



The Finnish Family Firms Association

29 October 2014

Henna Knuuttila, Embassy of Finland/
Eveliina Talvitie, Perheyrittäjien liitto

Finland





Finland's history in a nutshell

- Part of Sweden 1250–1809; autonomous part of Russia 1809–1917, independence in 1917; parliamentary democracy
- Second World War: Winter War and Continuation War against Soviet Union
- Member of the UN and Nordic Council 1955
- Member of the EU in 1995; adopted euro in 2002
- 5,4 million inhabitants, two official languages (Finnish, Swedish)



POPULATION: 5.4 million

CURRENCY: Euro

INTERNATIONAL STATUS: Achieved independence in 1917; member of the European Union since 1995; militarily non-aligned

ECONOMIC STRUCTURE: Services 67 % of GDP, industry 30 %, agriculture 3 %; exports account for 39 % of GDP

AREA: 338,000 km² (130,500 square miles)

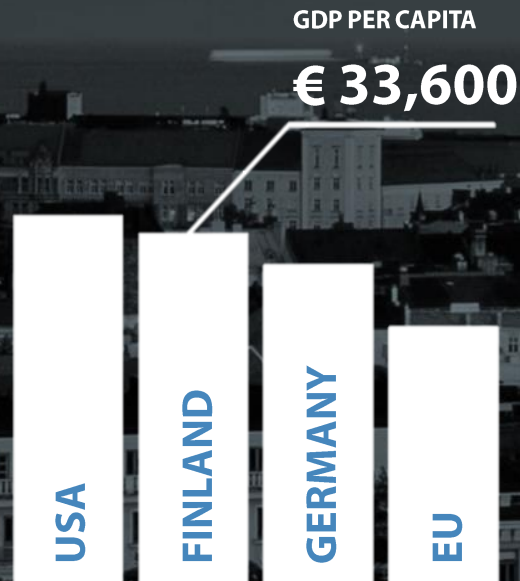
LOCATION: Northern Europe; shares borders with Sweden, Norway and Russia

CAPITAL: Helsinki (population 596,000)

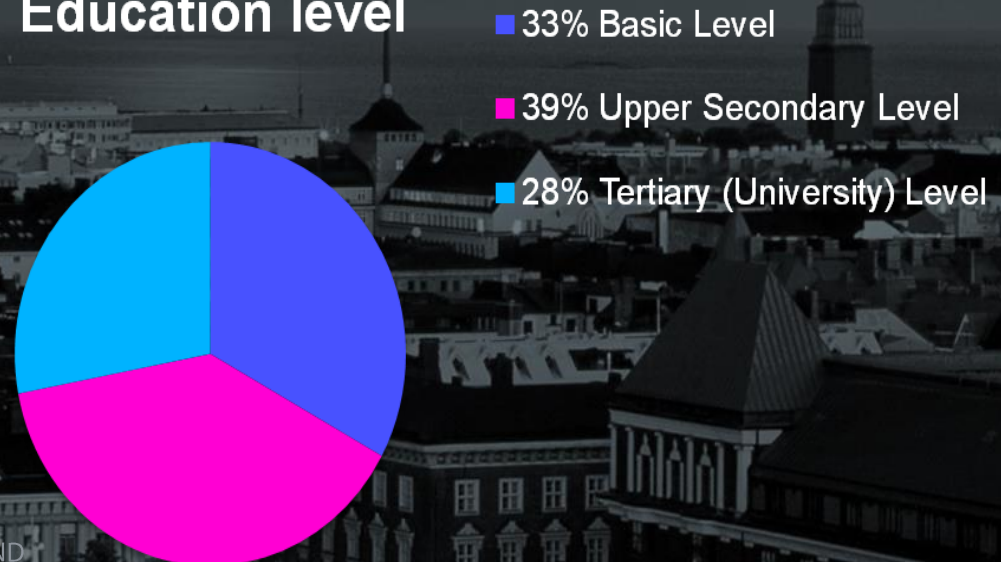
OFFICIAL LANGUAGES: Finnish 90.4 %, Swedish 5.4 %

RELIGIONS: Evangelical Lutheran Church 78 %; Orthodox Church 1 %; no religious affiliation 19 %; other religious communities 2 %

SYSTEM OF GOVERNMENT: Parliamentary democracy; presidential elections every six years; Parliament (200 members) elected every four years



Education level

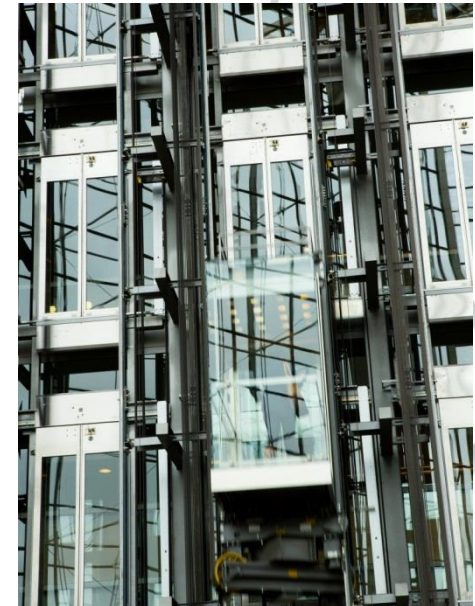


THINK FINLAND



Famous Finnish companies

- Nokia Solutions and Networks
- Rovio
- Kone (elevators)
- Marimekko (fashion)
- Metso (paper industry)
- Tikkurila (paints)
- Tunturi (sports equipment)





A firm is a family firm, if

- The majority of votes is in the possession of the natural person(s) or in the possession of their spouses, parents, child or child's direct heirs.
- The majority of votes may be indirect or direct.
- At least one representative of the family is involved in the management or administration of the firm.
- Listed companies meet the definition of a family firm if the person who established or acquired the firm (share capital) or their families or descendants possess 25 per cent of the right to vote mandated by their share capital.



Family Businesses (FB) in Finland

- 80 % of firms are FB
 - 30 % of large-sized
 - 46 % of middle-sized
- FB contributed
 - 35 % to the added value
 - 42 % to employment of all businesses
- FB are at least as profitable as their non family counterparts



The Finnish Family Firms Association

- FFFA was established in 1997.
- FFFA has currently (as of September 2013) 400 member companies,
 - over 60 are among the TOP 500
 - Of the largest unlisted Family Businesses, nine out of ten are members in FFFA
 - 2/3 are SMEs
 - Members' average turnover 82 meur, 400 employers and established 1960.
 - Members' median turnover 11 meur, 70 employers and established 1971
 - 50 members are more than 100 years old
- Our members' total turnover is over 36 billion euros and they employ over 166 000 people.



Chairmen

- Peter Fazer, Oy Fazer Ab 1997-1998
- Krister Ahlström, Ahlström Oyj 1999
- Klaus Sohlberg, Oy G.W. Sohlberg Ab 2000-2002
- Marjo Miettinen, EM Group Oy 2003-2005
- Janne Timonen, Machinery Oy 2006-2008
- Anne Berner, Vallila Interior Oy 2009-2011
- Pekka Laitinen, Varova Oy 2012-2014
- Managing Director of the Association is Matti Vanhanen



Mission

- to promote the continuity of Finnish family firms



Values

- **Trust:** The members of the FFFA may share their family business experiences confidentially and with great trust. Trust is the precondition for the open exchange of experiences.
- **Openness:** By openness we mean active and open interaction between the members as well as the FFFA's relations to its operational environment.
- **Family-centralism:** The FFFA emphasises values and the feeling of solidarity. The business community is consisted of the owners, family members, relatives, executives, personnel, business partners and friends.
- **Continuance:** The FFFA aims by its proactive approach to reach long-term goals and continuance as do its member firms also. Continuance creates trust also amongst the stakeholders of the FFFA.



Activities

The Finnish Family Firms Association

- Organises various seminars and provides educational opportunities.
- Supervises the interests of the member firms in the questions of ownership.
- Maintains contacts to other business organisations as well as to domestic and international partners.
- Promotes interaction between the members.
- Promotes family business research.



