

FROM ONE GENERATION TO THE NEXT

by Matt Ehrhorn



To an outsider, the concept of the family business holds romantic appeal. Perhaps it's because, to those of us looking in, any family that would willingly work together—particularly over many years and spanning multiple generations—must have a uniquely strong relationship, not to mention an unusually high tolerance for one another.

The Kansas City area, with its inviting Midwestern appeal to families and businesses alike, has long seemed an ideal location for young entrepreneurs to start up their own businesses and watch them thrive as they're passed down from one generation to the next. Kansas City has successfully managed to transform the "flyover country" image indifferently perceived by the coasts to its favor in order to appeal to those outside entrepreneurs seeking attractive environments made up of unified families and communities.

Perhaps all of this points to why you generally won't encounter family business owners and operators in the area who are yearning to sell, quit or simply escape the business and move onto something else. Recent stories about the public conflicts among the Redstone family, who own CBS Corporation and Viacom Inc., in New York and Rupert Murdoch's disputes with his son and potential successor Lachlan Murdoch serve to further set them apart from many KC-area businesses.

Above (left to right): Dave Swiercinsky, Plant Manager; Russell Sifers, Owner
Below (l-r): Dave Denton, Sales Manager; Harry Iba Sifers; Samuel Burr Sifers and Clarence Russell Sifers



Large family owned companies such as Hallmark Cards, Lockton Companies and a number of multi-generational construction companies have enjoyed a long history in Kansas City and show no signs of dissolution in the near future.

Sure, even family businesses around here are bound to have their conflicts. Christy Catenhauser of Missouri Sewing Machine Company says, "Sometimes we have to remind ourselves to keep an open mind and to remember that we all have the same goal. A special loyalty pulls you through the tough times, which is needed when it takes more than an 8 to 5 day to run the business successfully."

Russell Sifers of Sifers VALOMILK Candy Co. in Merriam asserts more succinctly, "If you have a common goal, you can have your clashes."

TRADITION AND RESURRECTION

Local "Candy Man" Russ Sifers describes himself as the steward of this 100-year-old company. "I inherited this company," he says. "I feel I am the steward to take care of this corporation, to take care of the VALOMILK candy cups and pass that carefully down to the next generation."

For Sifers, that sense of family tradition is a driving force in his efforts to continue in the footsteps of three past generations to produce and distribute VALOMILK to people all over the Midwest and as far north as Canada, as his family has been doing since 1903. He single-handedly resurrected the company in the late 1980s after it had been sold to an absentee owner in L.A., with the factory shut down for more than five years.

Sifers' "crusade to resurrect the candy company" began when he was cleaning the factory basement and came across his grandfather's original copper kettles, gas-fired cookers and other equipment unused since the '40s. "After taking inventory I thought, 'Hmmm, I might be able to put this machinery back to working condition and make VALOMILKs the way my grandfather did.'" Over the next two years, he worked the night shift at General Motors and spent his days rebuilding equipment.

This desire to resurrect not only the candy company but also the spirit of his grandfather, Harry Sifers, and great-grandfather, company founder Samuel Mitchell Sifers, says a lot about his commitment to tradition, a commitment that started early, when Sifer's father, Clarence Russell Sifers, operated the company. "I grew up with the candy, never thought it was special, I thought every dad owned a candy company," says Sifers. "Everybody's dad has to do something, right? Well, my dad went to the factory, and he took me on Saturdays, so I grew up in the business."

Even before that, Sifers remembers his mother telling him about being taken down to the candy factory one Easter. "My grandfather took me upstairs to the factory and showed me to all the employees. He said, 'This is Russell

Sifers, my first grandson and heir apparent.' So, I can claim I've been in the candy business since Easter 1948."

The influence of the three preceding generations is manifested in the memorabilia Sifers keeps in his office. An array of VALOMILK wrappers dating back to the early 1900s covers one wall, black and white photographs of his great-grandfather, various relatives and assembly

"I feel I am the steward to take care of this corporation, to take care of the VALOMILK candy cups and pass that carefully down to the next generation."

