

ECGI Conference

## SMEs, Families and Capital Markets

Opening address by: **Valdis Dombrovskis**,  
Executive Vice-President of European Commission

### Hosted by:



Time: 10:30-17:55, Friday, June 19, 2020

Place: Strēlnieku iela 4a, Riga, Latvia (and online)

\*\*\* This Event is by invitation only. \*\*\*

There is increasing evidence of the positive role played by family firms, including both publicly listed and privately owned entities. However, one of the main challenges for family businesses is succession. It is becoming more complex due to changes in family, management and governance systems. Sound governance reduces conflicts of interest, maintains family harmony, and creates value for all stakeholders.

Business transfer is a critical milestone in the life of many family businesses that with the ageing of the population of entrepreneurs becomes even more acute. Additionally, in the Central and Eastern European markets, the first generation of entrepreneurs is nearing retirement, which means that for many firms in these countries the transfer of family business stock happens for the first time.

To address these issues, one of the priorities mentioned in the Entrepreneurship 2020 Action Plan of the European Commission is “easing business transfers”, for example, through reducing cross-border inheritance tax obstacles, improving information and advice services, and other initiatives. Likewise, stock exchanges are attempting to ease obstacles for small and medium-sized enterprises (SMEs), which are predominantly family-owned, to raise capital through public markets. The conference will examine these tendencies.

### Organisers

Prof. Marco Becht, Solvay Brussels School (Brussels) and ECGI  
Prof. Anete Pajuste, Stockholm School of Economics (Riga) and ECGI

Programme queries should be directed to Anete Pajuste ([anete.pajuste@sseriga.edu](mailto:anete.pajuste@sseriga.edu))

### Supported by



## Programme

### 10:45 – 11:00: Introduction and Welcome

Speakers: **Anders Paalzow** (Stockholm School of Economics (Riga))  
**Anete Pajuste** (Stockholm School of Economics (Riga) and ECGI)

### 11:00 – 11:15: Opening Address by Valdis Dombrovskis (Executive Vice-President of European Commission)

### 11:15 – 12:00: Family Businesses – Performance, Governance and Succession

Speaker: **Morten Bennedsen** (INSEAD, University of Copenhagen and ECGI)

### 12:00 – 12:40: Panel Discussion: What Can Capital Markets Offer SMEs and Family Businesses?

Panelists:

**Kārlis Urbāns** (KPMG Baltics)  
**Ivars Bergmanis** (LHV)  
**Vikas Mehrotra** (Alberta School of Business, University of Alberta)  
**Anete Pajuste** (Stockholm School of Economics (Riga) and ECGI)

### 12:40 – 13:40: Lunch

### 13:40 – 14:40: Shareholder Illiquidity and Firm Behavior: Financial and Real Effects of the Personal Wealth Tax in Private Firms

Speaker: **Janis Berzins** (BI Norwegian Business School)

Academic discussant: **Benjamin Maury** (Hanken School of Economics)

Practitioner discussant: **Dainis Vodolagins** (Head of Tax, Eversheds Sutherland Bitāns)

### 14:40 – 15:40: Who Is the Boss? Family Control Without Ownership in Public Traded Japanese Corporations

Speaker: **Vikas Mehrotra** (Alberta School of Business, University of Alberta)

Academic discussant: **Oğuzhan Karakaş** (Judge Business School, University of Cambridge and ECGI)

Practitioner discussant: **Anta Praņēviča** (Fontes)

### 15:40 – 16:40: Earnings Management around Founder CEO Re-appointments and Successions in Family Firms

Speaker: **Marc Goergen** (IE Business School and ECGI)

Academic discussant: **Bogdan Stacescu** (BI Norwegian Business School)

Practitioner discussant: **Kārlis Urbāns** (KPMG Baltics)

### 16:40 – 16:55: Break

### 16:55 – 17:45: The European Capital Market Union, SMEs and Family Firms

Speakers: **Tanya Panova** (European Commission)  
**Jonathan Haynes** (Oxera)

### 17:45 – 17:55: General Discussion, Conclusion and Summing Up

Speakers: **Marco Becht** (Solvay Brussels School, Université libre de Bruxelles and ECGI)  
**Anete Pajuste** (Stockholm School of Economics (Riga) and ECGI)