



## Globe electric: “We took control one file at a time”

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While outside advice facilitates most successions, you can also pull off a smooth transition *en famille*. But as Montreal-based Globe Electric shows, doing that requires trust, shared values and well-defined boundaries. Edward Weinstein, CEO of the third-generation manufacturer of lighting fixtures and bulbs, describes his firm’s transition from his father, Sonny, to himself and three brothers as “old-school”. “We took control of one file at a time until my father had nothing left to do.”

“We were hungry,” Edward recalls. “We grabbed things—sales, accounts, weekend deliveries, everything.” Sonny Weinstein supported his sons’ entrepreneurial drive. Shortly after he joined the sales department at age 19, Edward was called to the kitchen table one night to review Globe’s finances with his father and an accountant. “I remember him telling my dad, ‘He shouldn’t be here, he’s too young!’” says Edward. “My dad didn’t listen.” Involving the kids in the finances early on helped them see the business—and its progress—as their own.

Of course, with four brothers to choose from—Gerry (now 50), Edward, 49, Jack, 44, and Ken, 38, sibling rivalry was always a concern. But according to Edward, “We have never argued about a nickel, or about our roles in the company.”

The secret: they know their roles. To understand how it works, you must go back to Montreal’s Blvd. St.-Laurent in the 1960s and ‘70s. Sonny Weinstein, who hoped that his sons would one day share control of his company, drilled teamwork into them—from tennis courts where he had them play doubles. “We understood that every team needs a leader, scorers, defence,” says Edward.

Sonny encouraged his sons to adopt roles that suited their personalities. Edward, the perennial team captain, went into sales and business development, becoming CEO in 1986. Younger brother Jack, considered “a bulldog for detail,” is COO. Oldest brother Gerry heads up international finance while Ken, the adventurer runs Globe’s production affiliate in Hong Kong. Preserving the balance requires immense trust, says Edward, and that takes continuous care.



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“You have to work hard to make sure nothing comes between you and your partners,” he says. For the Weinstains, that means keeping their business affairs and home lives strictly separate. In addition, Edward says the brothers approach their work from three distinct perspectives: family, management and shareholder. “Until you learn how to wear one hat at a time, you’re going to get too emotional to make good decisions.”

Example: at a meeting last year, wearing their shareholder hats, Weinstein says the brothers reached a decision they could never have made in what he calls the “family paranoia” mode. They decided to share full financial information with the business’s senior managers. It’s a decision that Weinstein says helped company sales jump 40% in the past year. With Globe Electric having grown from one retail/wholesale location in Montreal into a branded manufacturer of energy-efficient light bulbs, with four North American locations and two factories in China, senior managers need more detailed information in order to make faster and sounder decisions.

Edward says using their shareholder’s perspective also helped the brothers create a board of directors, half of whom come from outside the family. Tapping outside expertise also helps the brothers keep their options open for the next phase of succession. “It has to come down to putting the best management in place—it may not be a son or daughter,” says Edward, “I hate to think about that, but that’s reality”.