

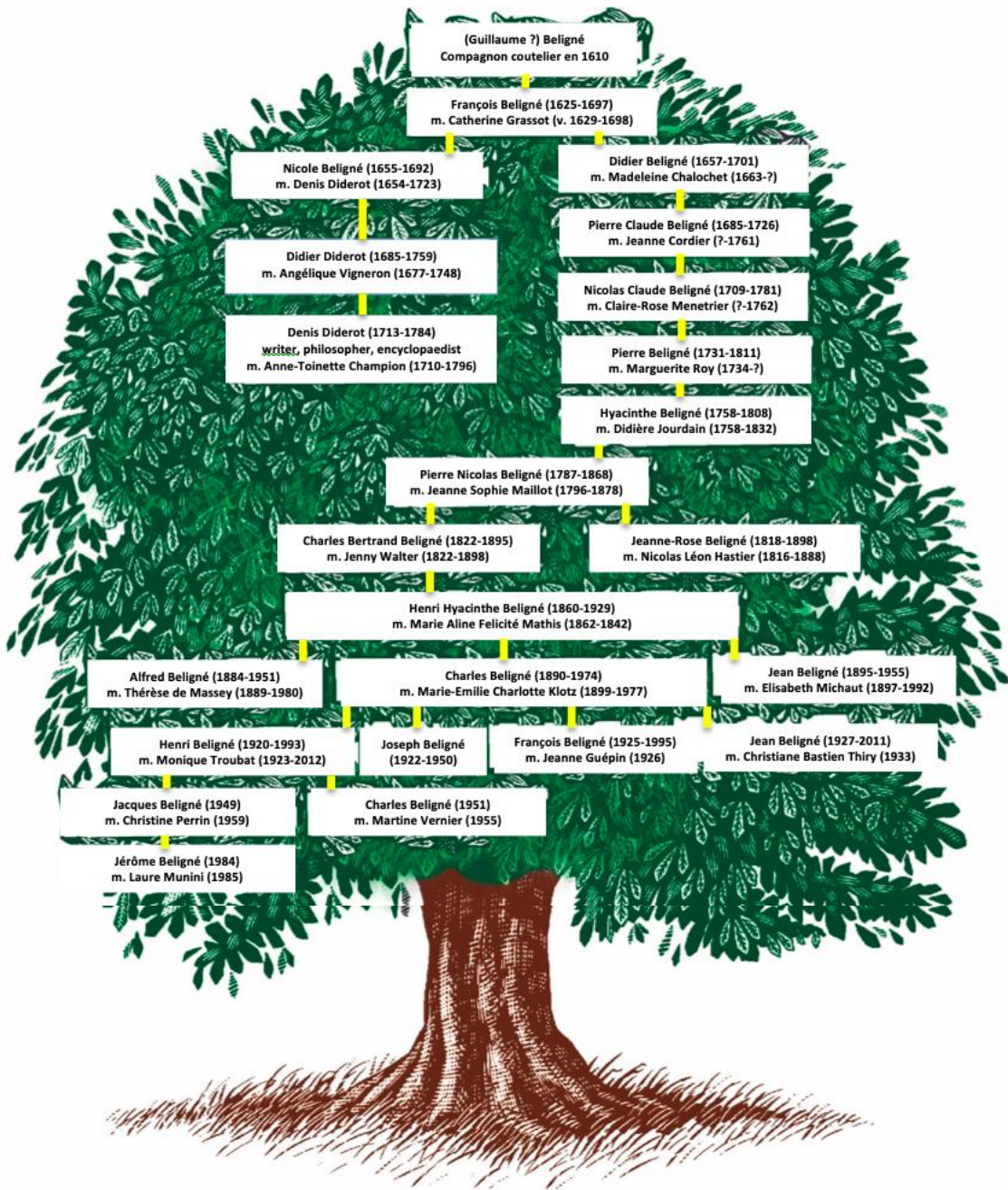


H. BELIGNÉ & Fils

**THE HENOKIEN CASE STUDY COLLECTION**

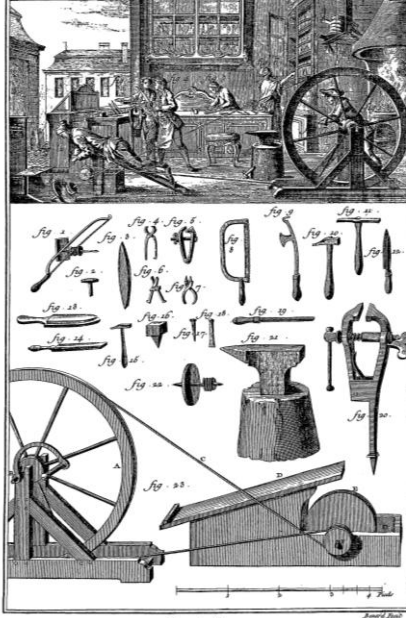
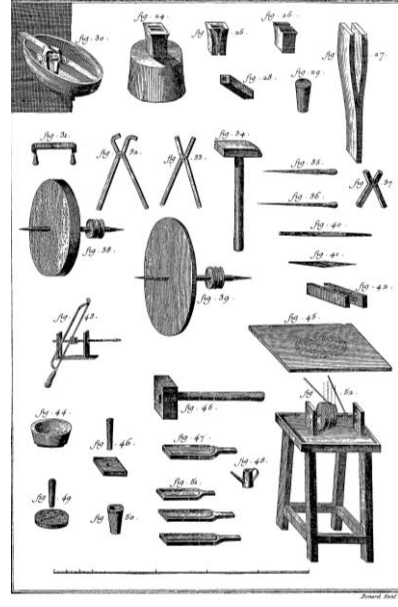