Russ Sifers

line workers takes up another, and in a corner by the door, Sifers even keeps one of the original copper kettles used in the old factory.

"You've got the personality of the person who started it, the first generation," Russ says, "and then you've got a slightly different personality from the second generation, and then again from the third generation. Most businesses don't get past the third generation."

Today, Sifers runs the company with his stepson Dave Swiercinsky, who represents VALOMILK's fifth generation. From the sound of it, a sixth generation of owners is already waiting to take over. "My granddaughters told me, 'We're 13—three more years and you can retire,'" he says.

RESPECT, COMMUNICATION AND A WILLINGNESS TO ACCEPT CRITICISM

Missouri Sewing Machine Company president Curt Catenhauser considers two qualities essential to adhere to: respect and communication. He feels that respect must also reflect back to those family members who were there before. "The important thing that pertains to any family business," he says, "is that it has to start with the person who started the business. How they embrace their work ethic, people skills—their philosophy and principles extend to how the business is run today."

Curt's grandfather and grandmother, Walter and Ann Catenhauser, opened the Missouri Sewing Machine Company in 1932, servicing machines for the Kansas City Garment District during the Depression. Their son Bob started working with the company after World War II, and son Curt and daughter Vesta came onboard in the 1970s. Today, Curt, his wife Christy, son Martin and nephew Jeff Allison make up the third and fourth generations of the company, which today has expanded to four locations and 20 employees.

"We're very similar to Budweiser and Anheuser-Busch," cracks Curt, with a laugh. "Just a little smaller."

"You have to get yourself to a point where you don't care about the money as much as passing the business along to the next generation. One of the real problems for the small business is that there's just no help. I'm working for the family right now, to pass it along—we're working to see that future generations have a place."

Curt Catenhauser

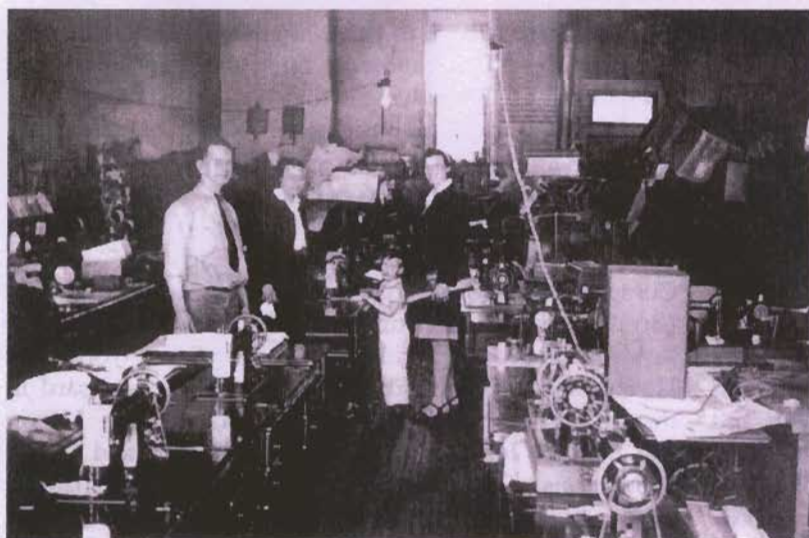
As trends changed, so has the company, which sells and services everything from antique machines to computerized versions. "Now, people who sew like to work with software," he says. "Sewing, quilting and embroidery have enjoyed a renaissance in the past few years."

Catenhauser jokes that he only sews "manly things like tarps and grill covers." But he gets serious when discussing the effect of many generations. "Things like patience or customer service don't really change," he says.

"But having the younger generation here has introduced our company to new ways of doing things."

His wife, Christy, who oversees bookkeeping and accounting for the company, says, "We respect how the experienced generation has shown how hard work, positive attitude, good work ethics and responsibility can set the stage for others to carry on the business. After all, isn't it always the wish to turn over the business to the next generation in better condition than it was when you started?"

