Family Business Survey 2014
The Netherlands

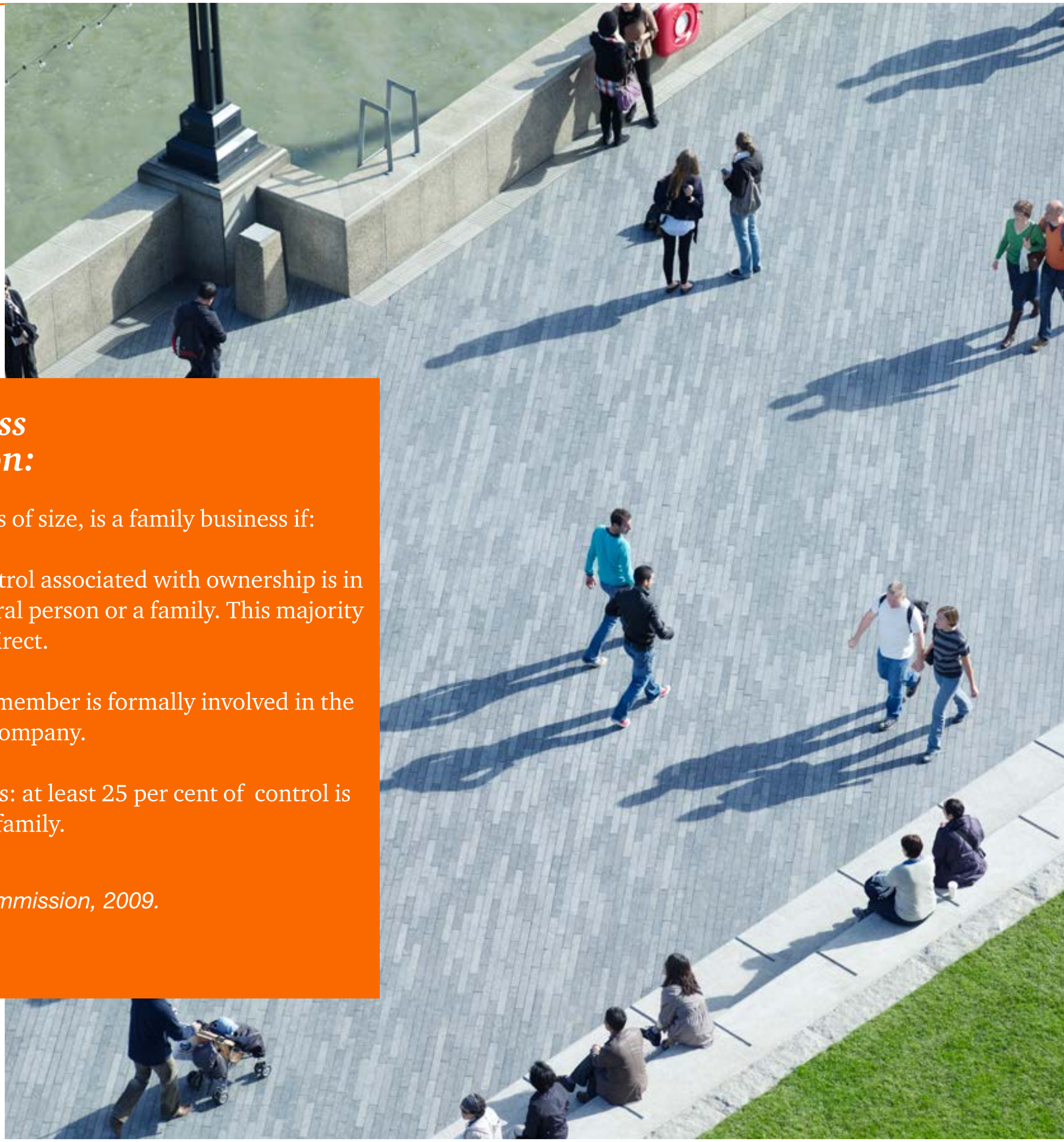
November 2014

pwc

www.pwc.nl/familiebedrijven

Contents

Contents	*2*
Foreword	*3*
Key findings - at a glance	*4*
Main findings	*6*
A. Contribution to the economy	6
B. Availability of finance	14
C. Succession	16
D. Technology	22
E. Staffing	25
F. Governance	26
Conclusions	*30*
Appendix	*31*
References	31
Methodology	32
Netherlands sample profile	33
Contact	*35*



Family Business GEEF definition:

A company, regardless of size, is a family business if:

- The majority of control associated with ownership is in the hands of a natural person or a family. This majority can be direct or indirect.
- At least one family member is formally involved in the governance of the company.
- For listed companies: at least 25 per cent of control is in the hands of the family.

Source: European Commission, 2009.

Foreword

Strong and healthy family businesses are essential for society and the economy

Family businesses are essential for the Dutch economy and they are less deterred by economic unrest, because they take fewer risks and are more focused on the longer term. In addition, family businesses are more innovative and of great importance to employment.

In the areas of financing, succession, digitalisation and human capital, however, there are a few bottlenecks which require the attention of both society and the family businesses themselves.

The Dutch family business, and the SME sector in particular, has difficulties in attracting financing. Partly because of insufficient transparency and preparation, family businesses are more often confronted with a ‘no’ from banks on their financing requests.

Demographic developments have resulted in a significant wave of CEOs and (major) shareholders who are close to retirement.

However, family businesses are insufficiently prepared for the moment of succession. Furthermore, the possible austerity measures affecting the BOR will have a significant impact on the capital structure at the time of business succession and the continuity of the company.

Digitalisation is recognised as an important topic but is low on the agenda. This is partly caused by a lack of capital and the right resources. Finding the right people is difficult in these times, in particular for family businesses.

From society’s point of view it is crucial that Dutch family businesses continue to be strong and healthy. For this reason it is time that both the family businesses themselves and the wider society pay attention to the specific problems faced by this important group.

Renate de Lange
Tax partner

Michel Adriaansens
Assurance partner

Martijn Mouwen
Advisory director

Key findings - at a glance

This is PwC's seventh global Family Business Survey. We spoke to almost 75 Dutch family businesses from entrepreneurial start-ups to companies that have survived for five generations or more. When compared to the global sample Dutch businesses are more likely to be larger ($ 100m+ turnover), older and to have been in the family for more generations, reflecting the country's mature economy. All respondents have senior functions in the company.

From society's point of view it is crucial that Dutch family businesses continue to be strong and healthy. Therefore, it is time for both family businesses and the wider society to pay attention to the specific problems faced by this important group. Please find the four key findings for the Netherlands (below). The whole document can be found on ***www.pwc.nl/familiebedrijven.***

Contribution to the economy

Family businesses are vital to the economy

69%
Of all Dutch companies are private companies

53%
of GNP

49%
of employment

They are resistant to economic turmoil

Risk averse

Long term focus

More innovative

1 *Availability of finance*

Dutch family businesses face difficulties in attracting bank financing

28% *12%*

Dutch family firms see availability of finance as a top issue for the next 12 months, compared to their worldwide peers

Banks are more selective in financing Dutch family businesses

To smoothen the (re)financing process, PwC advises:
- Share information with bank
- Prepare properly
- Start in time
- Perform financing option analysis

2 *Succession planning*

Business: Succession is little acknowledged issue, yet real risk

Large pool of entrepreneurs reaching retirement age

70.000 > 55 yr

of which **41.000 > 60 yr**

\+

70% wants to transfer to next generation

24% next generation working as senior executive in company

\+

15% robust succession plan in place

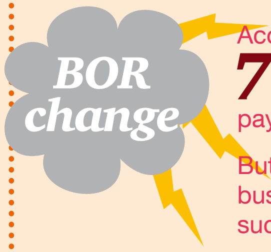
Lack of succession plan one of key reasons family businesses fail

=

Government: Fiscal threat regarding the tax treatment of successions

Currently the tax treatment of successions ('BOR') arranges a broad exemption of approx. 83% on gift or inheritance tax
- Only business assets
- Transferee in the company for at least 5 years
- Company must continue to exist for at least 5 years after the transfer

The Dutch government is contemplating changing the BOR. This change could mean:
- 20% tax on fair market value at business transfer by gift or inheritance; or
- Payment arrangement to pay the tax in 10 years



According to the Secretary of State **70%** could afford to pay this succession tax

But, significant impact on family businesses' capital structure at succession

3 *Technology*
Adopting to increasingly digital world seen as important…

85% Sees need to adapt to increasingly digital world

84% Sees technological advances as #1 global trend

… yet technology is low on the agenda

12% Sees need for new technology as key issue for next 12 months

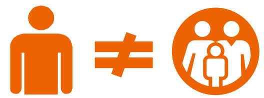
39% Sees need for new technology as key issue for next 5 years

4 *Staffing* Recruiting qualified non-family staff is major challenge

52% sees it as most important issue in next 12 months

67% sees it as most important issue in next 5 years

In contrast to corporates, family businesses need to overcome 'family' image among possible recruits



Main findings

A. Contribution to the economy

Family businesses are vital to the Dutch economy

- 69% of all Dutch companies (excl. sole proprietorships) are family businesses
- Private companies are responsible for 53% of GNP and 49% of employment.

