

Kinnarps

The Jarlssons' Family

Transfer of Ownership in Private Businesses – European experiences

Day 2, Track B, Critical issues in ownership transfer processes: Ownership and governance changes

A global brand

- > Number one in Scandinavia and Europe's second largest supplier of workspace interior solutions
- > Represented in about 40 countries all over the world, with some 200 showrooms
- > Turnover about 400 million Euros, number of employees 2200 and head office in Kinnarp, Sweden



Kinnarps Group

Founded: 1942 by Jarl and Evy Andersson.

Ownership: Family company wholly owned by founders' 5 children and 8 grandchildren

MD/CEO: Henry Jarlsson, eldest child, since 1973.

Business: Complete office interior solutions. In Scandinavia also interior solutions for Education and Care.

Sales subsidiaries in 16 countries. Production subsidiaries in Sweden and Germany. Kinnarps has control over the complete chain from production, logistics, delivery to installation and after-service. Kinnarps' haulage business comprises of more than 60 heavy trucks and nearly 175 swap-bodies.

Turnover: Approx 400 MEURO (2008), 320 MEURO (2009).

Acquisition 2010-03-01: Samas Germany, former competitor.

Calculated turnover in total after acquisition: SEK 4,5 billion, 2 500 employees.

Brands owned by Kinnarps:

Kinnarps (company brand and main products)

Materia, Skandiform and Nordic Care

Drabert, Martin Stoll, Fortschritt, MBT and Schärf

Also offering a wide range of complementary brands



Role: **Owner issues.**

Corporate Governance. Introduction next generation. Guidelines for Culture (ea core values), Strategy and Brand.

Kinnarps Holding AB

Chairman: Sibylla Jacobsson

MD/CEO: Henry Jarlsson

Board: 7 full members, 6 co-opted (own choice)

Kinnarps AB

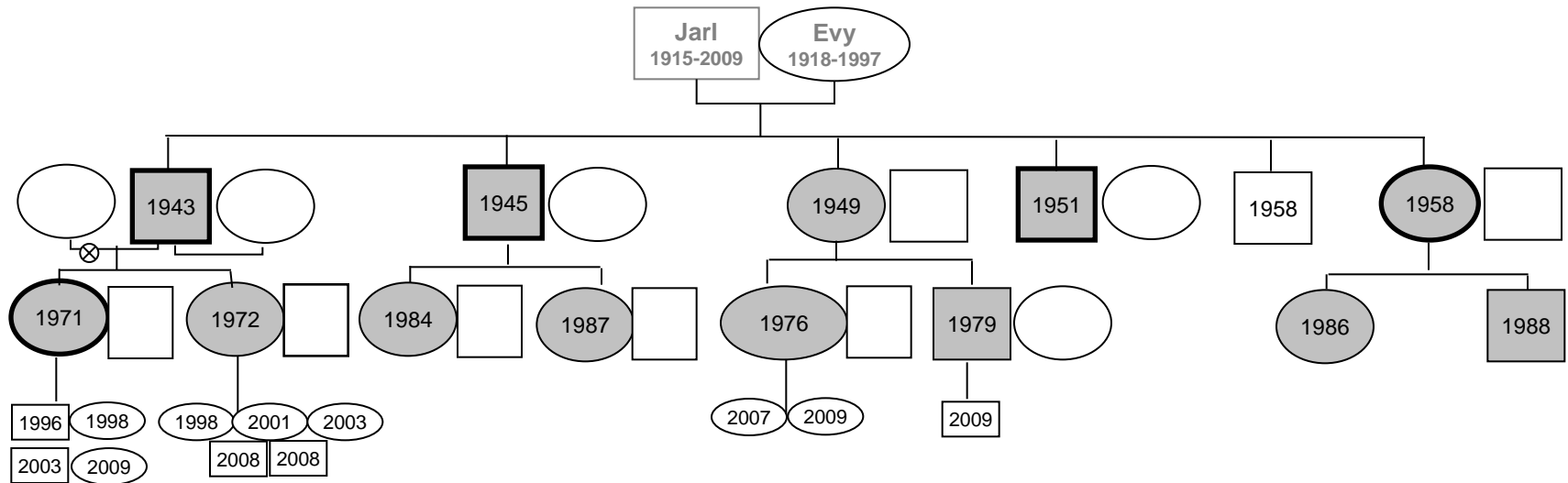
Chairman: Henry Jarlsson

MD/CEO Henry Jarlsson

Board: Four siblings (G1), Two vice MDs,
Three full, three deputy Staff representatives (by law)
Group Management: 1 family (MD/CEO), 9 external

Role: **Operating responsibility.**





Family Council: 36 members - family members including spouses/cohabits/children. 13 owners – 5 siblings, 8 cousins.

Start Feb 22 1998. Inspiration from FBN Sweden.

Owners council: Aug 14, 2001 until Sept 1, 2008.

Board Kinnarps Holding AB: Start Sept 1, 2008 with 7 full board members, 0 deputy, 6 co-opted members (own choice).

G2: 4 siblings, 1 spouse full member. G3: 2 cousins full members, 6 cousins co-opted members.

Ownership transfer: Tax-driven, in stages, G2 first time in 1960th – G3 first time in 1980th.

Training: FBN-meetings, JIBS (2000), FBN Owners Program (2001, 2008). FBN Governance Program (2006, 2010).

Challenges for family and Owners Board

From operative ownership to governing ownership - active owners governing through others
 From company structure to holding structure – one tool for the succession of governance

- **Succession of ownership**

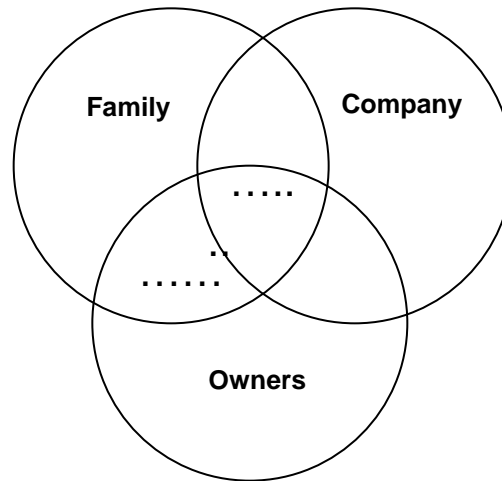
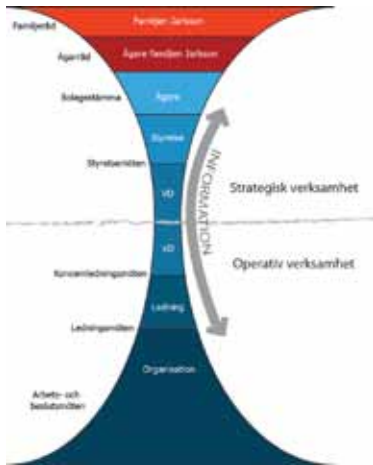
Transfer of knowledge regarding company, culture and ownership

- **Succession of board**

Coaching of the third generation towards active owners – some in the owners board

- **Succession of CEO in operating company** – most likely not a family member

Transfer of owners' guidelines and values to leaders in the company



Confidence – getting to know each other well – social activities – HAVING FUN TOGETHER!

Competence – training skills we need – COMPLEMENT EACH OTHER!

Core values – culture permeating family as well as company – A SOLID SET OF VALUES!

Constant improvements – trying new ways to succeed– COMMON FORCE TO DEVELOP!



THANK YOU!

We want Kinnarps to prosper as a successful company which we all can be proud of.

