



# Transfer and succession in Austrian family firms

Peter Voithofer / Irene Mandl

# Agenda

---

- Family businesses in Austria and Europe
- Business transfers in Austria
  - Number of business transfers in Austria
  - Characteristics of transfers realised in Austria in 2006
  - Development of the transferred companies



# Definition of Family business

---

A family business is a firm of any size of which

- the majority of direct or indirect decision-making rights is in the possession of the natural person(s) who established the firm, or in the possession of the natural person(s) who has/have acquired the share capital of the firm, or in the possession of their spouses, parents, child or children's direct heirs; and
- at least one representative of the family or kin is formally involved in the governance of the firm.

Source: European Commission, 2009



# Family businesses in Austria and Europe

---

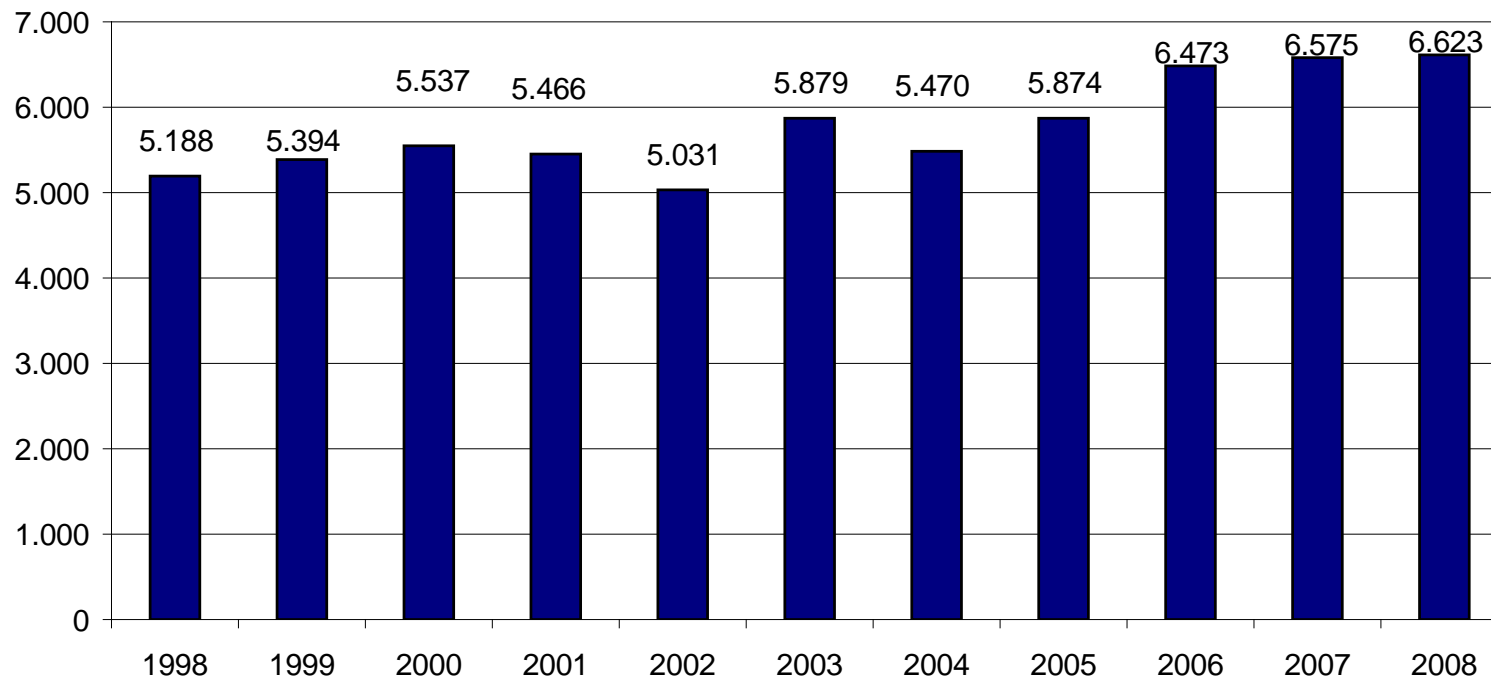
- more than 90 different definitions
- most of the available studies come to the same result
  - family business account for about 70 - 80% of private businesses and
  - provide 40 – 50% of private employment

Source: Mandl, 2008; PWC, 2007



# Business transfers in Austria (I)

Number of Austrian business transfers, 1998 – 2008,  
craft and services

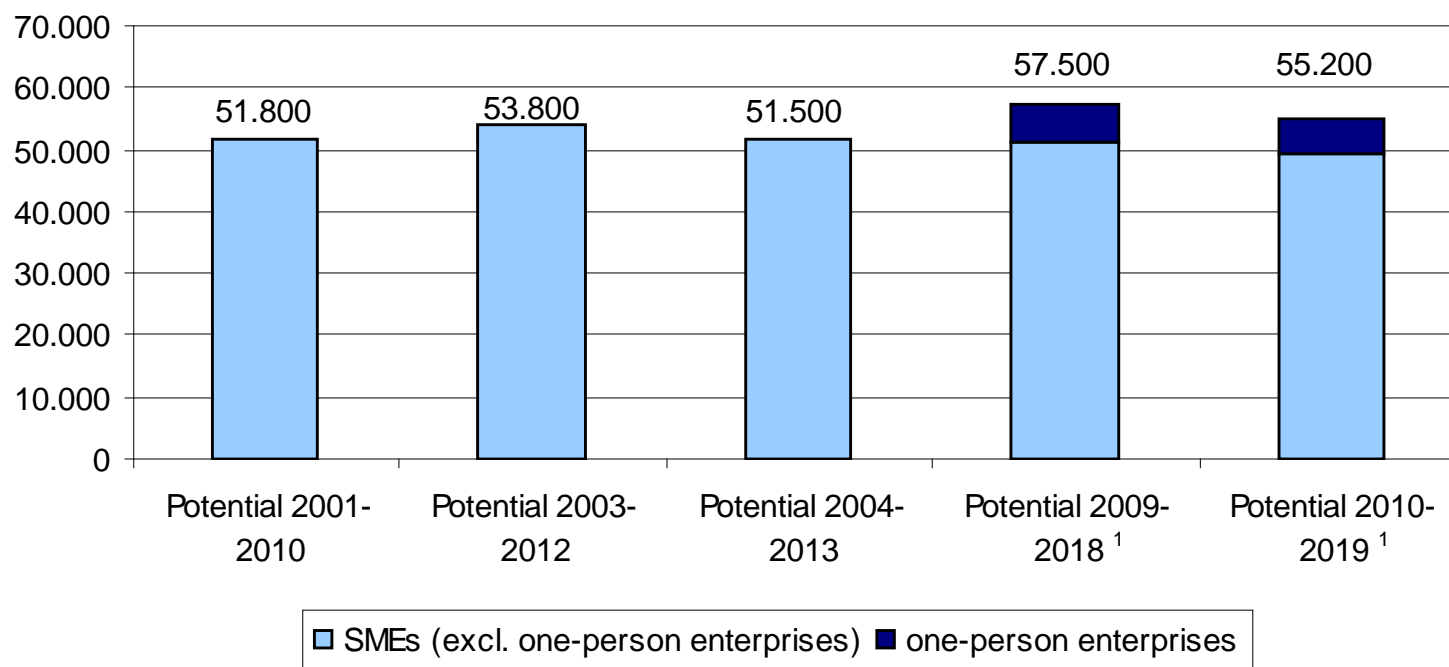


Source: Federal Economic Chamber Austria



# Business transfers in Austria (II)

Number of estimated potential transfers of Austrian SMEs in the craft and services sector



1 one-person enterprises included

Source: KMU FORSCHUNG AUSTRIA (Austrian Institute for SME Research)



