will help to expand our educational courses, research activities and community initiatives, ultimately strengthening and supporting family enterprises and ensuring they have the knowledge and skills they need to thrive and succeed for generations.



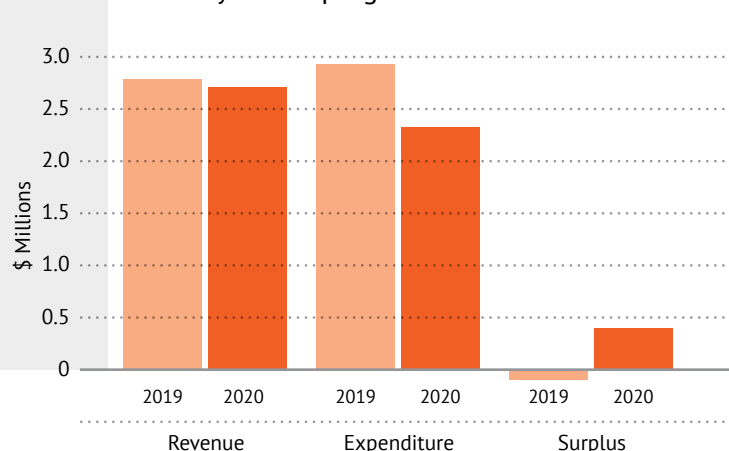
To learn more about funding specific projects to support family enterprise, please contact [Olivier de Richoufftz](#).

# FINANCIAL UPDATE

Our financial results for 2020 were certainly impacted by the pandemic; however, with the support of federal government subsidy programs we were able to maintain overall financial stability and finished the year in a healthy financial position. For the year ended December 31, 2020, we reported a surplus of \$424,500 reflective of the receipt of COVID-19 Subsidies of \$422,800. Without these subsidies, our results would have been essentially break-even for the year. As with most businesses and other non-profit organizations, we experienced a significant decline in our revenues early in the pandemic which recovered somewhat towards the end of the year as we pivoted programs to virtual delivery. In addition, certain countermeasures were implemented to reduce expenditures which helped offset the revenue decline.

Revenue for the 2020 fiscal year (excluding COVID-19 subsidies) was \$2,349,000, down approximately 17% from the prior year. Expenditures were \$2,347,400 which was 20.6% lower than in 2019. At December 31, 2020, the cash position had significantly improved compared to the end of 2019. This can be attributed to the inflow of COVID-19 subsidy revenue referenced above and the implementation of expenditure reductions.

Our 2021 budget and actual results for the first half of the year reflect continuing financial stability. As the economic recovery builds through the second half of 2021 and into 2022, we are expecting to experience a return to growth in our community and in program revenues.



## Family Enterprise Foundation Financial Update

Family Enterprise Foundation was formed with the merger of its two predecessor entities on June 30, 2020. Consequently, the audited financial statements report activity for the six-month period ended December 31. This July to December period reflects a post-merger transition for the Foundation with revenues of \$533,000 and expenditures of \$873,000 resulting in a deficit of approximately \$340,000 before COVID-19 subsidies. These subsidies totalled \$105,572 for the period leaving a net deficiency of approximately \$235,000 overall, which was funded through a drawdown of net assets. On December 31, unrestricted net assets stood at \$462,000.

As a charitable foundation, we rely on donations and contributions as our primary revenue source to fund activities. And consistent with most charitable organizations, the pandemic has created challenges in raising revenues from these sources. As the economy moves into recovery phase through the second half of 2021 and into 2022, we expect fundraising will improve as business families and other organizations step up to support our projects and related activities.



FamilyEnterprise.ca