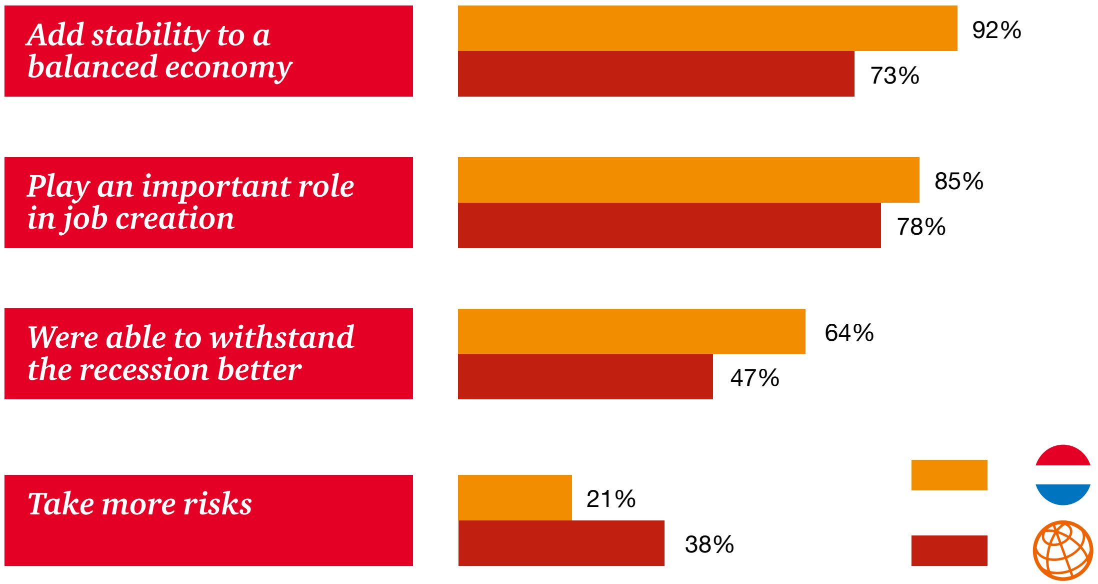
(Source: Nyenrode Business University, 2013)

The outcome of the survey shows that the respondents recognise the important role they play in the Dutch economy.

Family businesses are more resistant to economic turmoil. This follows from the survey as well as from academic literature.
(Source: Flören and Jansen, 2010)

Family businesses are more risk averse than corporates. This is shown by the fact that the family's present and future wealth is invested in the firm. In addition, family businesses run the risk of damaging the family reputation.
(Source: Naldi et al., 2007)

% agreeing with statements about how family businesses behave



Contribution to the economy

Growth is in line with the Dutch economy

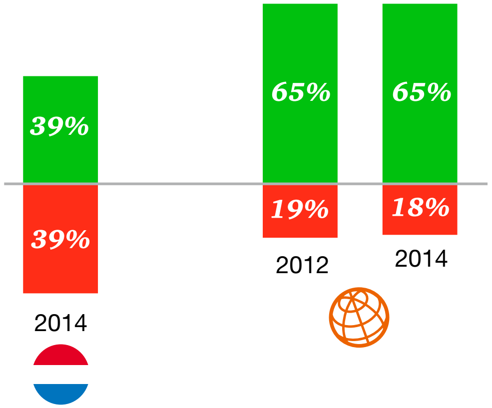
In line with GDP developments in the Netherlands, growth of Dutch family businesses has on average remained flat over the last year.

Compared to the global sample Dutch family businesses seem to have underperformed.

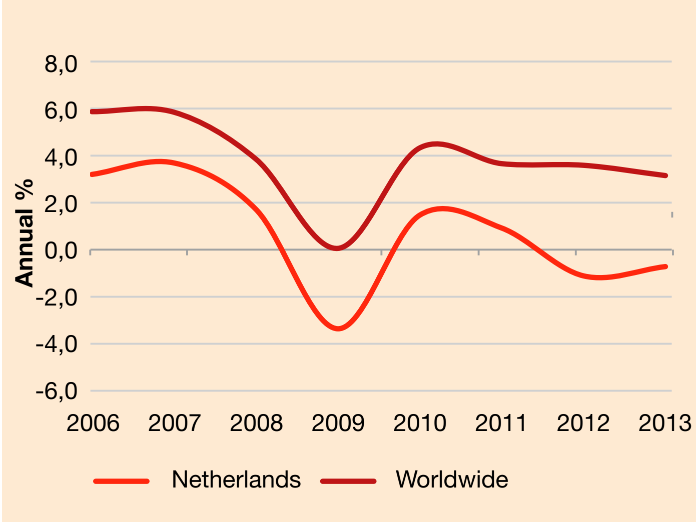
However, they have actually performed in line with the overall Dutch economy.

The global sample includes a wide range of countries, including high-growth developing countries.
The GDP growth table illustrates that comparing the growth of Dutch companies to the worldwide sample would result in an unfairly negative picture.

Growth in last financial year



Netherlands and worldwide annual GDP growth



Source: Worldbank

Contribution to the economy

Optimistic growth aims

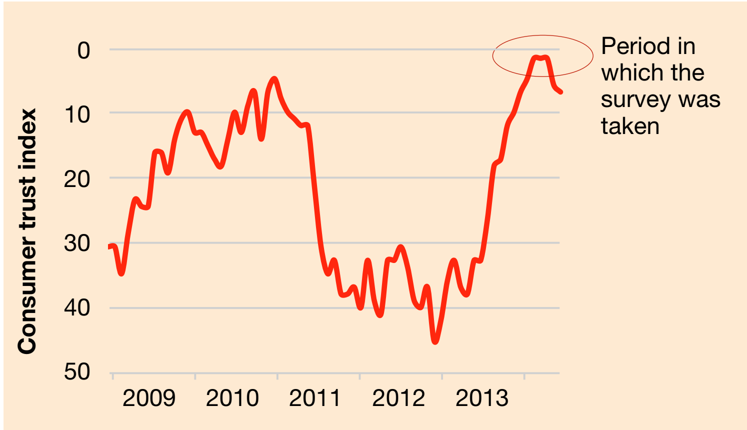
The Dutch respondents are slightly more optimistic about future growth than their peers.

97% of Dutch family businesses predicting growth are confident of actually achieving it.

Statistical analysis shows that companies that grew last year are more likely to predict growth for the next five years.

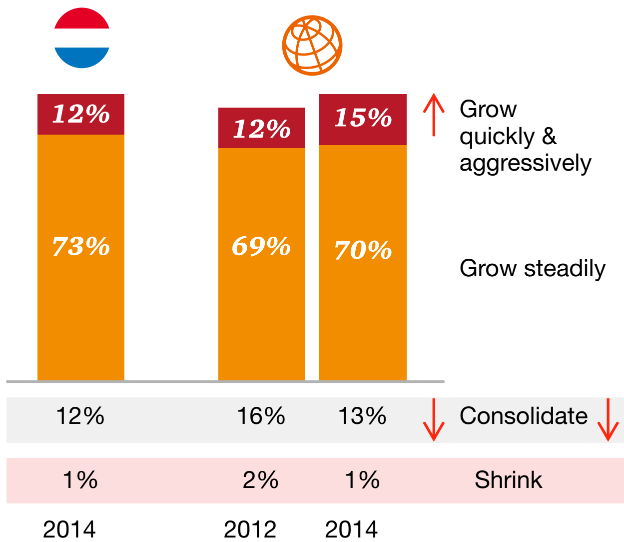
"Last year's winners are next year's winners."

Consumer trust in the Netherlands



Source: CBS, October 2014

Growth Aims (Next five years)



Contribution to the economy

Economy is important for growth

The general economic situation is important for growth expectations.

Regression analysis of the data substantiates this, as companies expecting growth place more emphasis on the general economic situation.

(Source: PwC analysis)

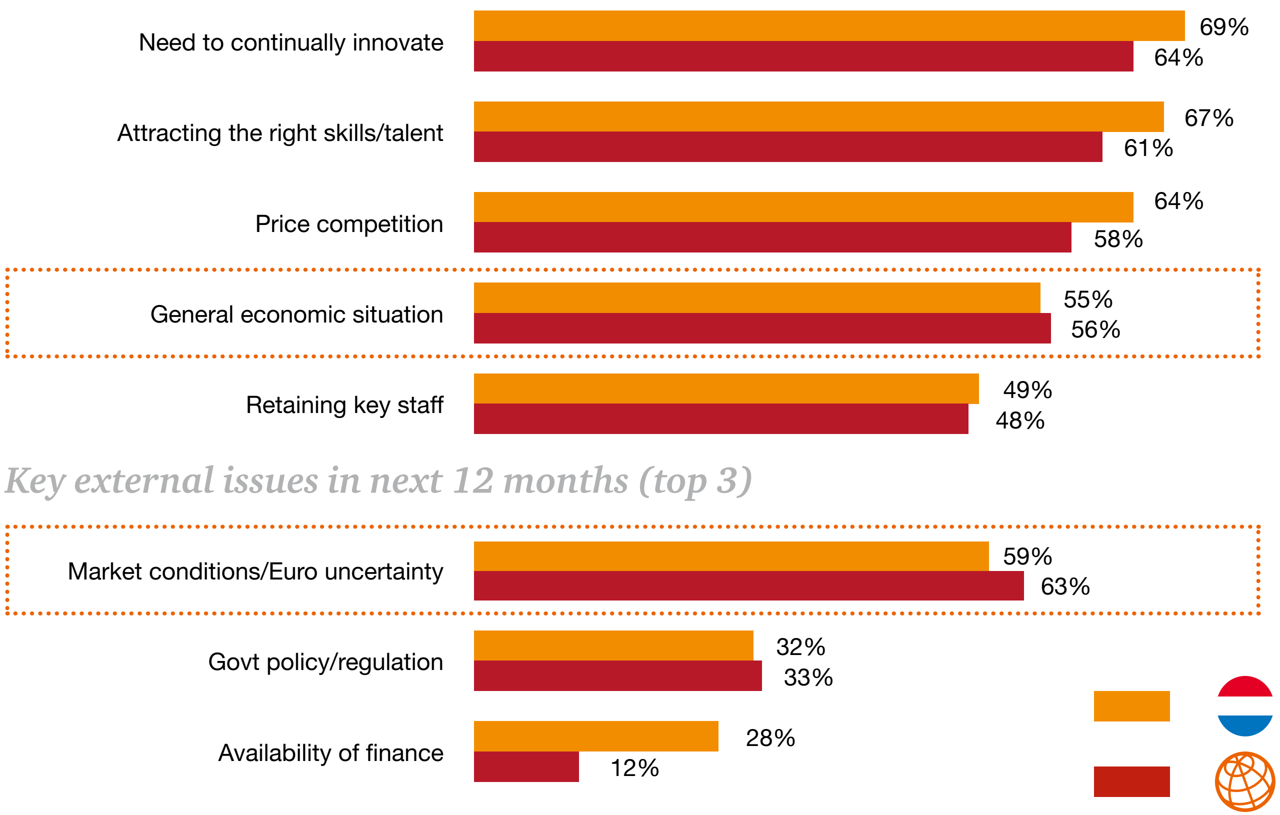
Strong focus on market and political instability

The focus on market stability indicates that family businesses are more geared towards the long-term and more risk averse than corporates. This is also found in the academic literature.