# Business transfers in Austria (III)

## Affectedness of European countries by future business transfers

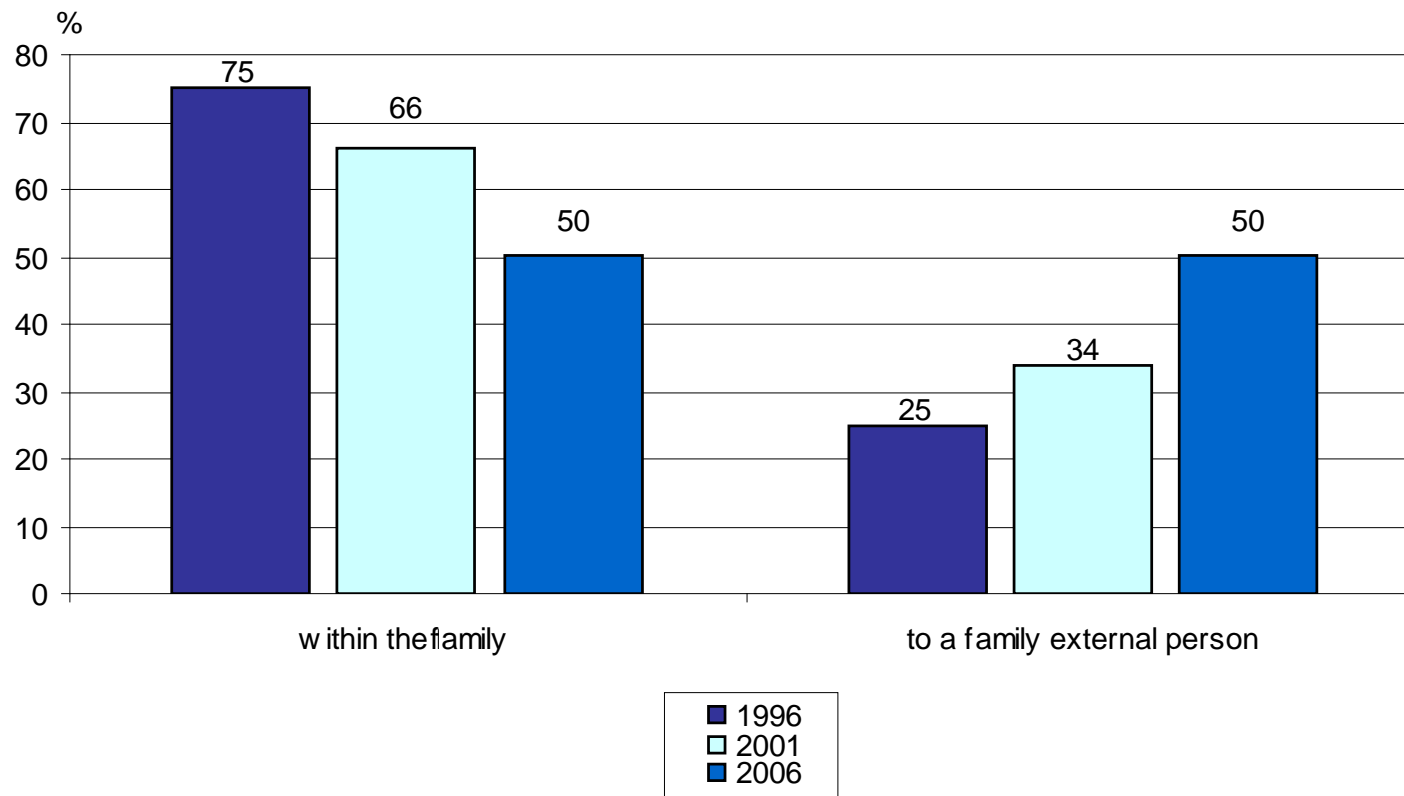


Compilation by KMU FORSCHUNG AUSTRIA (Austrian Institute for SME Research)



# Characteristics of transfers realised in Austria (I)

Share of Austrian business transfers within the family and to a family external person, 1996 - 2006



Source: KMU FORSCHUNG AUSTRIA (Austrian Institute for SME Research)



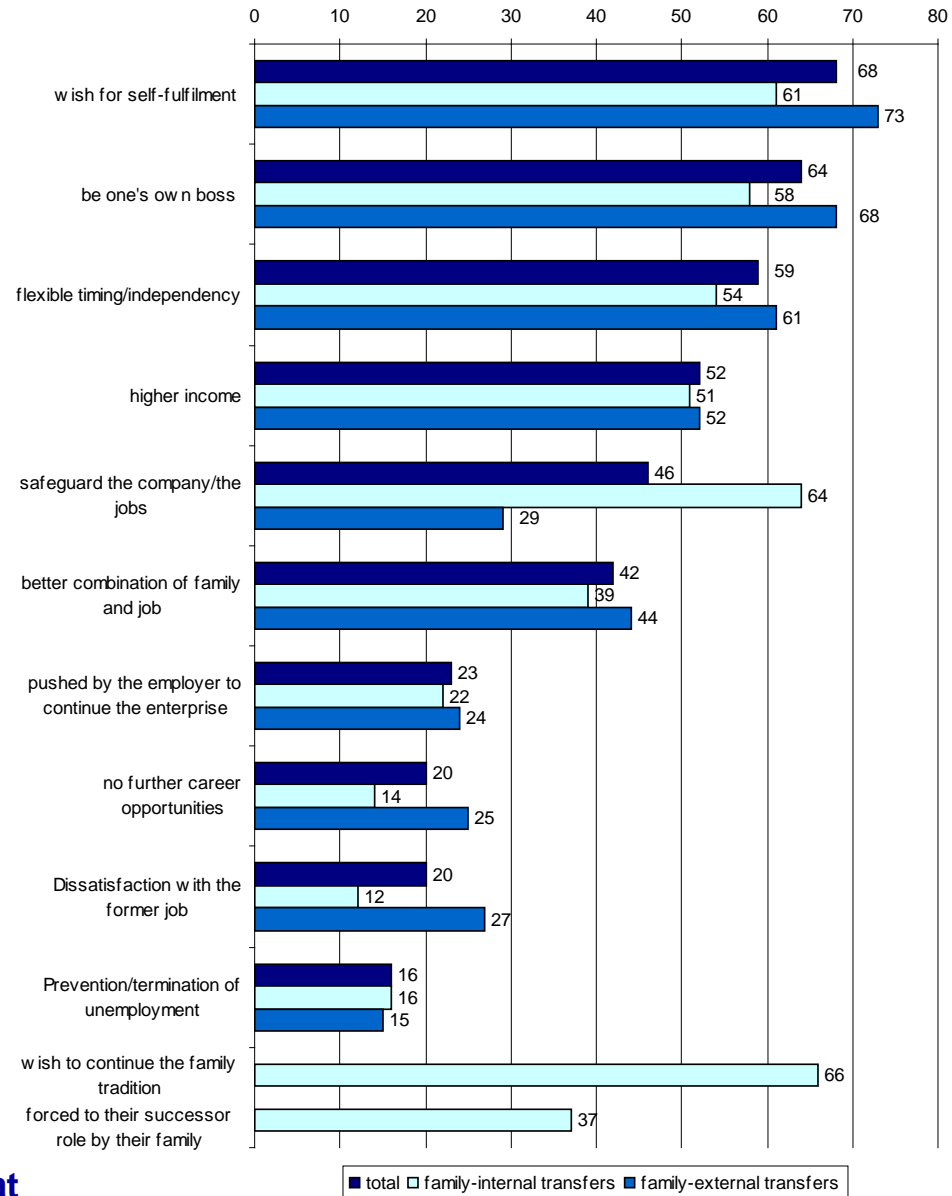


# Characteristics of transfers realised in Austria (II)

---

- Form of family internal transfers
  - 21% gift
  - 12% inheritance
  
- Employment effect
  - each Austrian company transferred in 2006 employed 4.7 workers (including the entrepreneur)
  - higher effect than by a start-up

