

# The succession story of one family business

*Introduction by Ted Dwyer, founder.*

In 1820, almost 200 years ago, James Dwyer, my great great grandfather drove his cattle from Tipperary to Cork and sold them at the quayside to be exported by boat to England. With the proceeds, he opened a grocery shop. Over time, his little business developed into one of Cork's major employers employing over 2,000 people in the 1950s as it developed into a major manufacturing and wholesale company known as Dwyer & Co.

My father, John, was the 4<sup>th</sup> generation of our family to work there and he would have worked there alongside his father, George. My eldest brother, another George, who was the 5<sup>th</sup> generation, was the last member of my family to work in the business. He took the decision to leave the family firm in 1972 as he could see that a lack of succession planning meant his future and indeed the future of the business was very uncertain. He was proved right and the Dwyer business closed in the early 1980s. A very sad day for our family and for all the wonderful people who worked there.

Around the same time, George founded his business Eurostyle, a clothing company and I started City Life, a financial planning company. Both businesses are now under the direction and ownership of the next generation and going strong almost 50 years later.

City Life was started with a bank loan as there was no family money available. At the beginning, it was all about survival and about trying to pay the rent, the employees and indeed the bank interest at the end of each month. We had no master business plan and were undercapitalised for a company that was now growing quite rapidly.

Verolme Cork Dockyard were major ship builders and repairers in Cork and employed over 1,000 people in their site in Rushbrooke, just west of the town of Cobh. In 1984, the business closed as they could not compete on price with other ship manufactures in far eastern countries. The assistant general manager and finance administrator at Verolme was a friend of

mine, Dermot O'Mahoney. He was now redundant and as I had some space in my office in the South Mall, I suggested he rent some space and do some business consultancy from there until he found another suitable job.

## Dermot's story

I was a chartered secretary and certified chartered accountant and decided to go into business on my own as a consultant. I worked for the receiver of Verolme and other businesses including Eurostyle. I was also asked by City life to examine their operation and to do a 5-year business plan for the future of the company. One of the first things I suggested strongly was that a proper board should be put in place with a non-executive director and an independent chairman.

Arising out of the proposals in the plan, I ultimately bought a share in City Life and over a three-year period, encouraged by Ted, I dropped my consultancy work and became a fully qualified and full-time financial planner. My accountancy and business backgrounds were a great help.

I always had an interest in strategy and previously had lectured to the motor industry in Cork on strategy. At City Life we always considered a medium term (up to 5 years) and a long term strategic plan and these plans were continuous and changeable. When circumstances in the financial world changed we were able to adapt because we would have looked at different scenarios in the planning process. The core of our plans was for our business to be financially independent and not reliant on long term bank finance.



**Ted Dwyer**  
Ted is the Founder Director of City Life and a director of City Life Galway. He is a Certified Financial Planner™ and graduated from University College Cork with a Diploma in Family Business Management in 2002.



**Dermot O'Mahoney**  
Dermot is a chartered certified accountant and is a director of City Life since 1985. He is also a chartered secretary and received an Honorary Doctorate in Laws (LLD-HC) from the National University of Ireland.

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#### Eamon Dwyer

Eamon is the Managing Director of City Life and a director of City Life Galway. He is a Certified Financial Planner™ and is the head of the Investment Committee at City Life.



#### Stephen Barry

Stephen is a chartered certified accountant and Certified Financial Planner™. He is a director at City Life and joined the City Life board in July 2012.

Ted and I also discussed the succession of the business. We agreed that as he had founded the company, the successors to us would either be Ted's family in the first instance or if they were not interested in coming into the business, then my family would look at coming into the business. Happily, Ted's son Eamon has entered the business and is now our managing director and has brought the business to a new level.

The great satisfaction for me is giving people long term financial advice and living to see the fruits of that advice when they are financially independent and not worried about their financial future. I am over 70 years old now but I still enjoy giving people advice. The final succession plan for me at City Life was to plan for my retirement/semi-retirement. We were very fortunate that we were able to recruit Stephen Barry (also a chartered certified accountant) to take over the financial function from me and to work with the customers that I had looked after over the years. This has worked really well.