**Beligné**

# Since 1610



## SIMPLIFIED FAMILY TREE OF THE BELIGNÉ CUTLERY MAKERS

This tree only shows the leading cutlers

	<p>Cutlery pieces:          Dictionary of the sciences, arts and crafts, by Diderot and d'Alembert, 1772</p>	
		
<p>Nicolas-Claude (1709-1781) Couteau, argent, écaillé incrusté d'argent, 21,5 c, vers 1750. Musée du Louvre.</p>	<p>Couteau fermant à pompe, manche écaillé, garniture or, lame argent          Marque « Le Bâton Royal, Belignez Cout. Du Roy à Langre » XVIII<sup>e</sup>.</p>	

## Abstract

The low percentage of family firms passed to the third generation is evidence that the transmission of a family business is a risky venture, and confirms the three-generation legend, or Thomas Mann's 'Buddenbrook' model (1901). Hence the interest in studying the Beligné family, which has achieved 13 intergenerational transfers in a little over four centuries. To this end, we use four theoretical models. First, Gersick and Davis's *three-circle intergenerational model* (1997), which makes it possible to identify areas that put the sustainability of the family business at risk. Second is the Sonnenfeld (1988) *four types of transfer model* in conjunction with Irving and Sharma's (2005) *four types of successor commitment* model. Finally, we draw upon the *five-dimensional socio emotional wealth* (FIBER) model, developed by Berrone, Cruz and Gomez-Mejia (2012). The application of these models highlights that the almost systematic decision to transfer ownership of the company to a single child, which has long been a very common practice among family SMEs, helps to avoid the intra-family conflicts that tend to undermine transmission. It also shows that the behaviour of transferors and successors is fundamental to ensuring the sustainability of the family business.

## 1. H. Beligné et Fils



H. Beligné et Fils is an SME that, since its creation, has been based in Langres, a historic centre of French cutlery. It employs about thirty people, with a turnover generated solely in B2B. Its Bank of France rating is E3++. The letter E indicates a turnover of between 15 and 30 million euros. The 3++ rating corresponds to the best credit rating given by the Bank of France, which is consistent with the financial prudence that is traditionally associated with family SMEs.

Beligné has constantly adapted to market changes, whether the fall of the monarchy in 1789, or recent economic developments. While initially the company focused on cutlery, it later diversified when it bought a forge to manufacture parts for the automotive industry. From the 1970s onwards, the company gradually stopped manufacturing cutlery to concentrate on forging and distribution. Finally, from the 13<sup>th</sup> generation onwards, its owners began to undertake professional careers outside the family business, before they resumed control and adapted the company to market forces.

### 1.1. Cutlery

The study of the different generations shows that the dynasty began in 1610<sup>1</sup>, with a cutler's companion (*compagnon coutelier*). From the second generation onwards, his descendants were known as Master Cutlers (*Maître coutelier*). The 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> generations obtained the title of Cutler to the King (*coutelier du Roi*), until the 1789 Revolution. The 6<sup>th</sup> generation expanded sales in France, Switzerland, Germany, Spain and America. The 7<sup>th</sup> generation participated in the 1802 (year X) Exhibition of Products of French Industry held in the courtyard of the Louvre. The 8<sup>th</sup> generation extended the sales network in France and abroad. Charles-Bertrand, a member of the 9<sup>th</sup> generation would, for the first time, diversify the company's activities. In 1849, together with his brother-in-law, Nicolas-Léon Hastier, he founded a company for the wholesale sale and purchase of cutlery, while continuing to manufacture and innovate: one result of this was a custom-made multifunction knife.

### 1.2. Diversification

Henri-Hyacinthe (10<sup>th</sup> generation) brought a new dimension to the company's activities by expanding trade. In particular, beginning in 1909, he began selling to Parisian department stores (Bon Marché, Printemps, Bazar de l'Hôtel de Ville, etc.).

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<sup>1</sup>Although there are traces of a 'couteillier' Beligné in 1581, there is no conclusive proof of filiation.



For the first time the company registered its brand and patents (1911: patent for a horn cutter; 1931: patent for compensating ball joint scissors). In 1914, it became the exclusive distributor of Victorinox Swiss knives in France, and diversified its activities into the manufacture of parts for the automobile and aviation industries, agricultural machinery, etc. This diversification led Henri-Hyacinthe to encourage his sons to study business at St Gallen, close to the Elsener family, which awarded him exclusive distribution rights in France for their Victorinox Swiss knives.