(Source: Anderson and Reeb (2003) and Naldi et al. (2007))

Key challenges in five years' time (top 5)

Key external issues in next 12 months (top 3)



"Differences within the EU with regards to the varying economic situations in different countries."

(Third Generation family business)

"Further regulation, in relation to international changes in EU regulation on international sales.."

(Second Generation family business)

Contribution to the economy

Focus on the long term

Ensuring the company's long-term future is the key focus of family businesses in the Netherlands.

- Focus on the long term
- More profitable in the long run
- Shareholders, i.e. the family, are actively involved and have a long-term view

Source: Anderson and Reeb, 2003
Flören and Jansen, 2010

Stable, long-term success is more important than fast growth.

It may be that the recession and the tough economic environment afterwards has sharpened family businesses' thinking, resulting in an increasing focus on 'business success' factors.

Relative importance of personal and business goals over the next 5 years (out of 100)

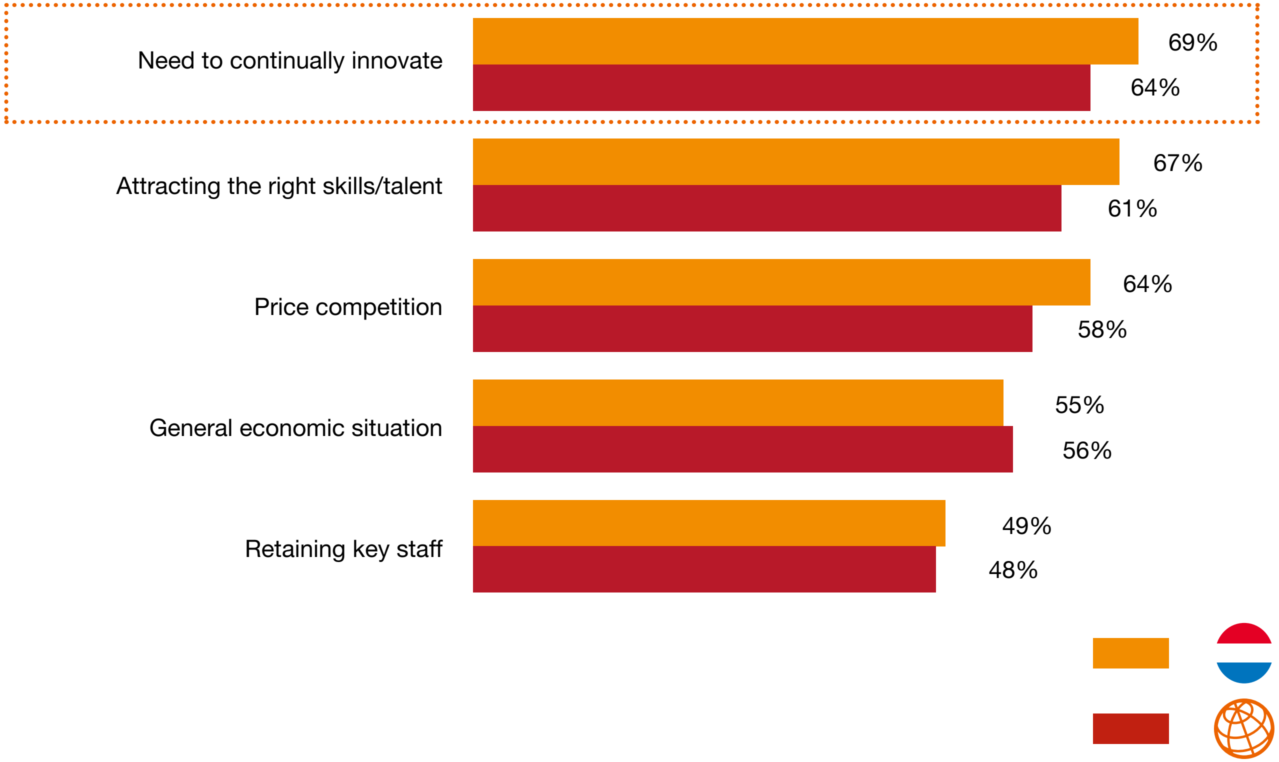
Contribution to the economy

Family businesses are more innovative

Family businesses are more innovative than other companies, thereby providing an important contribution to the Dutch economy.

- Innovation is the key way for family businesses to differentiate themselves from their competitors
- Innovation is at the top of the agenda of family businesses
  Source: ING et al. (2013)
- Corporate entrepreneurship (innovation) contributes to success and continuity in family businesses
- Innovation contributes to growth of employment and wealth
- Innovation is key to ensuring a strong and growing national economy
  Source: Kellermanns and Eddleston (2006)

Key challenges in five years' time (top 5)



Contribution to the economy

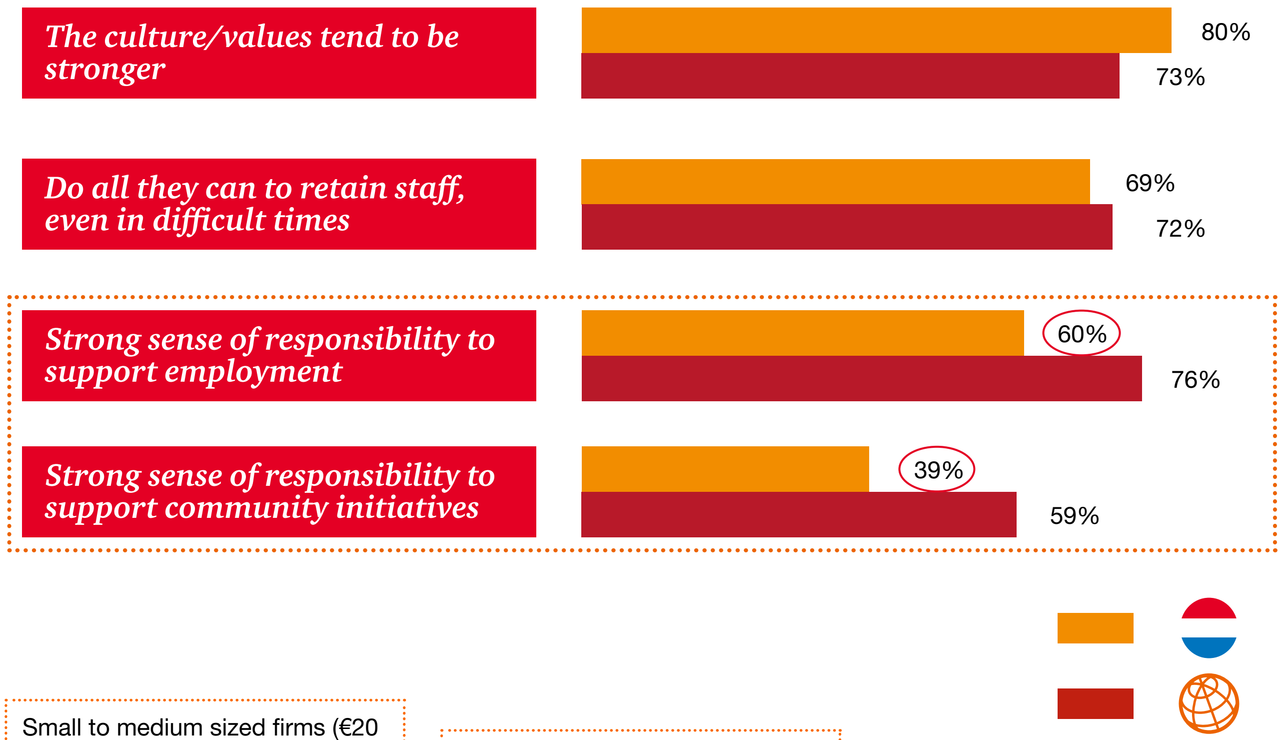
Social responsibility is not the current priority

Social responsibility is lower on the agenda of Dutch family businesses compared to their international peers.

- Theory suggests that family firms are more self-involved than corporates, as the owners directly benefit from increased performance
- Family businesses are no more likely to engage in positive social activities than other companies
- Family firms do avoid actions that could label them as socially irresponsible and as such harm their reputation
  Source: Dyer and Whetten (2006)

Family businesses feel that they have done enough during the economic crisis by holding on to employees despite the recession. Right now they first want to focus on profitability.

Percentage agreeing with statements about how family businesses differ from other businesses



Small to medium sized firms (€20 to 500m turnover) have a stronger sense of responsibility towards community than very small firms (€ 5 to 10m turnover).