#### Stephen's story

As Dermot has outlined, the primary objective for me in joining the company was to facilitate a smooth transition for the business on Dermot's planned retirement. This involved taking over the financial oversight role which Dermot fulfilled within the business, as well as working with Dermot on a day to day basis, meeting with and advising his clients to ensure delivery of an uninterrupted service.

My introduction was somewhat similar to Dermot's, insofar as I was a good friend of our managing director, Eamon, from our time together in UCC. He knew I was looking for a new opportunity but viable financial services opportunities were thin on the ground in Cork at the time – this was early 2012 in recessionary Ireland. Eamon described it as a "you-shaped hole", the need to find someone who could fulfil the financial oversight while at the same time build a lasting rapport with Dermot's clients that would facilitate the succession that was required.

Probably my biggest concern in agreeing to take on the role wasn't the challenge of the succession process itself – it was stepping into a relatively smaller, tightly run family business and I was concerned about the impact it might have on our friendship.

I had worked for a relatively large indigenous company in the financial sector which had, itself, started out as a family business, back around the time that Ireland gained its independence. However, that company had somewhat outgrown that ethos and was very much a professionally managed, multi-disciplinary enterprise at the forefront of the financial world in Ireland. I had studied for my ACCA exams by night while with this company and passed my final exams in December 2005.

However, I needn't have worried as it has generally been a very positive experience. While it was definitely something of a jump into the unknown, the training I received, both on and off the job, including achievement of the Certified Financial Planner™ (or CFP®) designation has been a wonderful adventure.

So, have we met the objective? I think we're getting there. What probably made it easier, in hindsight, was that the transition or succession of Dermot's role was happening in parallel with Eamon doing much the same thing with Ted. Everyone working together to offer a seamless service to the Company's clients. Some 6 years on, Dermot has not yet fully retired but is, by his own admission, edging ever closer. And I would like to think that the business is in a better position to deal with this now that it was some 6 years ago.

### Eamon's story

Today we are a larger organisation than ever before. We advise on pension and investment assets of nearly €220M and have a team of 12 financial professionals. We established a sister company under franchise, City Life Galway, in 2011.

With size comes the need for more oversight, more management and more teamwork. I am blessed to have the skills from relatively disparate fields within the office and we manage our business as a team. Financial oversight and strategic experience from Steve and Dermot. Life and industry experience from Ted. Compliance and technical guidance from another co-director, Josephine Cussen. I sit in the middle and try and steer the ship. As well as our board, we have a great team of support staff, blending the know-how of industry experience with fresh ideas from graduates.

I was a relatively green graduate when I joined City Life – one year after I had completed my degree at UCC. Like Ted and Dermot before me and as Steve would do after me, I learned on the job, qualifying early on as a financial advisor but learning the nuances of strategic thinking, people management and marketing as I went along. Nearly 15 years on, I can still say I'm learning but hopefully making fewer mistakes than I did at the start! I took over as managing director from my dad in the height of the financial crisis. A baptism of fire indeed. However, with City Life (then, and even still, a relatively small and agile company) I was lucky that we could make decisions fast and adapt to the market requirements.

Certainly, the strategic plans that Ted and Dermot had put in place for the previous decades stood to us during that global crisis. We had avoided syndicated property investments, avoided entering the mortgage broker business and avoided investing client monies in direct equities such as a bank shares. These things weren't luck. They were part of our then strategy and a strategy which remains to this day, to invest diversely and in predominantly liquid instruments.

We never know what's around the corner, but we try our best to remain nimble and for our clients' portfolios and financial plans to be the same. With Steve and Josephine's help, strategy and business planning are never far from our lips at City Life. The next stage in our journey will be fascinating.

For further information call City Life on (021) 435 8533, email [info@citylife.ie](mailto:info@citylife.ie) or visit [www.citylife.ie](http://www.citylife.ie).



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