

# Family paves the way forward for Louis Garneau

By Nicole Formosa

SAINT-AUGUSTIN-DE-MAURES, QUEBEC—Louis Garneau attended his first succession planning seminar when his eldest son, William, was barely out of diapers. Friends poked fun at his seemingly over-preparedness, but even then, he knew what he wanted.

"Since day one, when I had children my dream was to create a family company. My dream was to have another succession of Garneau," said the French Canadian former Olympic road racer and founder of the Canadian manufacturer of cycling, winter and running gear and nutrition. "Some CEOs or presidents or entrepreneurs, they don't think about that and arrive at 65, 70 and think, 'What am I going to do with the business?'"

As a self-described history junkie and lover of family business who has studied the success stories of family empires such as Kraft, Hershey's, Johnson & Johnson and Heinz, he never doubted the succession path he would pursue.

Two decades later, his dream is inching closer to reality. William, now 23 and graduated from university in Vermont, worked his first week as a full-time product manager for Louis Garneau's nutrition division in early January. Unlike other entry-level staff, William attends the weekly directors' strategy meeting where

the 12 most senior managers problem-solve and discuss company direction. This way, William begins to gain a big-picture view on the workings of an entrepreneurial-driven business, a foundation his father believes will serve him well as Garneau's future leader.

The transition to the second generation is in its infancy, and the 54-year-old Garneau expects it will be at least a decade before control is handed over to William and Garneau's two younger children, Edouard, now 20, and Victoria, 15—and perhaps even longer until they start earning shares of the company.

"I think 10 years is safe. I'll be 65 and president of the board of the company, but will spend more time in Florida biking with my friends, also do my arts, which is what I study in the past, and create a foundation to give support to athletes and artists. This is my goal," he said.

Garneau, who likens the way he runs his business to a bike race, realizes that even with his succession plan laid out, he will need to improvise along the way and remain open to change. As the founder, his is the personality behind the business, which he started in a garage in 1983 with his wife, Monique Arseneault, the year before he raced in the Los Angeles Olympics.

He has shaped its culture around innovation, service and delivery, and formed its vision, focusing less on financially driv-

en decisions and more on manufacturing quality products, setting up company-owned factories in Canada, the U.S. and Mexico and an office in China to oversee Asian production. Despite early fumbles that nearly bankrupted the business, he now employs 425 people and remains the sole owner of the company. Garneau, disciplined and determined, is at the factory every day.

"I'm a model; people look to you. What is he doing? Is he tired? Stressed? You have a very big influence to your team," he said.

Garneau realizes his children may not have the same inherent drive to spend 60 hours a week at the office, with today's generation putting more emphasis on work/life balance. But he hopes he has sold his passion well enough to them and the staff that it will carry forward. And they are likely to bring new attributes to the table, such as a willingness to take more risks than a longtime leader nearing retirement.

"William, Edouard, Victoria, they are not Louis Garneau. It will be different. We don't know everything yet. It can be worse than me, but I'm a good seller. One thing



Louis Garneau plans to hand his company down to his three children, but not for at least a decade.

I learn a lot to my kids is respect the company. The company needs to be in very, very good shape. Once you understand that, you understand the biggest part of the business."

And if the passion doesn't come naturally to all three children? Garneau admits he cannot control everything.

"A bike race is like that. You expect to win, but you can puncture, you can crash, you can have a lot of bad luck for different reasons. It's interesting what's going to be the end of my career. I'm in the race and we will see." **BRAIN**

**Park Tool**

2ND EDITION

**The Park Tool School**

INSTRUCTOR MANUAL

Featuring the Big Blue Book of Bicycle Repair

WRITTEN BY C. CALVIN JONES

BBB-2TG

© 2012 Park Tool Co.  
© PARK TOOL and the color BLUE are registered trademarks of Park Tool Co.

BBB-2TG //  
Park Tool School  
Instructor's Guide

## Local Authority



### The Park Tool School

A repair clinic you teach to your customers. Build loyalty. Build sales. Be the local authority.

For more info on Park Tool School, call your authorized Park Tool distributor or visit our website.

**WWW.PARKTOOL.COM**