Companies with sales between €100m and €500m also have a stronger sense of responsibility towards employees.

Company age has no effect on sense of responsibility.

Source: PwC analysis

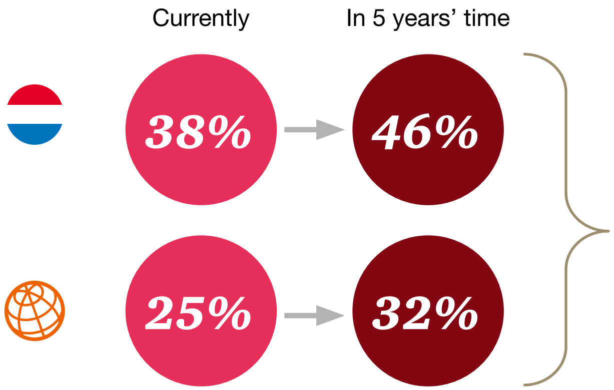
Contribution to the economy

High international sales level, due to an open economy

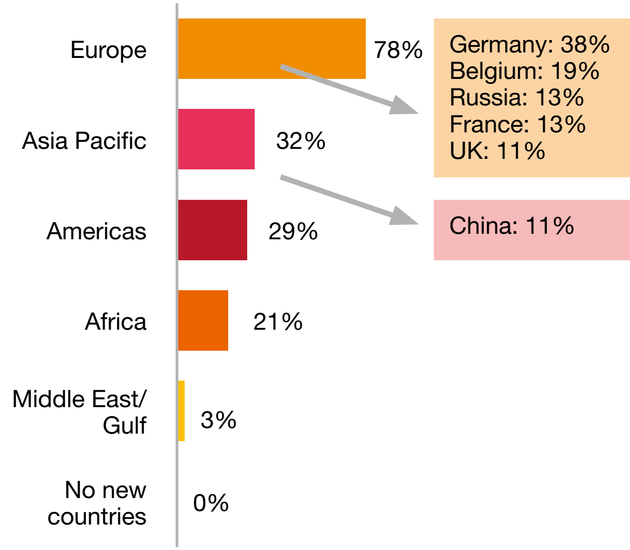
Dutch family businesses contribute to the world economy with relatively high levels of international sales.

Significantly higher international sales are to be expected from an open economy such as The Netherlands.

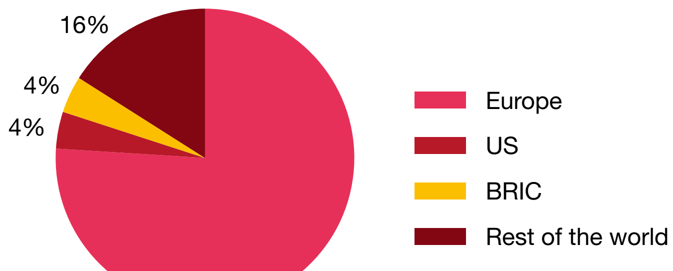
Avg. % of sales = International (based on all i.e. all exporting and non-exporting businesses)



Countries/regions seeing biggest increase in five years



The Netherlands' most important partner countries for export



Source: CBS, November 2012

B. Availability of finance

Generally high solvency

One of the major strengths of family businesses is that they are generally less dependent on bank financing, as they retain profits in the firm.

- High level of financing with **equity**, which decreases dependency on third parties.
- In business transfers regularly many subordinated loans are made available.
- Shareholders are willing to **retain profits** in the business for reinvestments.

Source: ING et al. (2013)

Financing is one of the strengths of family businesses over non-family businesses

Availability of finance

Key issue: availability of finance

Dutch businesses face difficulties in attracting external financing. This is reflected in the finding that it is a significantly more important issue in The Netherlands than in the global sample.

Dutch SMEs are faced with levels of credit rejections comparable to those in Greece, even though the average financial outlook is unlikely to be similar.

A reason for rejection is often a lack of preparation and information sharing.

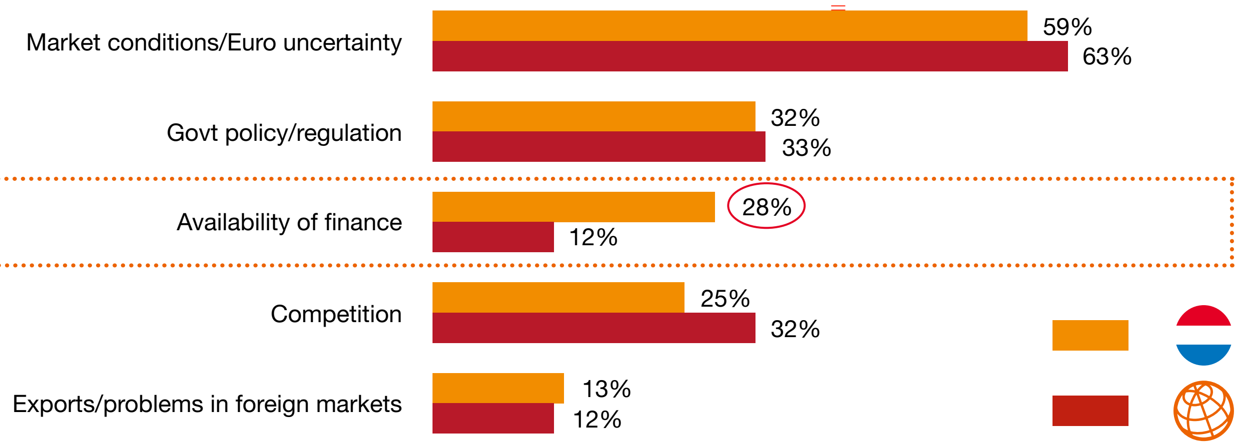
To smoothen the (re)financing process, PwC advices:

- Be open to ***sharing information*** with the bank
- Proper ***preparation*** is crucial*
- Start ***in time***
- Perform a ***financing option analysis****

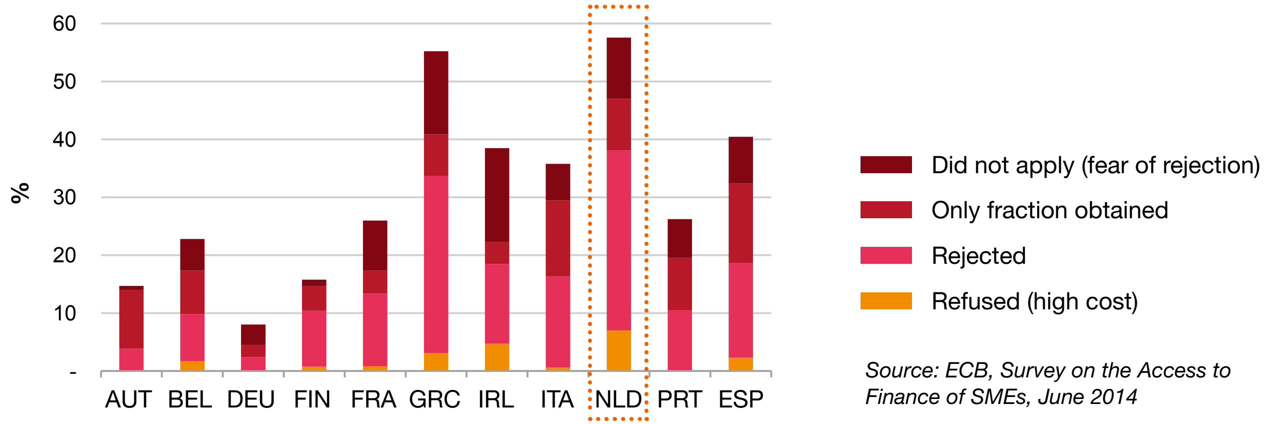
*Preparation of qualitative and quantitative information is key in getting credit approval. Define a strategy and translate this to a long-term forecast of P&L, balance sheet and cash flow statement

**By performing a a financing option analysis other sources of funds can be involved in a parallel process. It is important to consider all the relevant options to attract the financing most suitable for each situation

Key external issues in the next 12 months



Credit rejections of SMEs



Source: ECB, Survey on the Access to Finance of SMEs, June 2014

C. Succession

Business transfers are important for the Dutch economy

In the Netherlands around 23,000 business transfers take place annually. This involves many jobs and considerable levels of revenue and equity.

Successful business transfers within family businesses represent an important contribution to the Dutch economy.
Source: Van Teeffelen, 2012, Nyenrode Business University, 2013

Annually

23,000
business transfers*

130,000 jobs

5.7 – 7.9bn
revenue

failed
business transfers

50,000 – 55,000 jobs

2.4 – 3.2bn
revenue

25% of businesses in The Netherlands close without a business transfer
Source: KvK, 2007

69% of Dutch businesses are family businesses (excluding sole proprietorships)

In 2013 Nyenrode Business University performed a quick scan on family businesses and succession. Nyenrode estimates that c. 23.000 business transfers took place annually in the period 2009-2011 within and outside family businesses. This estimation is based on the research of Van Teeffelen (2012), Flören et al. (2010) and Meijaard (2005).

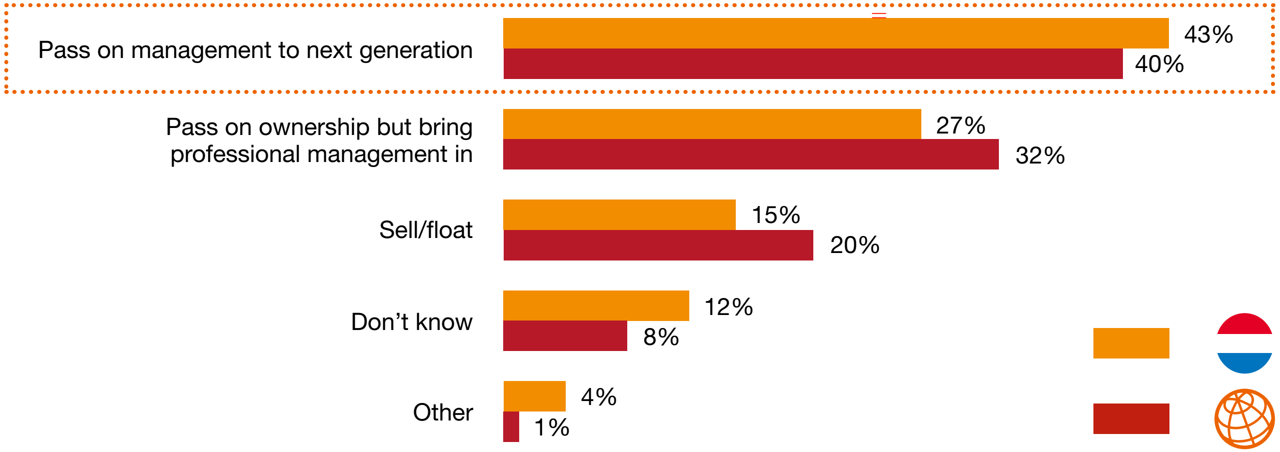
Succession

Demographics lead to an upcoming pool of successions

Given the age of Dutch entrepreneurs, a large group will be reaching retirement age, many will want to transfer their company to the next generation within the coming years.

- More than 70,000 entrepreneurs of Dutch family companies are older than 55
- More than 41,000 of these are older than 60 years old, so reaching retirement age
  Source: KvK, 2013
- The average age at succession is 62 years, of which 32% of CEO's has only transferred ownership after the age of 65
- 95% of Dutch family businesses wish to transfer the company from parent to child (PwC survey finds only 70%)
  Source: Meijaard en Diephuis, 2014
- More than 60% of all business transfers take place within the (direct and indirect) family.
  Source: Nyenrode Business University, 2013

Future plans



Succession

Too little next generation involvement

However, only 24% have next generation family members working as senior executives in the company.

This is a cause for concern when realising that the majority of Dutch family businesses wishes to transfer ownership and management to the next generation.

Family "Next Generation" involvement in businesses

	Netherlands	Global
% have Next Gen family members working as Senior Executives within the company	*24%*	*43%*
% have Next Gen family members working within the company, but not as senior executives	*31%*	*28%*
% have Next Gen family members who don't work for the company but have company shares	*23%*	*23%*
% have Next Gen family members who don't work for the company or have shares, but are recompensed in other ways	*3%*	*7%*

Any next gen working for business

Netherlands: *39%*

Global: *55%*

Dutch have less Next Gen in the company than worldwide

Succession

Insufficient succession planning

One of the primary reasons family businesses fail is the lack of a written succession plan.
Source: Benavides-Velasco et al., 2011

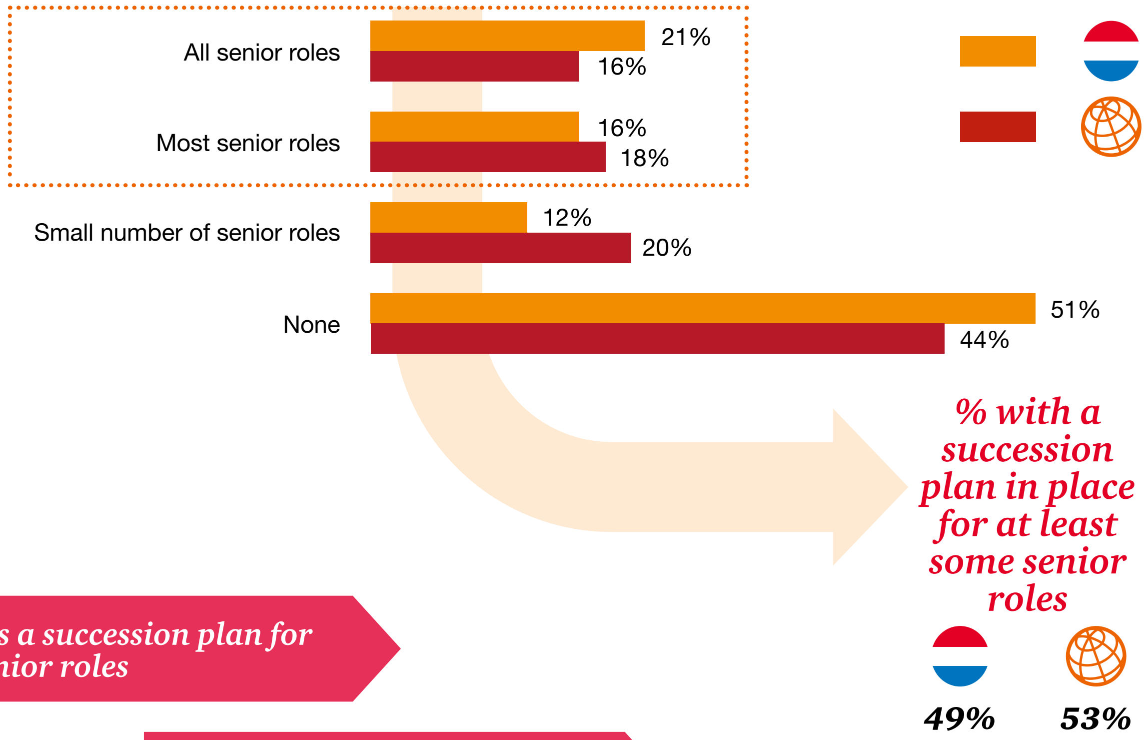
Research finds evidence that emotional barriers lead to insufficient succession planning

- More than 87% of family business CEOs indicate that they struggle with emotional barriers at the transfer of their company
- More than 75% of CEOs only announced their departure 2 years in advance, and 25% of former CEOs had only announced this at the last minute
- These barriers lead to the situation that succession is barely planned or not planned at all. In most cases a succession process is set in motion too late

These findings are substantiated by our data sample, which shows that only 15% of Dutch family businesses have a succession plan in place that is robust and documented (16% worldwide)

Source: Nyenrode Business University, 2013

Succession plan for key senior roles?



37% has a succession plan for most senior roles

15% has a robust and documented succession plan

12% identifies succession as one of the key challenges in the next five years

Succession

Pending change of BOR threat to capital structure at succession

The pending changes to the tax treatment of successions ("BOR") could severely impact the capital structure of family businesses at the time of succession.

- As private persons have to pay full taxes on inheritance of non-business assets, discussions arose about the question if BOR violates the principle of equality
- The Supreme Court and the European Court of Human Rights have both ruled that the regulation does not violate the principle of equality
- Nonetheless, the Dutch government is contemplating lowering the rate of exemption, or abolishing the BOR and change it for a payment arrangement

According to the Secretary of State ***70%*** could afford to pay this succession tax. However, it is unclear what the impact of the changed capital structure would be on the continuation of the business

Source: Ministry of Finance, 2014

The tax treatment of successions ("Bedrijfopvolgingsregeling" or "BOR")

3.4%

Effective tax rate

Deferral of personal income tax

On transfer of substantial participation (>5%) in shareholding companies

25% *tax rate*

C. 83% exemption on gift or inheritance tax

A very broad exemption

10-20% *tax rate*

Criteria:

- Does not apply to non-business assets
- Transferee must have been in the company for at least 3 years
- Company must continue to exist for at least 5 years after the transfer

Change in BOR

20%

Tax on fair market value when a business transfer by gift or inheritance is executed

10 yr

Payment arrangement of payment of this tax

From healthy solvency, to relatively highly leveraged business

Impact on key values of family businesses, which are built around long term continuity and security for future generations and employees

Succession

Lasting legacy threatened

A large pool of family business owners is reaching retirement age. However, too little next generation involvement and insufficient succession plans threaten the wish to leave the company in a strong position to deal with future challenges.

In addition, the plans of the government to change the tax treatment of successions could severely impact the capital structure at the time of succession.

Together these factors could lead to an increased amount of failed business transfers, which would have a significant impact on the legacy of family business owners as well as on the Dutch economy.