The eldest of the 11<sup>th</sup> generation, Charles expanded the distribution business with his two brothers, but left them to manage the company when he became mayor of Langres in 1941.

### *1.3. The end of knife manufacturing*

Henri, the eldest of the 12<sup>th</sup> generation, was educated at a leading international business school (HEC Paris) thereby continuing the new tradition, initiated by his father Charles, of studying business. This is likely to be what prompted him to lead the company to take a new turn; manufacturing ended, to be replaced by a new focus on distribution. Given increasing, strong competition from Asia, Henri decided to refocus the family's business on its strong points.

### *1.4. Training beyond the family business*

Jacques (13<sup>th</sup> generation) also studied business. He was the first in the dynasty to start his professional life outside the family firm. After working for several years in a large international group, he decided to resume control of the family business. He expanded distribution activities, in particular, externally, through the acquisition of two competitors. But, above all, beginning in 2005, Jacques pioneered the automation of logistics in a small to medium-sized distribution company.

Jacques invested in the construction of a new building in Langres to install storage facilities that could offer same-day shipping for any order received before noon, from a 5,000-item catalogue.



Jérôme (14<sup>th</sup> generation) initially studied engineering, with the aim of working outside the family business. He worked for a few years in a construction company, then joined an investment bank

before taking over the family business. With this in mind, he completed his Master's degree in European Business at ESCP Europe in 2009, and initially gained experience in the commercial domain by working in a large manufacturing company. He joined the family business in 2014, where he set up a website for B2B customers—today, one third of orders are taken directly from this website. He also established the company's presence on social networks, with the aim of publicising the business and its new products to customers.

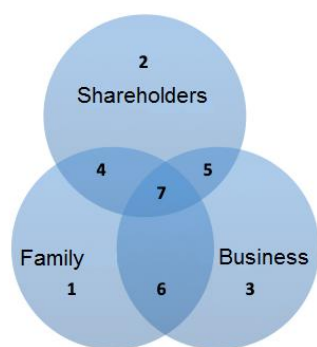
Thus, each generation has made its own contribution. Each step along the way, the company has taken account of changing market conditions, and it celebrated its 400<sup>th</sup> anniversary in 2010. This durability, which is exceptional for a French family business, is mainly due to finding the right balance between socioemotional and financial value for each of the 14 generations that have headed the company. In the next section, we highlight how four theoretical models can help us to better understand the longevity of Beligné.

## **2. The contribution of theoretical models**

### *2.1 The three-circle transgenerational model (Gersick and Davis, 1997)*

This intergenerational model explicitly distinguishes the different interests in a family business. Each group in the system has its own centre of interest, and all of these must be taken into account and integrated, in one way or another, into the company's policies and decisions. Hence, this model is particularly relevant to the study of a family business that has lasted for 13 generations.

**Figure 1. The three-circle transgenerational model**



The *Shareholders* circle includes shareholders, whether or not they are family members. The *Family* circle includes heirs and their spouses. The *Business* circle includes employees and administrators<sup>2</sup>. This model takes into account the evolving needs of each group. The three circles are always moving. Families must not only meet current challenges, but also prepare for future ones.

The intersections between the three circles show interactions between the groups, and how each group influences other parts of the system. These intersections represent the greatest risk to the sustainability of the family business, notably due to ongoing challenges to *family communism* (as the sociologist Émile Durkheim put it) and its clan spirit, in favour of individualism. While, in the first reference system, the family is “a whole whose units no longer have distinct individuality”, in the second, “each of the members [of the family] has his own individuality, his own sphere of action”<sup>3</sup>. In a democratic system, the family tends to emancipate itself and encourage individualization. This personal and professional emancipation, reported by Durkheim more than a century ago, builds on the remains of family communism, and can therefore serve as a foundation for understanding the weakening of family ties, a phenomenon that is often noted in the literature on family businesses.

In family firms, most behavioural biases originate within the family, and can be grouped into four categories. Part 1 of the *Family* circle typically includes children and step-parents, who are neither employees nor shareholders. Although they are not part of the company, they can influence and put pressure on the family that runs it. In the case of an eponymous company like Beligné, this group places great importance on the reputation linked to their family name. Intersection 6 includes family members who are employees or administrators, but not shareholders in the company. Here, biases generally come from: i) the desire to advance a career, ii) resentment of family shareholders who do not work in the company, but who nonetheless benefit from its existence, and iii) the expectation that they will be treated differently to non-family employees. Intersection 4 includes family members who are shareholders, but who do not work in the company: brothers, sisters, cousins and retired parents. Their main concern is company profits; anything that could compromise this income

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<sup>2</sup>For the sake of simplicity, we only refer to administrators, although it is clear that there are also supervisory bodies.

<sup>3</sup> Gérard Hirigoyen & Amélie Villéger : L'apport de la pensée d'Émile Durkheim à la connaissance de l'entreprise familiale, Revue Française de Gestion, 2018.

is a problem. It is within this group that family ties tend to erode over the years. As the company is transmitted through the generations, a decline in cooperation and loyalty is concomitant with increasing rivalry and parochial jealousies<sup>4</sup>.

It is the job of family shareholders who work in the family business (Intersection 7) to represent the interests of all the other groups, and reconcile the needs and requirements of the three circles. In order to limit the risks of conflict with other family members, most companies set up formal governance mechanisms, such as a family council and a family charter. However, while these governance mechanisms may limit or resolve a large number of conflicts, they cannot prevent the most serious disputes. Past and recent events involving the Lacoste or Taittinger<sup>5</sup> families illustrate how difficult it is to ensure the sustainability of a company when capital is dispersed over generations. *Affectio societatis* fades, the family's control weakens and the emotional attachment to the family's property breaks down.

In the case of a family business, the three circles overlap, more or less, depending on the commitment of family members and potential behavioural biases. It is therefore important to analyse the involvement of family members in the company and, in particular, the behaviour of fathers and the children who take over the business.

## 2.2 *The transfer or behavioural model (Sonnenfeld, 1988)*

This model describes four types of directors as a function of their behaviour during the transmission process. First is the *monarch*, who remains at his post, often until his death, as was the case in France for the family company Dassault<sup>6</sup>. This behaviour appears to be typical among European family businesses, whose directors continue working until a very old age. Next is the *general*, who announces his retirement but who, in reality, remains very present, hoping that he will be called back to save the company. This behaviour may lead him to fail to choose the most competent successor to take over. On the other hand, the *governor* truly withdraws; in most cases, the transferor announces his date of departure in advance. In this case, the risk is that he or she is no longer sufficiently involved in the company's growth. Finally, the ideal behaviour is the *ambassador*, who smoothly detaches him or herself from the management and control of the company, having prepared his successor and the company for the long term.

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<sup>4</sup>Le Breton-Miller I., Miller D. (2018). Beyond the firm: Business families as entrepreneurs, *Entrepreneurship Theory and Practice*, pp. 527–536.

<sup>5</sup> The Taittingers, who owned the Louvre company, sold it to the Starwood group in 2005.

<sup>6</sup> Marcel, the founder, and his son Serge, both died while they were still running the company.



### 2.3 *The successor commitment model (Irving and Sharma, 2005)*

This model identifies four types of commitment found among successors. The first is *affective* commitment; this is based on an emotional attachment and identification with the company, and a willingness to contribute to its objectives. *Normative* commitment is based on a perceived sense of obligation to one's parents to pursue a career in the company. In this case, the successor tries to maintain good relations with the previous generation. While affective engagement is motivated by the desire to contribute, or the feeling of wanting to continue the work of earlier generations, here, the main motivating factor is a feeling of obligation or duty. *Calculated* commitment is based on the successor's perception of substantial opportunity costs and the threat of a loss of their investment or value if they do not pursue a career in the company. In family businesses, investments are often built over time and are not transferable (for example, *familiness*). The term refers to idiosyncratic resources and capacities that result from family influences, which can create a competitive advantage for the company. Finally, *imperative* commitment is based on a sense of self-doubt and uncertainty about one's ability to successfully pursue a career outside the family business. People with a high degree of imperative commitment feel that they have no other alternatives.

### 2.4 *The FIBER model (Berrone, Cruz and Gomez-Mejia, 2012)*

In recent years, the behaviour of family members has also been analysed through the prism of the theory of socioemotional wealth, which takes into account the non-financial objectives of family shareholders. The combination of monetary and non-monetary objectives means that value creation is not simply reduced to shareholder value, but also results from the creation of socioemotional wealth<sup>7</sup>. In this context, one method of observing socioemotional wealth consists in using a five-dimensional approach: Family control and influence (F); family members' Identification with the firm (I); Binding social ties (B); Emotional attachment (E); and Renewal of family bonds to the firm through dynastic succession (R), together referred to as FIBER.

The dimension relating to the control and influence of family shareholders (F), is a key feature of family businesses. In practice, the family seeks to exercise control over strategic decisions. Control and influence are an integral part of the socioemotional wealth sought by family members. However, this dimension is likely to have negative effects on performance. Thus, a reluctance to relinquish control may reduce innovation and limit internationalization.

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<sup>7</sup> Gomez-Mejía, Cruz and Berrone (2011). The Bind that Ties: Socioemotional Wealth Preservation in Family Firms, *Academy of Management Annals*, pp. 653–707.

The second dimension concerns the close identification of the family with the company (I). The interweaving of family and business, as seen in the three-circle model, gives rise to an intrinsically unique identity within family businesses. The identity of the owner of a family business is inextricably linked to the eponymous organization that often bears the family's name. In highly cohesive families, members see the company as an extension of their own identity, while internal and external stakeholders see the company as an extension of the family. Therefore, the family seeks to maintain a positive reputation with customers, suppliers and other stakeholders. However, from the 2<sup>nd</sup> generation on, and even more so in the 3<sup>rd</sup> generation, identification can become more difficult.

The third dimension (B) refers to the binding social ties found in family businesses. Socio emotional wealth concerns parental links that offer some of the same collective benefits found in closed networks, such as collective social capital, relational trust, or feelings of proximity and interpersonal solidarity. The reciprocal obligations linked to these social ties do not only concern family members, but tend to extend to a wide range of stakeholders. For example, family businesses often have suppliers who may be perceived as family members.

The fourth dimension addresses the emotional content of socioemotional wealth, and refers to the role of emotions (E). Since the boundaries between family and the business can be blurred in family businesses, emotions permeate the organization and influence the decision-making process. In this context, researchers have developed indicators of emotional wealth specific to the family business, such as emotional cost and returns, emotional capital and emotional value.

The last dimension refers to the intention to transmit the business to future generations. In practice, transgenerational sustainability is one of the central aspects of socioemotional wealth, and the idea of losing the company is very distressing for most owners. As a result, family members view the firm as a longterm investment that will be bequeathed to their descendants. As Jean-Philippe Peugeot notes<sup>8</sup>, "*I am only an heir, a link in a chain at a given moment. I hope there will be many other links after me*". However, and notably when the company enters the post-foundation phase, the desire to keep the firm within the family for future generations may have a negative impact on financial performance, as identification with the company and emotional attachment begin to weaken. Those who inherit from the founder's company may be more inclined to exploit its resources than to seek to establish a successful organization that risks being passed on to a consortium of cousins.

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<sup>8</sup> President of EPF (Etablissements Peugeot Frères). Quoted in 'Peugeot, a family against all odds', *L'Est Républicain*, 27 November 2017.

### 3. The application of theoretical models to H. Beligné et Fils

Until the 10<sup>th</sup> generation, the transmission of the company to its descendants followed the principle, traditional during this period, of male primogeniture. From the 11<sup>th</sup> to the 13<sup>th</sup> generation, the sons of one of the directors took over the family business together.



In the 13<sup>th</sup> generation, Henri Beligné's two sons, Jacques and Charles, bought their uncle's shares from him. Jacques, the eldest, took over the cutlery business, his brother Charles having taken over Forges Beligné three years earlier. The forge was sold when he retired in 2014, as no family member wanted to take over.

We see that the transmission mode adopted by Beligné made it possible to maintain a small number of shareholders, all employees of the company are, therefore, in the same zone of the transgenerational model. As a result, the three circles overlap much more than in Gersick and Davis's (1997) theoretical model. This method, which is seen in the Mellerio family business that was founded at the same time (in 1613), is very likely to be one of the factors explaining its extreme durability.

It is probable that, until the 11<sup>th</sup> generation, transferors adopted *monarch* behaviour as this was generally the case during the period, resulting from their position as head of the family. However, it was undoubtedly coupled with *ambassador* behaviour; the transferor prepared the way for his successor in order to ensure the sustainability of the family business. Up to the 11<sup>th</sup> generation, the sons who took over the family business demonstrated a *normative* commitment, due to the father's desire for his eldest son to succeed him. This normative commitment seems to have been accompanied by an *affective* commitment, evidenced by the diplomas and results they obtained<sup>9</sup>. There is no evidence of an *imperative* commitment, insofar as all successors were Master Cutlers, a status that was extremely difficult to obtain at the time<sup>10</sup>. From the 12<sup>th</sup> generation onwards, transferor behaviour became increasingly *ambassador*-type; both Henri, then Jacques left their business in an orderly fashion, both having prepared their successor to take over.

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<sup>9</sup> These results were presented in Section 3.2.

<sup>10</sup> Although the status of Master Cutler could be passed from father to son, the successor was nevertheless required to pass an examination.

These modalities for the transmission of the company supported the growth of socioemotional wealth, measured with the FIBER model. Ensuring that the company was only passed to sons made it possible to maintain control over the descendants who ran the company (F) and, at the same time, maintained the company's eponymous name (I). In addition, correspondence archived by the company confirms that the family always maintained close social ties (B) with its suppliers. Similarly, the boundaries between the company and the family have always been blurred, which shows that emotions (E) permeate the organization, thus influencing decision-making processes. Finally, the intention to bequeath the business to future generations (R) is found in Jacques Beligné's observation,

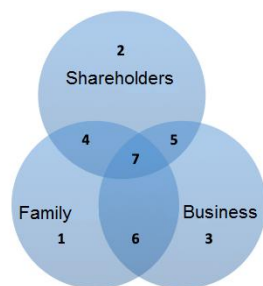
*our philosophy, since the company's inception, has always been to consider ourselves as those who hand the business over to the next generation.*

### 3.1 The three-circle model applied to Beligné

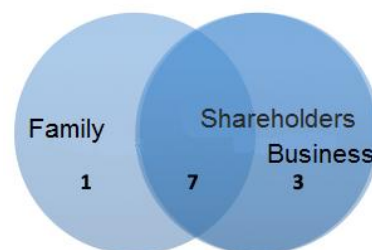
If the three-circle model is applied to Beligné, we see that there is only one intersection between the *Family* and the *Business* circles, the latter being totally encompassed by the *Shareholders* circle, since only sons who worked in the company became owners. In later years, only one of these sons passed on the company to his sons. Thus, there is no intersection 4, namely family shareholders who do not work in the company. This group presents the greatest risk to family harmony, notably regarding the distribution of profits. Similarly, as there are no risks associated with Intersection 6, the family does not need a family council or charter, whose influence is, anyway, limited.

**Figure 2. The three-circle transgenerational model**

**The theoretical model**



**The model applied to Beligné**



An interview with Jérôme (14<sup>th</sup> generation) demonstrates the risk of family tensions when family shareholders or employees are in intersections 4 and 6,

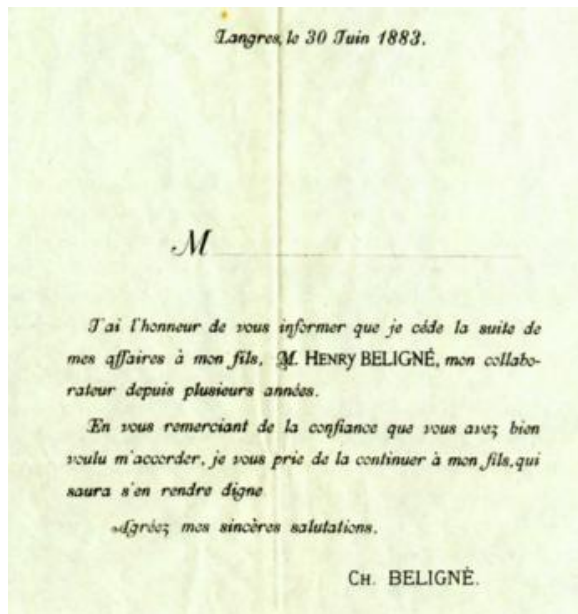
*When we started talking about transmission, our lawyer suggested that my brothers and sisters should be shareholders like me, whereas I was the only one working in the company. At that point, I thought to myself that the people who*

*weren't working there weren't qualified to be shareholders. To avoid a dilution of governance, it was better to simplify things by buying back their shares.*

### 3.2 Transferor behaviour applied to Beligné

The sustainability of the business has been a function of the behaviour of transferors during the company's 13 transfers. Until the 9<sup>th</sup> generation, fathers trained their eldest sons to enable them to succeed them in their profession, which allowed them to become Master Cutlers. From the 10<sup>th</sup> generation onwards, all of the eldest sons obtained their baccalaureate<sup>11</sup>, before going on to study business (during this period, distribution began to play a major role in the firm's expansion). Thus, as is often the case during such periods, the transferor acted as both a *monarch* (linked to his status as head of the family) but, above all, as an *ambassador*, ensuring that his successor was well prepared. This point is illustrated by the memorandum prepared by Charles-Bertrand (9<sup>th</sup> generation) in 1883:

#### Memorandum prepared by Charles-Bertrand Beligné to announce the transfer of the family business to his son Henri-Hyacinthe



Langres, 30 June, 1883.

*I have the honour to inform you that I am transferring the succession of my affairs to my son, my collaborator for several years. Thank you for the trust you have placed in me, I ask you to extend it to my son, who will prove himself worthy of it.*

*Please accept my sincere greetings.*

CH. BELIGNÉ

Similarly, Jacques' statements show that, from the 12<sup>th</sup> generation onwards, the father's behaviour moved away from *monarchical* to *ambassadorial*:

*At first, I made my mark and after 3–4 years, my father said to me: now you're the boss: you decide: I'm still here, but I'll leave you to take care of things.*

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<sup>11</sup>This was exceptional for the time (1878). In 1900, only 7400 students were awarded their baccalaureate, about 0.4% of the male age group (Winock M. (2003). *The Belle Epoque*, Éditions Perrin).

Jérôme, who was a director of the company while his father was still active, confirms that the transfer went very well:



*I joined the company in 2014. At first, I just watched what was happening, then my father delegated certain dossiers to me, and I went to see him when I had questions. As time went on, my father delegated all the new dossiers to me.*

*Now I'm responsible for changes related to new technologies, such as our website and our presence on social networks. My father is still here to help me, and that's reassuring.*

### *3.3 Successor commitment applied to Beligné*

Until the 12<sup>th</sup> generation, successors have always had a *normative* and *emotional* commitment to the company (Irving and Sharma, 2005). They were all educated: beginning with the Master Cutlers (Vaxelaire, 2010) at the time when the company manufactured knives –and extending to business studies, when the company diversified into distribution. This new training and experience were key elements in the company's strategic regeneration, allowing it to adapt to changing market conditions. From the 13<sup>th</sup> generation onwards, we know that parents did not exert pressure on their children to take over the family business.

