

FAMILY BUSINESS 360^o

Inviting Outsiders In: Exploring the Value of Non-Family Board Members

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Ronald Dodge – Hood River Distillers

Thursday, March 14, 2019
OSU Portland Center, Portland OR

Background

Questions about boards of directors regularly rank as a top of concern for family business members. For good reason; a board can impact succession planning, strategic business initiatives, family dynamics and more. According to a 2018 survey conducted by the Pacific Family Business Institute, 80% of family firms in Oregon and Washington find great value in their boards, but nearly 40% of boards have no independent directors.

Inviting outside members onto a board can provide a greater level of expertise and oversight to a family business. Over time, as the board's membership becomes more diverse with a mix of family and non-family members, the fresh perspectives and shared accountability over long-term strategy will begin to outweigh the implied loss of control. It's important to be thoughtful about bringing outside members in, and this session will address best practices and real-world experiences from the perspective of a family business that used an outside board to help steer the growth and development of the company.

Further Reading

[Building a Successful Family Business Board: A Guide for Leaders, Directors, and Families \(2011\).](#)
Jennifer Pendergast, John Ward, and Stephanie Brun de Pontet, Palgrave Macmillan

[Family Business Governance: Maximizing Family and Business Potential \(2010\).](#) John Ward & Craig Aronoff, Palgrave Macmillan

[US Family Business Survey \(2019\)](#) PricewaterhouseCoopers,
<https://www.pwc.com/us/en/industries/private-company-services/library/family-business-survey.html>

[Governance & Compensation: The State of Family Businesses in the Pacific Northwest \(2018\)](#), Pacific Family Business Institute, Salem. Retrieved: <http://www.pacificfamilybusiness.com/s/Governance-Compensation-Final-2018-10.pdf>

[The Family Business Guide: Everything You Need to Know to Manage Your Business from Legal Planning to Business Strategies \(2010\).](#) Frederick Lipman, Palgrave Macmillan

Austin Family Business Program Resources

Sign up for the quarterly Austin Family Business Program email newsletter:
<http://business.oregonstate.edu/familybusinessonline>

Advisor Search listing of experienced family business professionals:
<http://business.oregonstate.edu/familybusinessonline/advisor-search>

Audio Podcasts: <http://business.oregonstate.edu/familybusinessonline/podcasts>

Facebook at: <https://www.facebook.com/familybusinessonline>

LinkedIn at: <http://www.linkedin.com/groups/Austin-Family-Business-Program-5188170>

Jeffrey Cronn – Tonkon Torp

Jeff Cronn is a native Oregonian and a partner at Tonkon Torp LLP, where he is Co-Chair of the firm's Business Department, and is also an active member of the firm's Mergers & Acquisitions and Financial Services & Investment Management practice groups. He is the co-author of the financing chapter for Advising Oregon Businesses. He is a frequent speaker before industry and professional groups on M&A, finance, and corporate governance issues.

Jeff's interest in nonprofit organizations includes his service as a director and treasurer of Oregon Humanities and his leadership of and continued involvement with Marathon Scholars. He is a founding member of Marathon, which provides higher education scholarship opportunities to low-income students. He also serves on the Board of Oregon Humanities and assists the James Beard Public Market, Friends of William Stafford, and a number of other nonprofits in the Portland area.

Ronald Dodge – Hood River Distillers

President of Hood River Distillers since 1999, Ron Dodge serves as the chief strategist and visionary for the company. His commitment to Hood River Distillers, its employees and the surrounding community runs deep. His grandfather was one of a group of investors who purchased Hood River Distillers from the original founders in 1949.

Ron began his career at the plant as a trainee on September 22, 1980 after attending Oregon State University. He went on to become the Plant and Operations Manager in 1988 and in 1992, was elected to the board of directors.

Ron serves on the Board of Directors for the Foundation for Advancing Alcohol Responsibility, and is a member of the Hood River Rotary Club. Outside of the office, he enjoys many outdoor activities including golf, mountain biking, hiking and skiing. He resides in Hood River, Oregon, with his wife Linné.