"Leave a strong company that can continue when I'm gone. A financially healthy company that is renowned for quality"

(Second Generation family business)

Several respondents wish to leave a competent and decent organisation, with growth but also continuity of values

For the Family / Community

- Preservation of culture and values
- For employees to enjoy and develop in their work
- Decent, responsible trading

For the Business

- To be able to cope with change and development
- A healthy company with longevity
- Continue to deliver quality

"My lasting legacy is leaving behind a decent and successful company for the next generation"

(Second Generation family business)

"A company that is able to develop itself and future proof. They will have to be able to react to changes that will occur"

(Second Generation family business)

"My legacy is for the family, preserving the culture and the general development of the company"

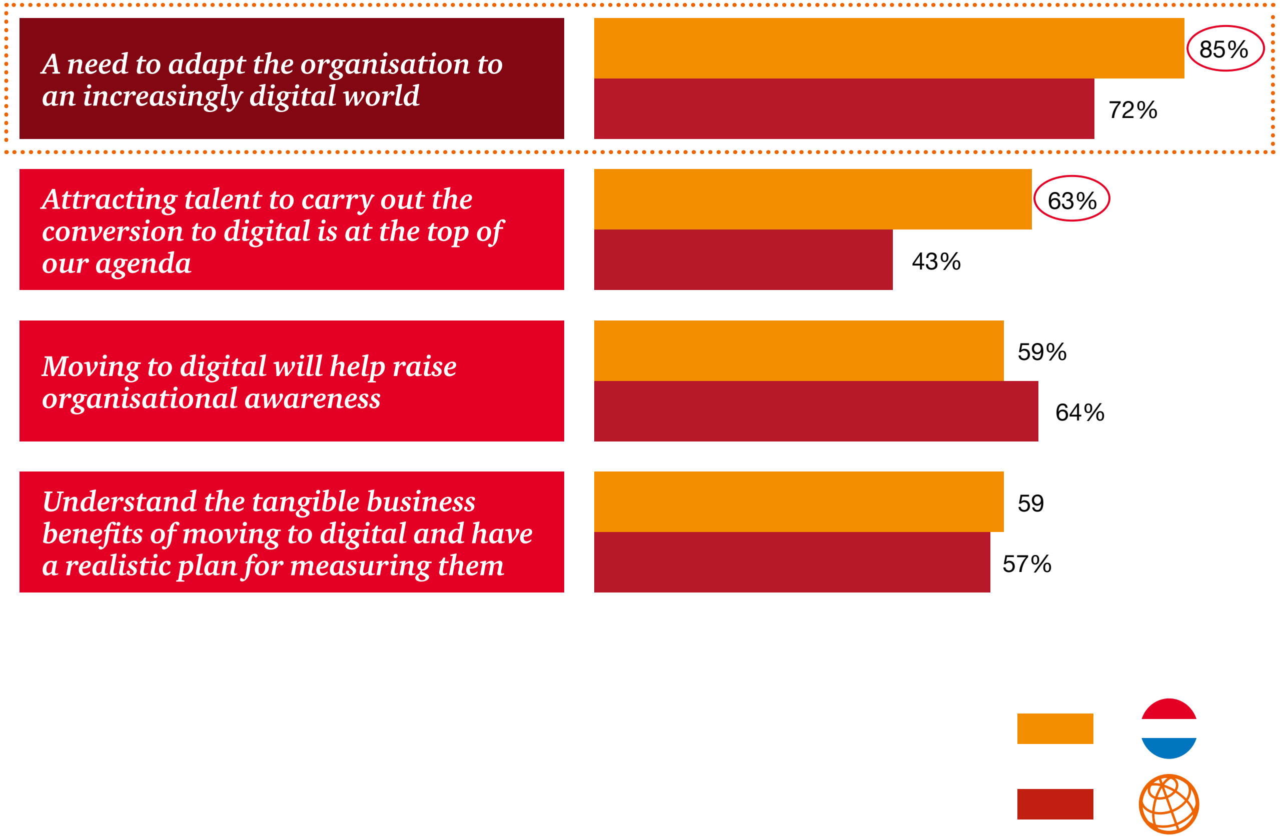
(Third Generation family business)

D. Technology

Need for digitalisation recognised

Family businesses in the Netherlands are more likely than average to recognise the need to adapt their organisation to a digital world and the pressing need to attract talent to facilitate this.

% agreeing with statements about the digital world



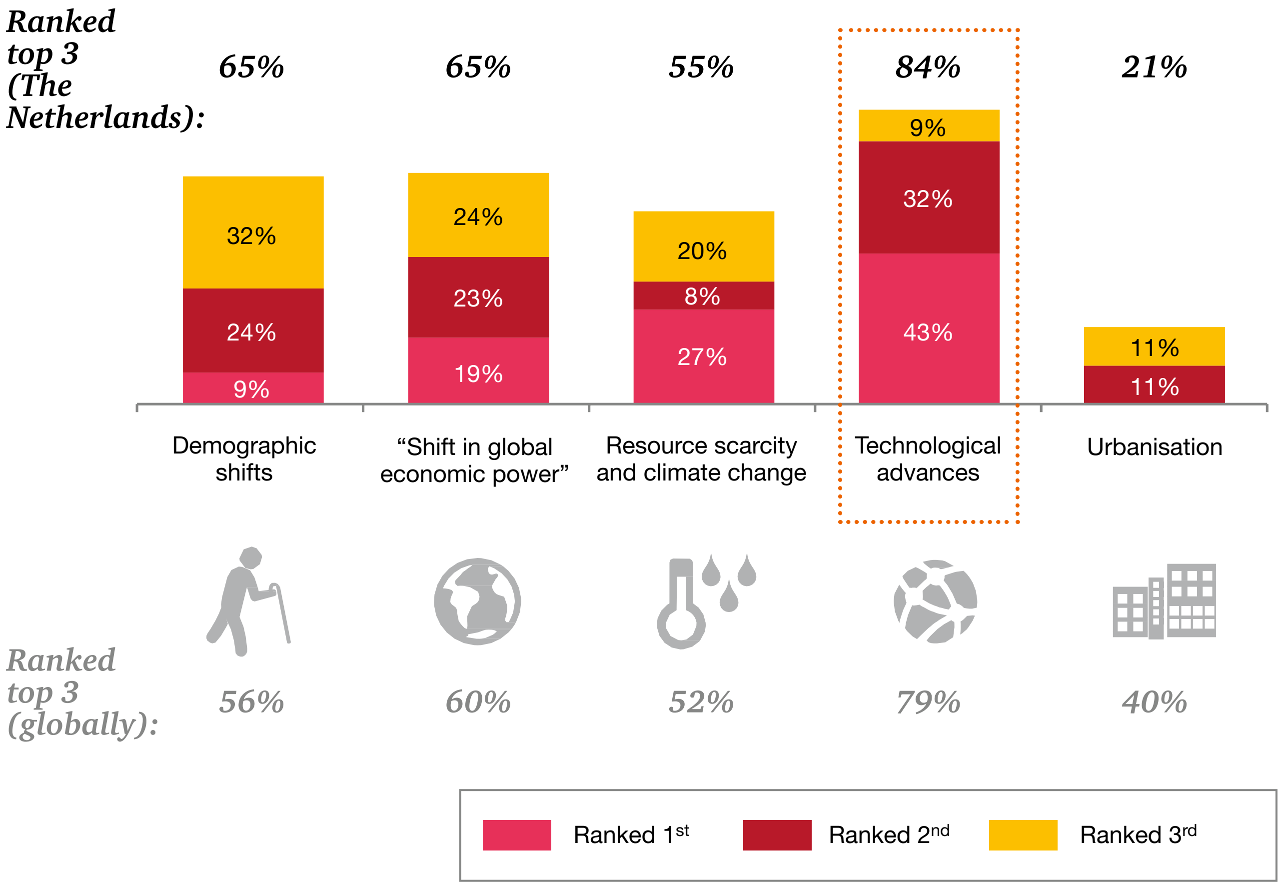
Technology

Technology #1 global trend

Family businesses in the Netherlands have a similar outlook to the world as a whole in terms of global trends that will transform business over the next 5 years.

Technological advances are seen as the #1 global trend that will transform businesses in the coming years.

Top three global trends that will transform business over the next 5 years



Technology

But technology is low on the agenda

Still, technology is not seen as one of the key issues, which poses a threat to the sustainability of the business models of family businesses.

Although family businesses recognise the need to adapt to an increasingly digital world, they really need to take action on that subject.

If not, they put the sustainability of their business models at risk, as they could be overtaken by their competitors.

12% of the respondents name 'the need for new technology' as one of the top 3 internal issues for the next 12 months

39% of the respondents identify 'the need for new technology' as a key challenge over the next five years

There is a statistically significant relation between companies that identify 'a need to adapt' their organization 'to an increasingly digital world' as important and companies that view 'the need for new technology' as a key issue for next 5 years

Too few respondents are actively concerned with a need for new technology

Those who recognise a need to adapt to the digital world are more focused on the need for new technology

Source: PwC analysis

E. Staffing

Family businesses face difficulties in attracting the right human capital

Demographic changes make human capital a difficult issue for all firms, and for family businesses even more so.

'Staff recruitment' is identified as the #1 internal issue for the next 12 months.

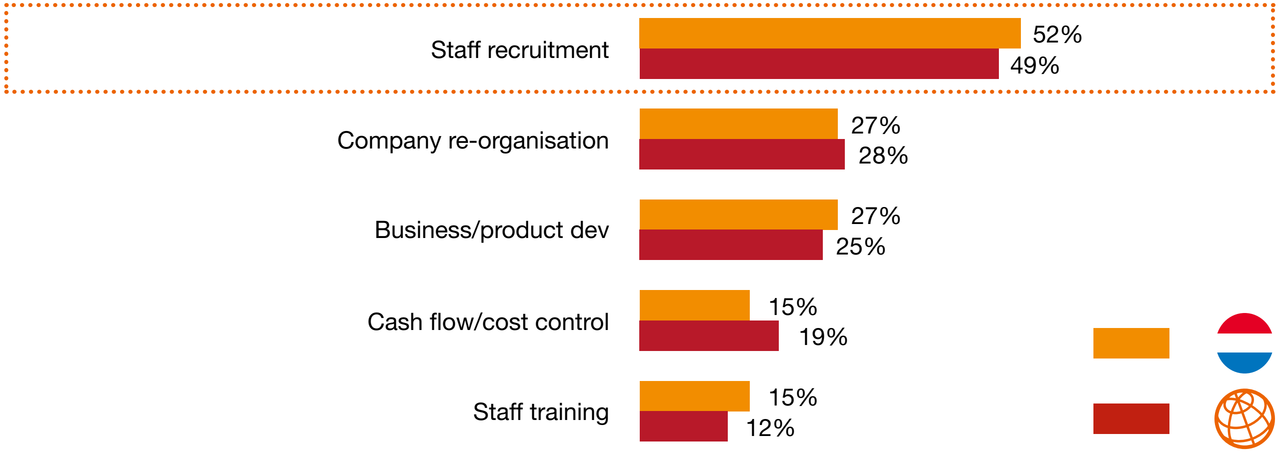
One of the biggest challenges family firms are faced with is attracting and retaining qualified non-family staff, the Netherlands is no exception to this.
Source: Benavides-Velasco et al., 2011

Perception of injustice and nepotism makes it more difficult to attract professional management.
Source: Kets de Vries, 1993

Academic research finds that very high levels of family involvement reduces a sense of justice among non-family employees in a firm. The data do not indicate that governance structure has an influence on the staff recruitment issue.
Source: PwC analysis, Barnett and Kellermanns (2006)

> *"Find the right people with the right skills and background"*
>
> (Third Generation family business)

Key internal issues in next 12 months (top 5)



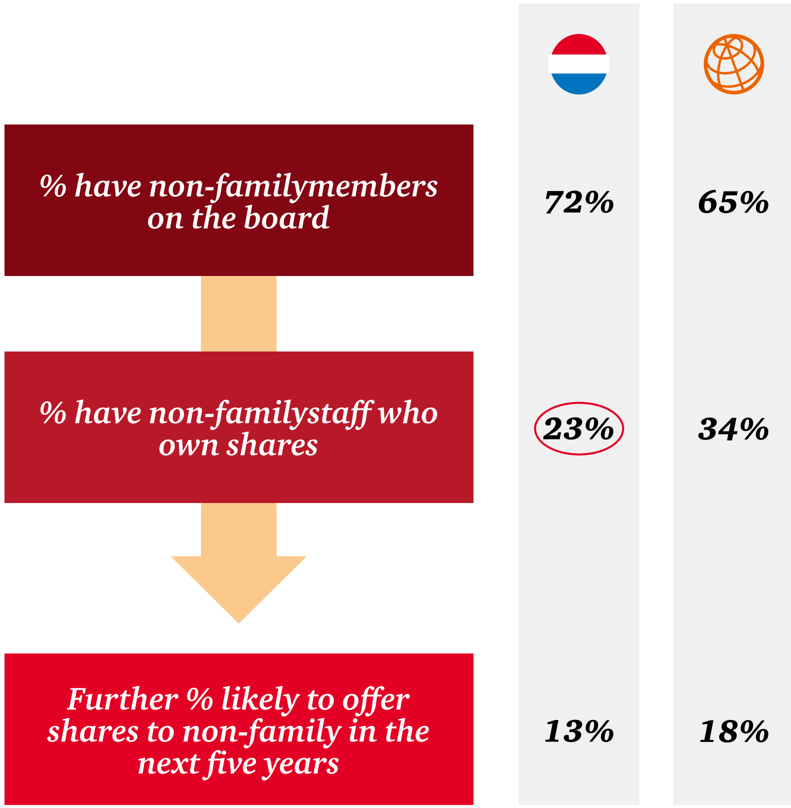
Key challenges in five years' time (top 5)

F. Governance

More non-family members on the board than globally

A relatively high proportion of Dutch family businesses have non-family members on the board.

This reflects the fact that on average Dutch family businesses are older and larger.
Source: Johannisson and Huse, 2010



Governance

More family involvement, but not on senior level

Dutch family firms are more likely than average to have family members working within the company, but not as senior executives.

Dutch family businesses are generally larger, older businesses which have existed for several generations. This explains the fact that there are more family members working in the company, but not as senior executives.

OLS regression analysis on the Dutch data sample indeed shows a statistically significant negative relation between company age and the number of family members that work as senior executives in the company.

No evidence for a relation between company size or # of generations and # of senior executive family members.

In addition, statistical tests show no difference in performance between companies with and without family members working as senior executives.

Source: PwC analysis

Family involvement in businesses

% have family members working as senior executives in the company	*88%*	*93%*
% have family members working in the company, but not as senior executives	*64%*	*49%*
% have family members who don't work for the company but own company shares	*53%*	*48%*
% have family members who don't work for the company or own shares, but are recompensed in other ways	*16%*	*18%*

Governance

Impact of governance either non-existent, or not recognised

Most of the companies in our sample are both owned and managed by the family. The data do not indicate that the difference in governance structure has an influence on performance, succession planning or other factors.

We have performed regression analyses of governance structure on the following items:
- Succession planning in place
- Past profitability
- Growth aims
- Sense of social responsibility
- Availability of financing as a key issue
- The need to professionalise the business

No statistically significant relations were identified in these regressions, indicating that governance is not a deciding factor for key issues family businesses are faced with.

Source: PwC analysis

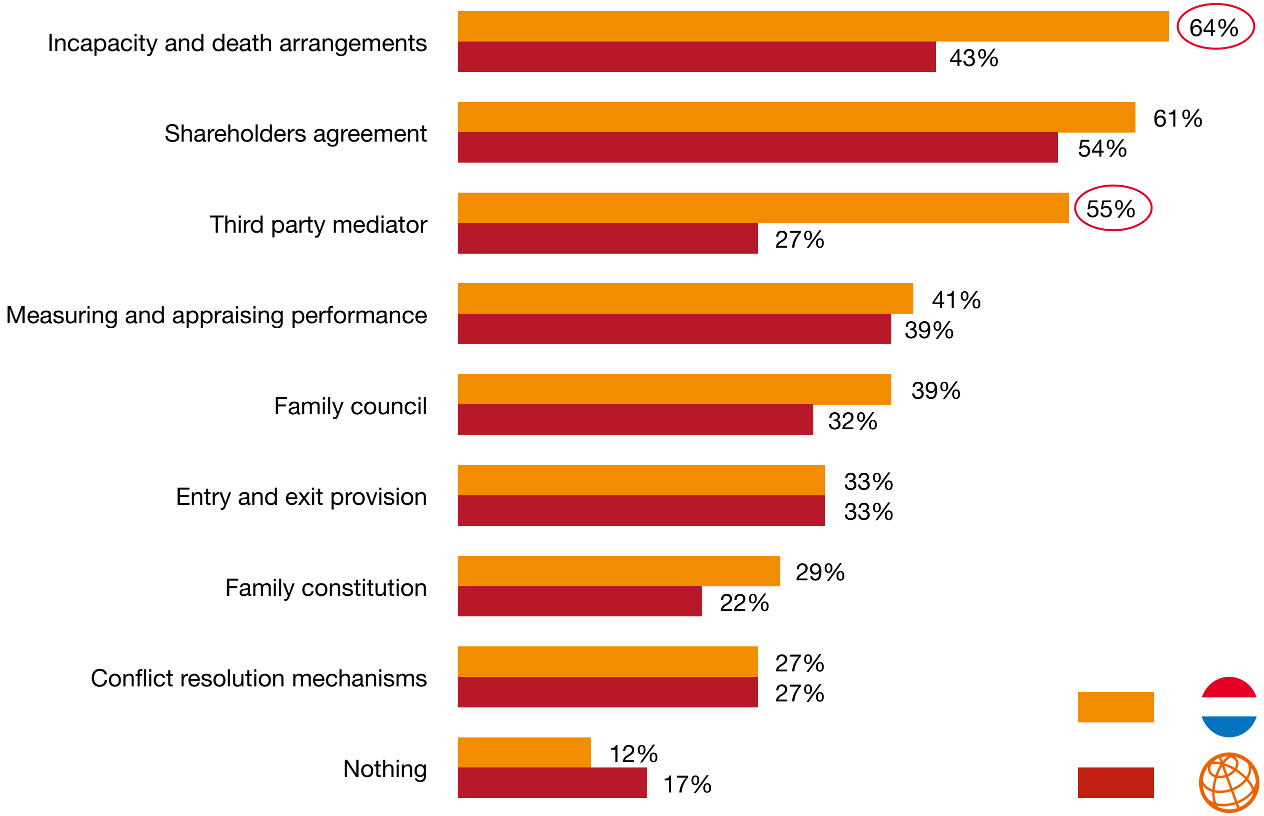
- ***It could be that the regressions showed no impact, because the interviewees are not aware of the impact of governance***
- ***The current owner of the business will not experience governance as a major issue, as it only really becomes relevant at the moment of transition to the next generation. After this there will be a mix of shareholders (employed / not employed within the company, family / non-family, etc.)***
- ***The more complex this group of shareholders and the more complex the company, the more important governance becomes***

Governance

Good procedures in place

Over 88% of Dutch family businesses have at least one procedure/mechanism in place to deal with conflicts.

Procedures in place



Conclusions

1. *Family businesses are vital to the economy*

2. *They are resistant to economic turmoil*

3. *Dutch family businesses face difficulties in attracting bank financing*

4. *Succession is a little acknowledged issue, yet a real risk*

5. *Adopting to an increasingly digital world is a must, yet low on the agenda*

6. *Recruiting qualified non-family staff is a major challenge*

Appendix

References

- Anderson, R.C. and D.M. Reeb (2003). Founding-Family Ownership and Firm Performance: Evidence from the S&P 500. *Journal of Finance,* 58, (3), 1301-1328.

- Barnett, T. and F.W. Kellermanns (2006). Are We Family and Are We Treated as Family? Nonfamily Employees' Perceptions of Justice in the Family Firm. *Entrepreneurship Theory and Practice*, 30, (6), 837-854.

- Benavides-Velasco, C.A., C. Quintana-García and V.F. Guzmán-Parra (2013). Trends in Family Business Research. *Small Business Economics*, 40, (1), 41-57.

- Dyer, W.G. and D.A. Whetten (2006). Family Firms and Social Responsibility: Preliminary Evidence from the S&P 500. *Entrepreneurship Theory and Practice*., 30, (6), 785-802.