According to Curt, it's important to be able to step back and not overreact when the occasional conflicts do arise. One difference between working with an unrelated employee and a member of the family, he says, is that, with family members, "You have people with devoted work ethics who are willing to work long hours without pay—but they also won't hold back and will say what's on their mind."



Above (l-r): Martin Catenhauser, Curt Catenhauser, Christy Catenhauser and Jeffrey Allison
Below: Walter and Ann Catenhauser (Curt's grandfather and grandmother) with customers.

SHARING A COMMON VISION

To Rosana Privitera Biondo, president of Mark One Electric, "the business is not just about one of us, it's about *all* of us."

Biondo and her three brothers, Joe, Carl and Anthony, are responsible for the company, one of the region's top electrical contractors. "Our company is a true combination of all of us," she says. "We enjoy being a family business and we thrive on the idea that success for each of us means success for all of us."

Her father Carl "Red" Privitera started in 1950 as an electrician for Monarch Electric. In April 1974, he bought the company, renaming it Mark One Electric. In June, Rosie Biondo started working as a receptionist and timekeeper (collecting timecards and learning payroll). Summer jobs turned into a full-time job, as her interest in the business side of the company grew.

"Both my parents encouraged and inspired my brothers and me," she says. "We learned so much from their leadership. They instilled in us beliefs: that hard work pays off, that staying positive is essential and that staying focused on a goal will help you achieve success. We've been able to take those core values to the next level."

The company now employs 220 employees working on major projects like Ameristar Casino and the Harley Davidson plant. The company also works on smaller, but more complex jobs, such as the renovation of the Downtown Central Library and buildings that are designated as historical preservation landmarks.



Left to right: Carl J. Privitera II; Joseph A. Privitera; Rosana Privitera Biondo and Anthony L. Privitera II.

Claim Your
Position 



In the 2006
CEOpen Executive Golf Tournament
Monday, May 22, 2006
Shadow Glen — The Golf Club
CEOpen@IngramsOnline.com
816.842.9994

SHADOW GLEN — THE GOLF CLUB, IS THE SITE OF
THE 2006 CEOPEN EXECUTIVE GOLF TOURNAMENT




Do you have HR issues?

Not a pretty picture is it?

With HROFFICE, you get automated HR and benefits management, compliance, employee self service with online open enrollment, integration with payroll, time and attendance, recruiting and more. Call us today to find out how you can free yourself to work on the issues that really matter.

 **Synchron**TM

1-800-279-3874
info@synchroncom.com

FROM ONE GENERATION TO THE NEXT

Recently, Mark One installed more than 700 outdoor light poles in the satellite parking lot at the Kansas City International Airport. No big deal, right? Wrong. The machines used to install the poles would have ruined the new asphalt. So the installation was by *helicopter* and was completed in *two* days.

"We have a solid family nucleus," says Biondo. "Each of us is different, but we complement each other. We've positioned ourselves into areas where we all have our own expertise, but we always rely on each other for advice." Joe controls operations, Carl is in charge of engineering and Tony runs sales and marketing.

"We enjoy being a family business and we thrive on the idea that success for each of us means success for all of us."

Rosana Privitera Biondo

With nine grandchildren ranging in age from 19 to 3, the next generation is already showing an interest in the business. "My six-year-old son recognizes our trucks and the Mark One logo," she says. "I will forever treasure the time I spent working with my dad. And I hope my

son and nephews and niece will have memories like that too. We're really building a legacy."

FROM ANCESTORS TO SUCCESSORS

Of course, not every member of the family feels compelled to join the business. Russell Sifers' daughter Sarah is a professor of child psychology at Minnesota State University, and his wife Julianne is a priest at St. Aidan's Episcopal Church in Olathe.

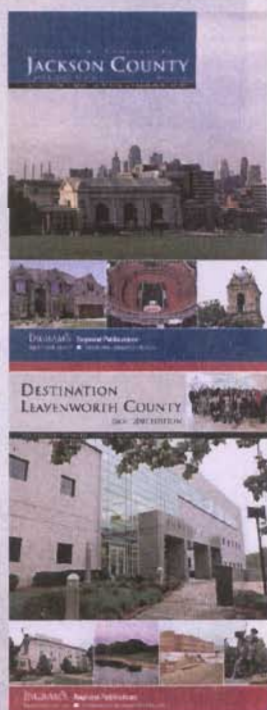
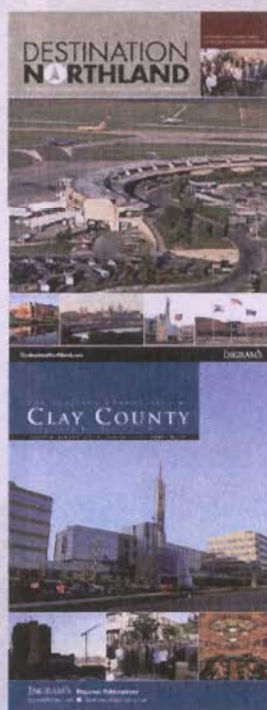
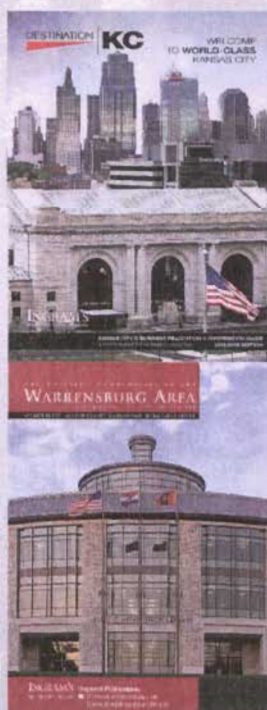
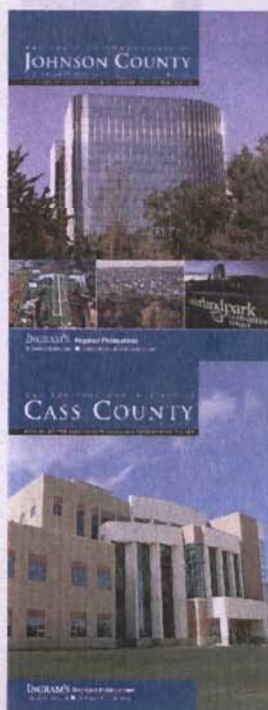
But those family members who do stay with the company have more of a personal stake than most other business owners. The way Curt Catenhauser sees it, "You have to get yourself to a point where you don't care about the money as much as passing the business along to the next generation. One of the real problems for the small business is that there's just no help. I'm working for the family right now, to pass it along—we're working to see that future generations have a place."

Ditto for Russ Sifers: "I'm in it for the long haul. My corporate goal, my personal goal? I'm hoping that a great, great grandchild along the way will be doing this in another 100 years—hopefully with newer equipment."

Showcasing the Thriving Communities of Greater Kansas City Since 1975

Business executives, community leaders and economic development professionals alike need every good tool available to recruit new associates or businesses, or to retain existing ones. With the help of top area city, county and state officials and business leaders throughout the region, *Ingram's* Magazine has produced an extensive series of regional publications that showcase the virtues of Kansas City and the thriving communities that comprise the region.

In 2006, *Ingram's* will showcase the communities of Platte, Johnson, Clay, Jackson and Cass counties in Missouri and Leavenworth, Johnson, Douglas, Wyandotte, Franklin and Miami counties in Kansas. Each of the Economic Development Reports from these and other counties will be compiled in December in the 2006-2007 *Greater Kansas City Economic Development Report*. *Destination KC* will be released early summer 2006.



Positioning Opportunities ■ 816.842.9994 ■ IngramsOnLine.com ■ DestinationKansasCity.com