# Main reasons for successions (multiple answers possible) in Austria, share of successors in %, 2006

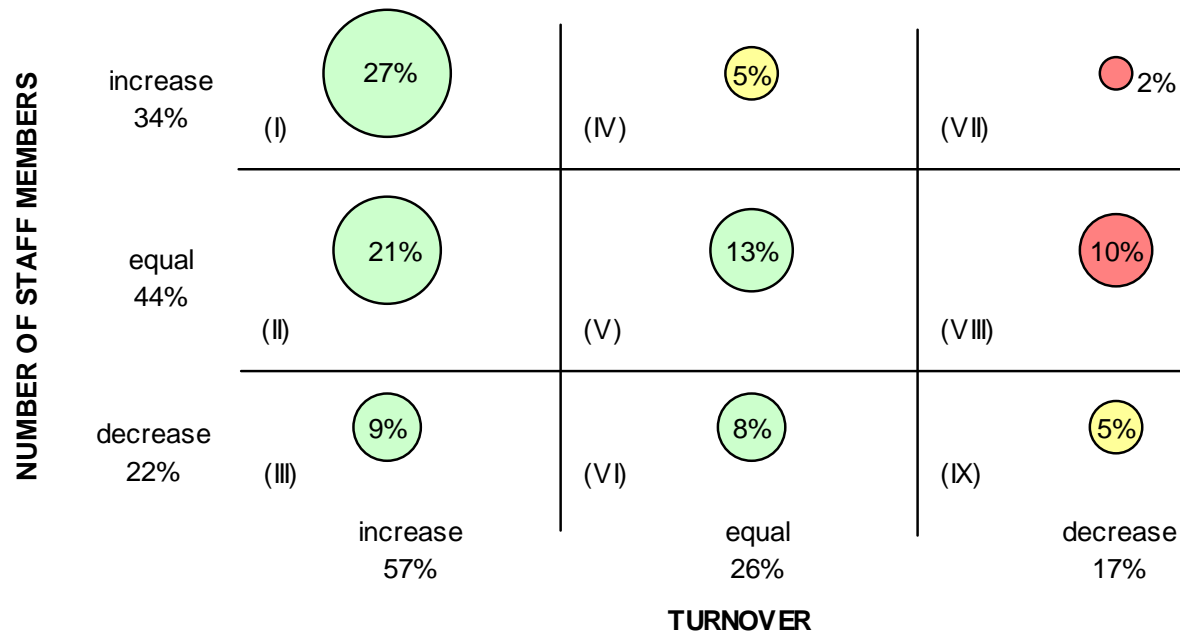


Source: KMU  
FORSCHUNG  
AUSTRIA (Austrian  
Institute for SME  
Research)



# Development of the transferred companies

Development of sales and the number of employees of transferred companies in Austria, share of successions in %

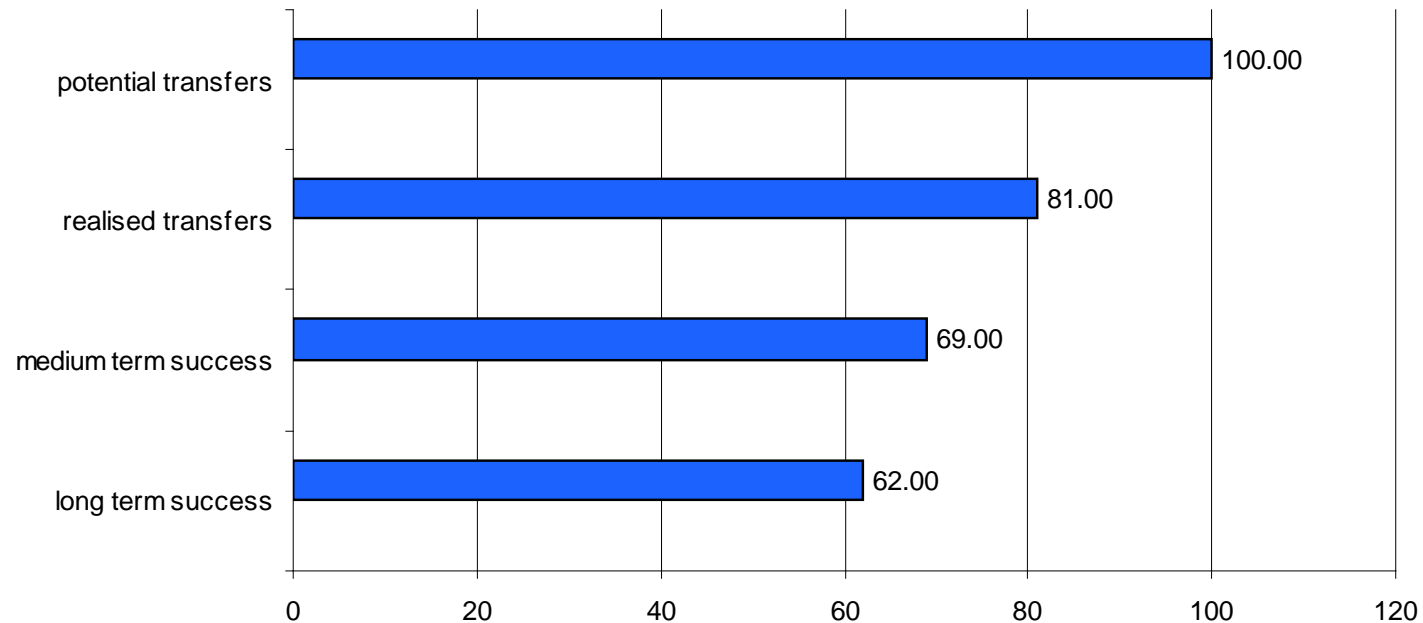


Source: KMU FORSCHUNG AUSTRIA (Austrian Institute for SME Research)



# Conclusion

## Success of Austrian business transfers, share of companies in %



Source: KMU FORSCHUNG AUSTRIA (Austrian Institute for SME Research)



# Thank you for your attention!

Website:

**[www.kmuforschung.ac.at](http://www.kmuforschung.ac.at)**

Email:

**[office@kmuforschung.ac.at](mailto:office@kmuforschung.ac.at)**

Member of:

