The paper analyzes the suitability of minority shareholdings by private-equity-investors for family firms. The results are based on qualitative analysis of in-depth interviews with family firms, private-equity-investors and experts. The paper covers the motivation and the process of the share sale, the legal structuring of contracts, and the impact of the private-equity-investors on the family firms. The results reflect a strong satisfaction of the family firms with the minority shareholding. Apart from the capital injection, the family firms benefit from the investors’ support in corporate governance, controlling and reporting as well as corporate finance. A crucial prerequisite for a successful partnership is the diligent selection of the investor, as their investment approach can differ to a large extent. Additionally, the legal structuring of the relevant contracts is decisive. The shareholders' agreement and the articles of association shall eliminate potential conflicts between the family firm and the private-equity-investor. Regulations concerning the investors’ influence and exit are of high importance.

Intellectual Contribution:
Discipline-based Research
Beauftragende Einrichtung:
Stiftung Familienunternehmen

Jahr: 2008

Format: Text

Key publication: Nein

International: Nein

commissioned: not commissioned

Interdisziplinarität: Nein

Occurences:
- Einrichtungen > Fakultäten > Fakultät für Wirtschaftswissenschaften > Kompetenzfelder > Finance & Accounting > Lehrstuhl für Entrepreneurial Finance (Prof. Achleitner) > Report

entries: