

Summary – Case Study 10: Alpha Family

Business not continuing

“We were the stewards, it wasn’t ours to sell”.

The Alpha family inherited a farm which had been successively cut up through five generations. The business wasn’t viable, but as stewards they handed it onto the next generation. Faced with this situation many families would have sold and moved, however the Alpha family, with a strong sense of family history, combined with the weight of the past and the burden of being the eldest child, meant that selling was not an option. The farm is in the 700mm plus rainfall belt and was never truly profitable but they got by, lived happily and educated their children.

Handing the family farm over to the next generation was a difficult task that required four key questions to be answered:

1. Would it be fair to hand over to one child?
2. Should we force the children to be in business together?
3. What gives the best chance of keeping the farm in the family?
4. Should the split be equal?

It was a difficult decision to make and taking into account the above questions the Alpha family are sure they’ve made the right decision. The land was split equally amongst the members of the next generation, who now farm together on land which they own as individuals. The enterprises have remained unchanged.

The key messages from the Alpha family are:

1. Some families place more importance on stewardship and keeping the farm in the family than on economic factors.
2. In order to meet the stewardship obligations some families will forgo many of the trappings of modern day life.
3. It would be unfair to postpone the eventual decision about ownership by leaving it up to the next generation to decide.
4. The best chance of keeping the farm in the family may be to split it up between the siblings.
5. Individuals make choices and one choice, no matter what the consequences are can be *‘It won’t be sold on my watch’*.