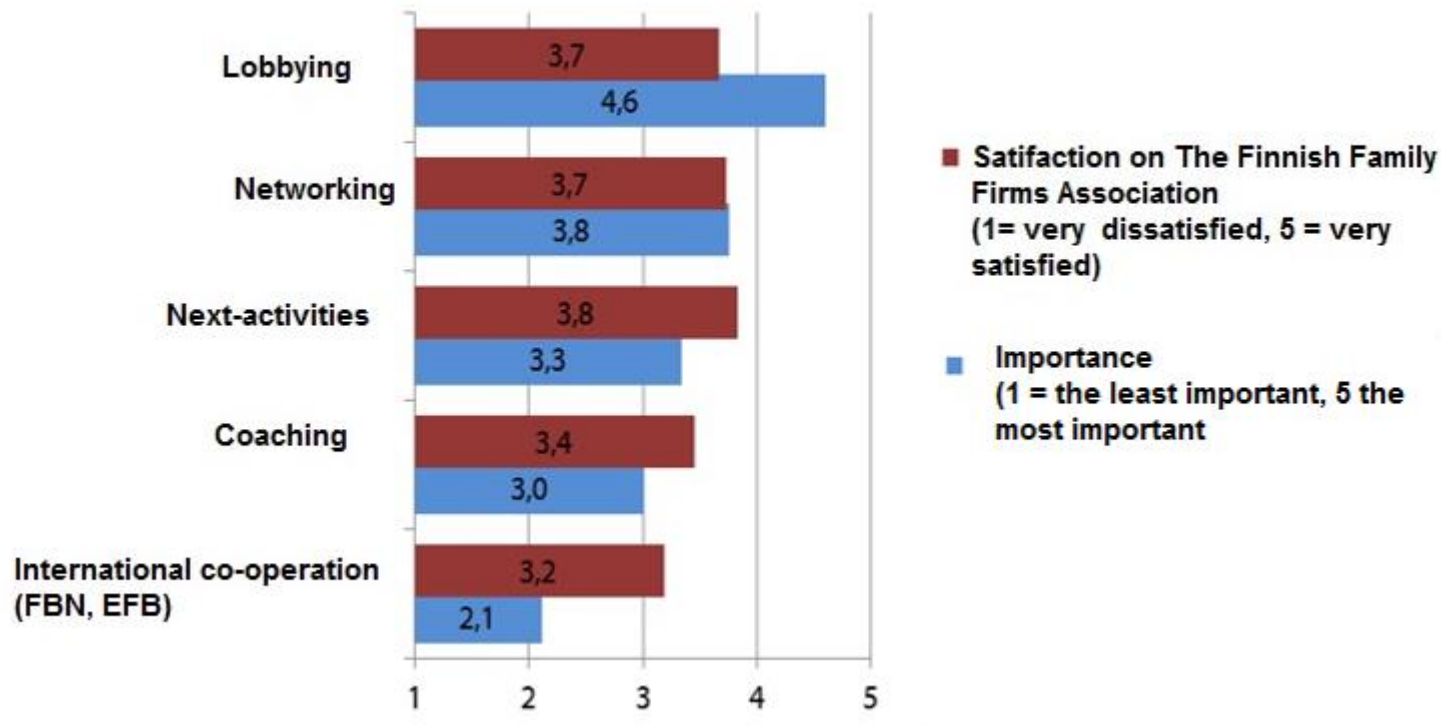
Focus areas of the future:

- Lobbying 85 %
- Education 46 %
- Improving the image of the family firms 41 %
- Joint activities and social occasions 13 %
- Promotion of the family business research 10 %

Family firms barometer 2010

Activities

Importance of activities and average of success by responses



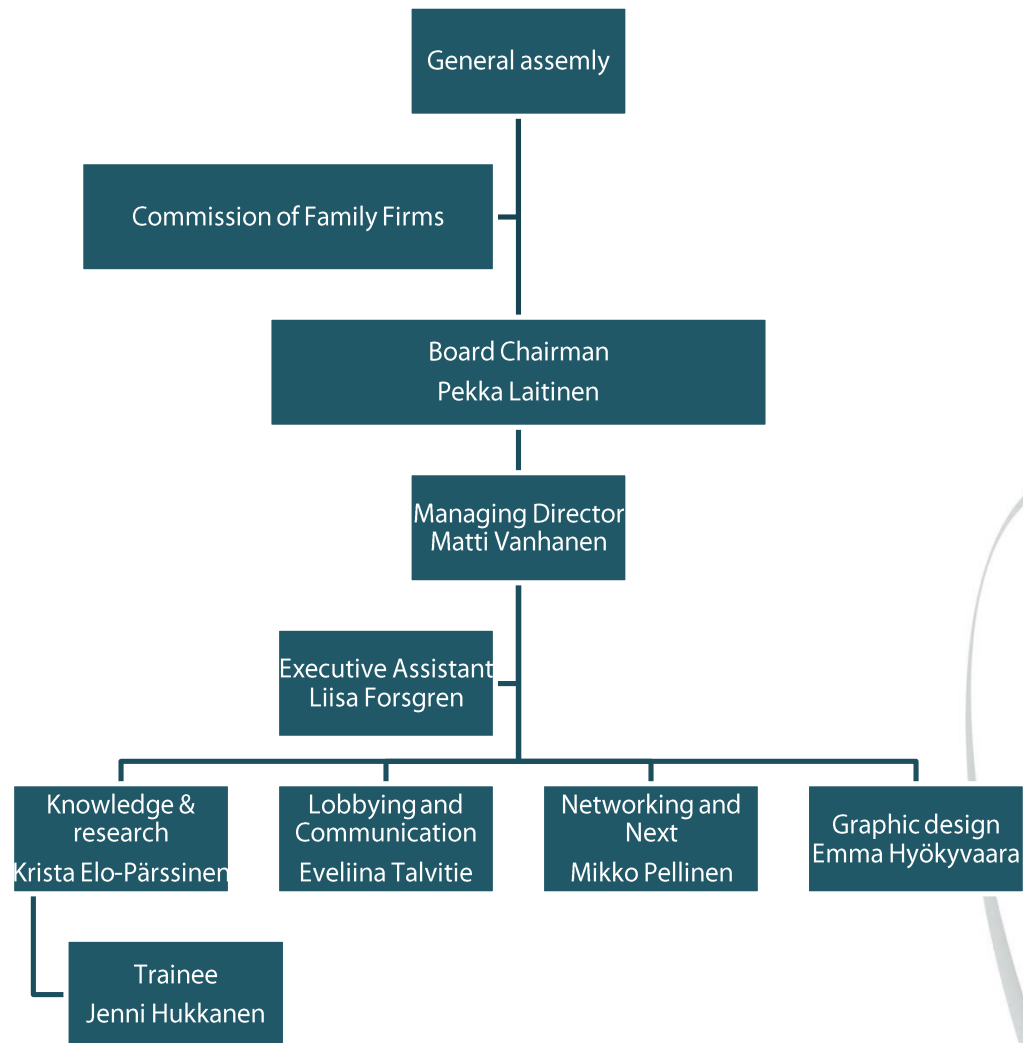


Strategic goals

- Lobbying:
ownership and tax issues
- The next generation:
networking and building capacities to take responsibility
- Family business knowledge
training and and the coordination of experts
- Communications:
To increase the recognisability of the FFFA and the concept of family firm/business



Organization



Committees: Lobbying, Next, Research, Ownership, Centennial, Partnership



Membership communication



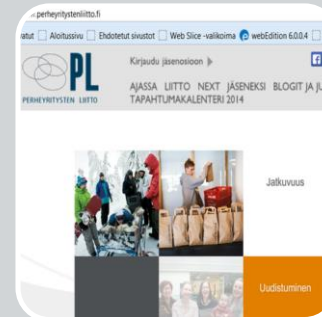
Magazine
4 issues
per year



Monthly
newsletter



CEO's bi-
monthly
review
- economic
policy
- lobbying
themes



Website
- news
- events

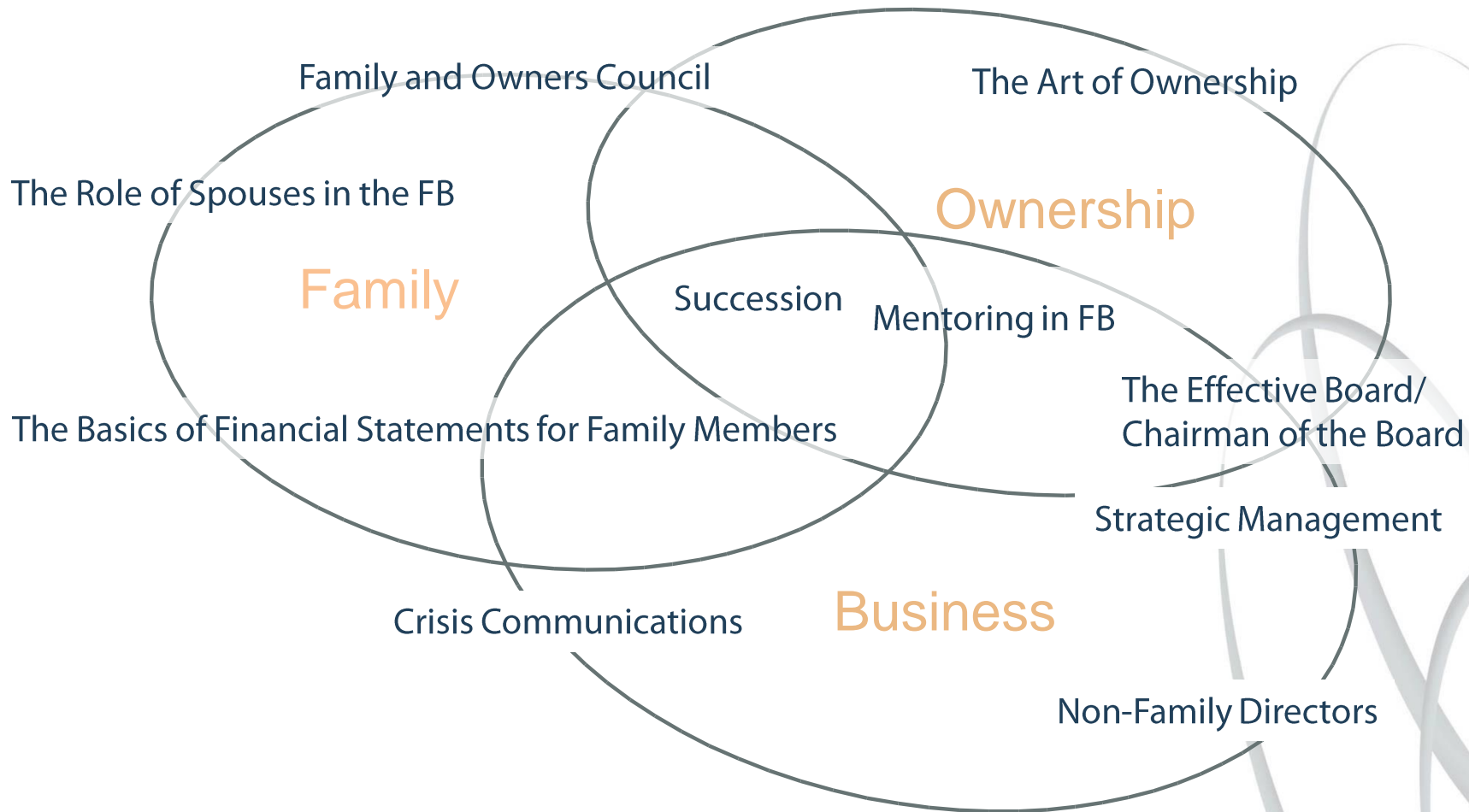


Learn, network, influence FFFA's offerings in a nutshell





Training





NxG in brief

- Over 500 NxG members
- In 2013, at least 100+ individual attendants in our events
- National NxG committee with 12 members
- Resources: Mikko responsible for the NxG activities in the FFFA's office + one NxG trainee at a time
- Communication: e-mail & NxG group in Facebook



Research

- Research committee
 - Members and professors of Turku, Lappeenranta, Jyväskylä & Helsinki
- Research projects 2013-14
 - Well-being of families in FB (University of Eastern Finland)
 - Goal-oriented Ownership (University of Lappeenranta)
- Matti Koiranen Award
 - the Best FB thesis annually (500 €)
 - The Best FB doctoral thesis every 3. year (2 000 €)
- Annual General Meeting 2014 at IFERA conference in Lappeenranta



Contact information

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