- European Commission (2009). *Financial report of the Export Group. Overview of family-business-relevant issues: research, networks, policy methods & existing studies*. Enterprise and Industry Directorate - General.

- Flören, R.H. and S.F. Jansen (2010). *De stille kracht van het familiebedrijf. Management Ondernemerschap*. Berk Accountants en Belastingadviseurs. Kluwer, Gouda.

- ING Economisch Bureau, MKB Nederland, FBNed and Ernst & Young (2013). *Strategie en kansen in het familiebedrijf*. 8 April 2013.

- Johannisson, B. and M. Huse (2010). Recruiting outside board members in the small family business: an ideological challenge. *Entrepreneurship & Regional Development: An International Journal*, 12, (4), 353-378.

- Kellermanns, F.W. and K.A. Eddleston (2006). Corporate Entrepreneurship in Family Firms: A Family Perspective. *Entrepreneurship Theory and Practice*, 30, (6), 809-830.

- Kets de Vries, M.F.R. (1993). The dynamics of family controlled firms: The good and the bad. *Organizational Dynamics*, 21 (3), 59-71.

- Meijaard, J., en B.J. Diephuis (2004). *Bedrijfsoverdrachten in Nederland*. EIM, Zoetermeer, http://www.ondernemerschap.nl/pdf-ez/M200316.pdf

- Meijaard, J. (2005). *Entrepreneurship in the Netherlands, Business Transfer: a new start*, EIM, Zoetermeer.

- Ministry of Finance (2014). *Kamerbrief: Betreft Fiscale moties en toezeggingen Tweede Kamer*. 25 april 2014.

- Naldi, L., Nordqvist, M., Sjöberg, K. and J. Wiklund (2007). Entrepreneurial Orientation, Risk Taking, and Performance in Family Firms. *Family Business Review*, 20, (1), 33-47.

- Nyenrode Business University: Center for Entrepreneurship (2013). *Familiebedrijven en bedrijfsoverdacht: Quick Scan*. 2 July 2013.

- Van Teeffelen, L. (2012). *Meer kans van slagen bij bedrijfsoverdrachten*. HU Business School Utrecht isbn: 978-90-8928-049-7.

Methodology

Worldwide

2,378 interviews conducted in over 40 countries

Executed by

JGSW research

In The Netherlands…

***75** interviews*

*Averaging **28** minutes*

All interviews conducted by phone

*Conducted between **30th** May and **29th** July 2014*

Throughout report:

2014 country % higher or lower than the global average

2014 % higher or lower than 2012 %

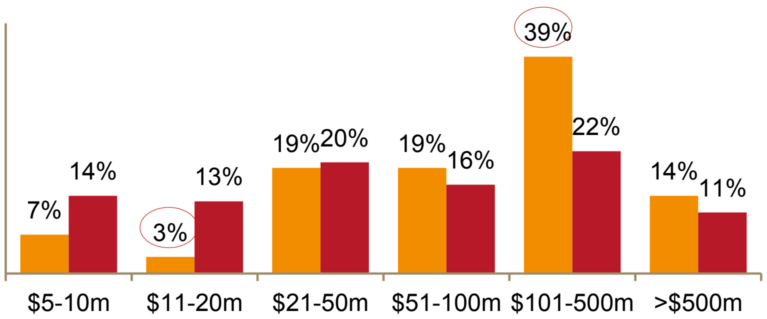
statistical analysis in STATA12 on this sample

review of academic literature

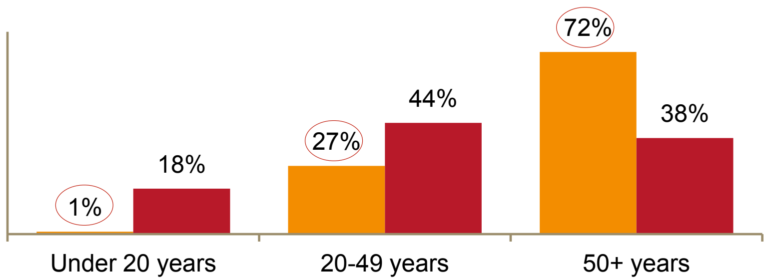
Netherlands sample profile: Business

When compared to the global sample, Dutch businesses are more likely to be larger ($100m+ turnover), older and to have been in the family for more generations, reflecting the mature economy of the Netherlands.

Turnover (US$s)



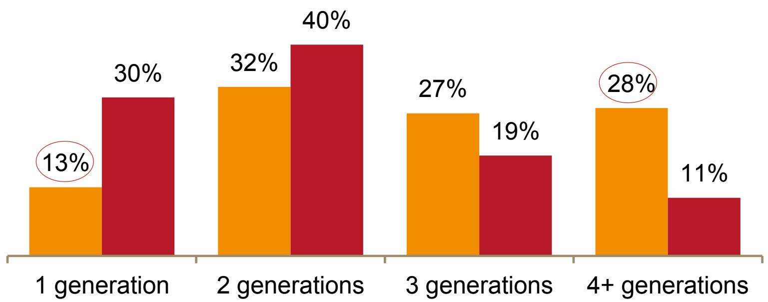
Company age

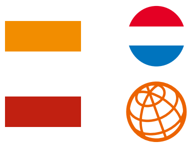


Sector

	Netherlands	Global
Manufacturing:	25%	(30%)
Construction:	13%	(9%)
Transport:	12%	(6%)
Wholesale:	9%	(10%)
Retail:	7%	(11%)
Business activities:	7%	(7%)
Automotive & repairs:	7%	(3%)
Others:	5% or less	

Number of generations

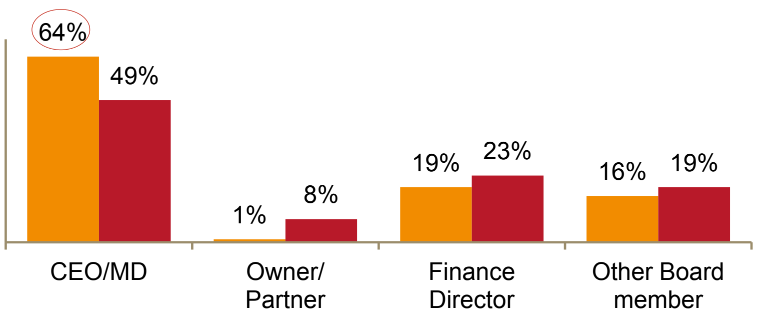




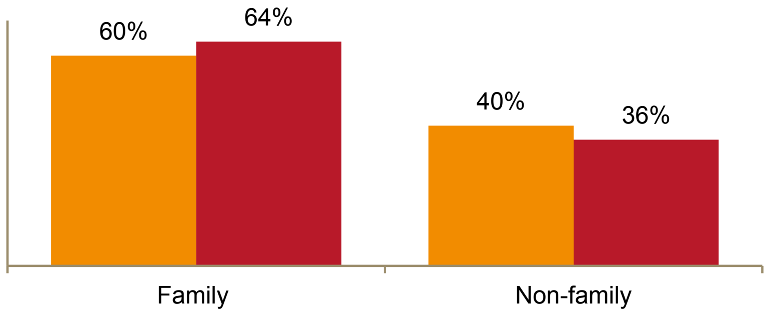
Netherlands sample profile: Respondents

All respondents have senior functions in the company. Most of the companies that were investigated are both owned and managed by the family.

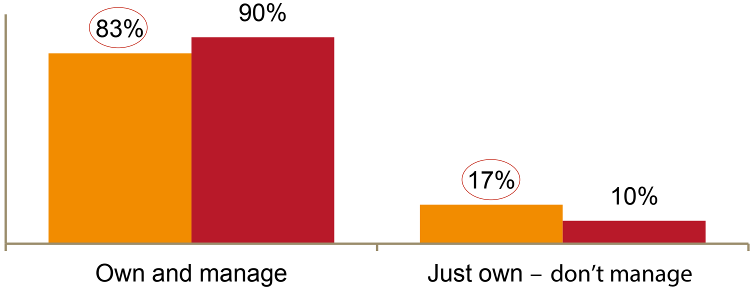
Role



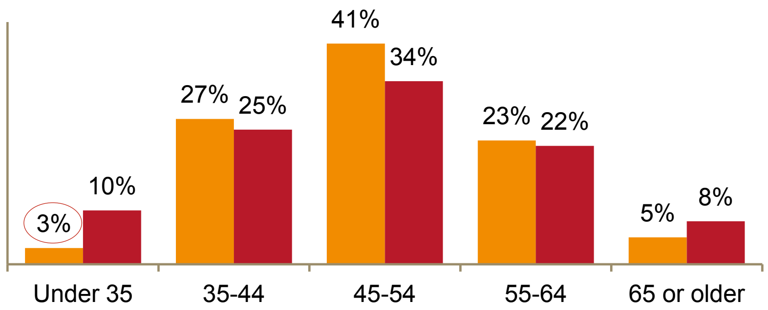
Family member?



Family role in business



Age



Contact

Renate de Lange
Tax partner
Tel: +31 (0)88 792 3958
Email: renate.de.lange@nl.pwc.com

Michel Adriaansens
Assurance partner
Tel: +31 (0)88 792 3630
Email: michel.adriaansens@nl.pwc.com

Martijn Mouwen
Advisory director
Tel: +31 (0)88 792 66 23
Email: martijn.mouwen@nl.pwc.com

Jan Willem Velthuijsen
Chief Economist
Tel: +31 (0)88 792 75 58
Email: jan.willem.velthuijsen@nl.pwc.com

PricewaterhouseCoopers B.V.

Thomas R. Malthusstraat 5
1066 JR Amsterdam

Postbus 9616
1006 GC Amsterdam
+31 (0)88 792 00 20

www.pwc.nl/familiebedrijven