Jacques, a business school graduate, began his professional career outside the family business in a large international group, and it was only a few years later that he expressed his interest in taking over the family firm. When he spoke to his father about the possibility, his father replied, “*If you want to, you can join the family business: it's up to you.*” This clearly shows that Jacques' commitment is mainly *emotional*. Thirty years later, he behaved in the same way with his own children, leaving them the choice of whether or not to take over the business, “*I really should have considered the possibility of selling, in case none of my children wanted to take over.*” This behaviour paved the way for an *emotional* commitment from Jérôme who, like his father, joined the business after a number of years working in a leading French bank. Before joining the firm, Jérôme wanted to gain experience in the field of distribution, by being responsible for sales in a large company, which again confirms his *emotional* commitment.

### 3.4 The FIBER model applied to Beligné

The commitment of transferors and successors highlights several components of the FIBER model. Maintaining family control (F) was facilitated by the transfer of the business to the eldest son until the 10<sup>th</sup> generation, before the principle of male primogeniture gave way to transmission to the sons of one of the directors from the 11<sup>th</sup> to the 13<sup>th</sup> generations. From the 13<sup>th</sup> generation onwards, it was the sons who decided to take over the company, after first gaining experience outside the family business.

At the same time, the transfer of the company to sons perpetuated identification with the eponymous family name (I). This results in an interweaving of family and business, demonstrated by the application of the three-circle model to the company. The business becomes an extension of the family, and its leading members seek to maintain the family's good reputation.

In addition, the family maintains social ties (B) with its long-standing suppliers, as evidenced by the commemoration, in 2014, of 100 years of collaboration with one of its most important suppliers, Victorinox (another family business). The letters exchanged between the two families over the past century show that this is much more than just a professional relationship.

These elements, together with interviews with Jacques and Jérôme, confirm the emotional attachment (E) of family shareholders, who work in the company. Beginning with the 13<sup>th</sup> generation, heirs who do not work in the company have transferred their shares to the transferee, thus avoiding the dilution of *affection societatis* as the years go by. This risk is underlined by Patrick Daher<sup>12</sup>:

*when we reach the 6<sup>th</sup> or 7<sup>th</sup> generation, the blood bond gets weaker and weaker  
and the family can no longer build upon love.*

This is what motivated Jacques, Charles and Jérôme to buy their brothers and sisters' shares.

All of these elements support the family inheritance (R). The company is currently managed by the 14<sup>th</sup> generation, which confirms that transgenerational sustainability is a fundamental aspect of its socioemotional wealth. The family's decision to adopt the principle of male primogeniture made it possible to transmit the company to the family's sons, thus limiting the dispersion of capital over the generations. In addition, the fact that the successor is always a descendant of the company's founder has not only made it possible to maintain the eponymous nature of the company, but also

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<sup>12</sup> Desjardins C. Daher : *la gouvernance, fondement de la croissance*, Les Échos, 4 February 2014.

avoid the risk that a desire to maintain the business within the family has a negative impact on financial performance.

In fact, on the contrary, each successor has made their own contribution, continuously adapting the company to changes in its environment. Henri-Hyacinthe (10<sup>th</sup> generation) diversified into distribution, notably in the form of an exclusive sales contract with the famous Swiss knife brand, Victorinox. Jacques says, *“he felt that it was no longer enough to be satisfied with manufacturing, he also had to be a trader”*. Similarly, Henri (12<sup>th</sup> generation) reoriented the company’s focus to distribution alone, following strong competition from Asia on costs. According to Jacques, *“it was my father who decided to gradually end manufacturing, which was highly competitive, to focus only on distribution”*. He goes on to say, *“if he hadn’t made that courageous decision, despite his doubts, I don’t know if the company would still exist today.”*

Jacques himself automated logistics in 2005, a time when few others SMEs had adopted such technology. Jérôme, in turn, led the company into the digital world, enabling it to become very reactive to its customers, and active on social networks.

#### **4. Conclusion**

In conclusion, this case study shows how academic theory can contribute to a better understanding of the great family dynasties that have seen multiple intergenerational transmissions over several centuries. The results confirm that socioemotional considerations and the behaviour of transferors and their successors play a determinant role in the sustainability of Henokien family businesses, which place greater value on emotions than finance.



### Appendix: Role of the directors of the different generations at Beligné

G	First name	Year	Children	Contributions to the company
G1	Guillaume?	1610	François	<ul style="list-style-type: none"> <li>• Cutler's companion</li> </ul>
G2	François	1654	Nicole <sup>13</sup> , <b>Didier</b> Remonde Simonne Françoise François	<ul style="list-style-type: none"> <li>• Master Cutler (1654)</li> <li>• Master Juror of the <i>Corporation des couteliers de Langres</i></li> </ul>
G3	Didier	1670	<b>Pierre-Claude</b> Jean-Baptiste Nicolas Martine Françoise	<ul style="list-style-type: none"> <li>• Master Cutler(1670)</li> <li>• Cutler to the King</li> </ul>
G4	Pierre-Claude	1707	<b>Nicolas-Claude</b> and 9 brothers and sisters	<ul style="list-style-type: none"> <li>• Master Cutler(1707)</li> <li>• Master Juror of the <i>Corporation des couteliers de Langres</i></li> </ul>
G5	Nicolas-Claude	1729	Pierre	<ul style="list-style-type: none"> <li>• Master Cutler(1729)</li> <li>• Cutler to the King Louis XV (1745)</li> <li>• Cutler to the King (1750)</li> </ul>
G6	Pierre	1759	<b>Hyacinth</b> and 7 brothers and sisters	<ul style="list-style-type: none"> <li>• Cutler to the King Louis XV (1759)</li> <li>• Master Juror of the <i>Corporation des couteliers de Langres</i> (1768)</li> <li>• Sales in France, Switzerland, Germany, Spain and America</li> </ul>
G7	Hyacinth	1783	<b>Pierre-Nicolas</b> and 5 brothers and sisters	<ul style="list-style-type: none"> <li>• Cutler to the King Louis XVI (1783)</li> <li>• Participation in the year X Exhibition of Products of French Industry in the Louvre's courtyard(1802)</li> </ul>
G8	Pierre-Nicolas	1813	Nicolas-Hyacinthe Jeanne-Rose <b>Charles-Bertrand</b>	<ul style="list-style-type: none"> <li>• Expands the company's sales network in France and abroad</li> </ul>
G9	Charles-Bertrand	1839	Pierre Marthe Albert <b>Henri-Hyacinthe</b>	<ul style="list-style-type: none"> <li>• Bachelor of Arts</li> <li>• Obtains authorization to sell surgical instruments and knives in German-speaking Switzerland in 1846</li> <li>• With his brother-in-law Nicolas-Léon Hastier, found the company <i>Beligné et Hastier</i> for the wholesale purchase and sale of cutlery (1849)</li> <li>• Universal Exhibition at Langres (1873)</li> <li>• Custom-made multifunction knife</li> </ul>
G10	Henri-Hyacinthe	1883	Alfred	<ul style="list-style-type: none"> <li>• Bachelor of Arts</li> </ul>

<sup>13</sup>Nicole married a cutler's son, Denis Diderot, who took over Beligné's 'pearl' brand and their motto *Virtus et labor patrum fasti* (The virtue and labour of the ancestors bring good fortune).

G	First name	Year	Children	Contributions to the company
			Gabrielle Marie-Marthe <b>Charles</b> Jean	<ul style="list-style-type: none"> <li>• Business studies in Paris</li> <li>• Gave the company a new lease of life: launched the sale of cutlery made by craftsmen in Nogent to merchants in France and abroad</li> <li>• Registered the trademarks HB and HB520 (still registered today)</li> <li>• Was the first to file patents and protect his brands (1911 patent for a horn cutter; 1931 patent for compensating ball joint scissors)</li> <li>• Out of competition participation in the 1893 Universal Exposition in Chicago</li> <li>• Out of competition participation in the 1900 Universal Exhibition in Paris</li> <li>• Launched sales to Parisian department stores (Bon Marché, Printemps, Bazar de l'Hôtel de Ville, etc.) (1909)</li> <li>• Exclusive rights to distribute Elsener knives in France (1914)</li> <li>• Acquisition of a forge in Nogent: manufacture of parts for the automobile and aviation industries, agricultural machinery, etc. (1916)</li> <li>• Fabrication of scissors</li> <li>• Exclusive right to sell Gillette razors and blades in France for a period of 15 years</li> </ul>
G11	<b>Charles</b> , Alfred and Jean	1929	<b>Henri</b> Joseph Marie François Jean Marthe	<ul style="list-style-type: none"> <li>• Business studies at St Gallen</li> <li>• Mayor of Langres from 1941 to 1959</li> </ul>
G12	<b>Henri</b> , Joseph, François and Jean	1941	Jacques Charles	<ul style="list-style-type: none"> <li>• HEC Paris</li> <li>• Decides to stop manufacturing, and switch to distribution</li> </ul>
G13	<b>Jacques</b> and Charles	1978	Marie <b>Jérôme</b> Hervé Hubert	<ul style="list-style-type: none"> <li>• <i>Institut supérieur de commerce de Paris</i></li> <li>• Experience in a large international group</li> <li>• External growth: purchase of Waldmann, a competitor with no successor (1987), and Crailco, operating in the tobacco industry (1994)</li> <li>• Automated logistics (2005)</li> </ul>
G14	Jérôme	2015		<ul style="list-style-type: none"> <li>• <i>Hautes Etudes d'Ingénieur</i> (2008)</li> <li>• ESCP Europe: Master's degree in European Business (2009)</li> <li>• Experience at Société Générale and Atlantic</li> <li>• Set up a customer website (currently contributing a third of turnover)</li> </ul>