FIVE CASES

Closely Held Businesses at an Inflection Point

Marcus Charles | Atlas St Ventures

When the family is the bank, every decision is personal.

Closely held companies at an inflection point share a pattern. The family is the capital, the requests for follow-on investment keep coming, and the people around the table want different things from the next 12 months. What they need is not a banker or a capital raiser. It is an emotionally aware outside set of eyes, accountable to the family for finding the best possible outcome.

Marcus Charles serves as a fiduciary inside a small family office. Through Atlas St Ventures, he brings that same discipline to a limited number of closely held companies, sitting with every party until each one understands what the others actually need.

The five cases below are drawn from his career, including his years with Atlas St Ventures. He has sat in many seats at the table: founder, CEO, entrepreneur in residence, and special advisor. In every case, the hardest problem was not the deal. It was discovering a solution acceptable to all parties and reaching a resolution with the family unit still intact.

1. The Ceiling and the Runway

Marcus's role: CEO, and the son

A father put up four times what his son did to launch the son's first business. It worked, and that is when their goals split. The son saw a runway, with outside investors already circling. The father saw a ceiling: steady income worth protecting, earned by his son's labor and his own capital.

The resolution came in two moves. First, a fixed buyout of the father's stake, paid down from ongoing profits. Later, when the original venture began holding the son back, a negotiated sale of its assets with an agreed split of the proceeds.

Outcome. The father recovered roughly four times his investment. The son left free to build what came next. They remain close.

The lesson. A partner who wants income and a partner who wants growth are not enemies. They need different exits.

2. Life Happens at the Wrong Time

Marcus's role: Special Advisor

A high net worth family invested in an in-law's national consumer products company as a minority owner. When personal circumstances forced the founders to step away, the family reluctantly took majority control. The longtime general manager stayed loyal to the founders' plan to scale with outside capital and misread where authority and vision now sat.

Interviews with every party made the mismatch plain. The new owners wanted a company that funds its own growth from free cash flow, and the manager was the wrong fit for that stewardship. The founders came to agree with the new model, and the manager was let go.

Outcome. Both families still hold equity. A daughter from the investing family now runs the company as CEO, funding its growth from its own cash flow.

The lesson. When ownership changes, the people carrying out the old plan may not recognize the new one. Someone has to say so and set the change in motion.

3. Buying the Competition In

Marcus's role: Entrepreneur in Residence, recruited as the operator

Two high net worth families owned both the real estate and the operating business on it. They had taken the property back from failed operators more than once. For the next attempt, they recruited Marcus from within their network to run it. The families waived the first year's rent, and in exchange Marcus brought fresh capital into the operating business, structured as a joint venture.

Under Marcus, the joint venture reopened, stabilized, and became profitable. Then a rival began driving up prices across the market.

The fix was counterintuitive. Marcus sold his own stake in the joint venture, at a significant short term profit, to a buying group that included the rival. The price war ended because the competitor became a part owner.

Outcome. Twenty years on, the venture still operates profitably. Counting dividends and appreciation, the original families' return approaches twenty times their invested capital.

The lesson. Sometimes the cheapest way to beat a competitor is to give them a reason to stop competing.

4. What Survived the Broken Deal

Marcus's role: Founder & CEO

JUJU Joints, a vaporizer company, spent months in diligence with Golden Leaf Holdings, a mid-cap public cannabis acquirer. After shared management meetings, executed definitive documents, and a delayed partial closing, the acquisition was never funded and the deal collapsed.

Several key investors wanted to walk away. Marcus changed the pitch. Instead of selling the leadership story, the brand, and the revenue stream, he sold what had actually been built: proven manufacturing scale, proprietary technology, and hard-won international relationships capable of launching multiple scalable brands.

That case reached a far larger buyer with different needs, Canopy Growth, and the deal closed on better terms than the one that failed. Canopy's integration team folded the company's manufacturing and technology into its other brands.

Outcome. The final value exceeded the failed deal's price by millions.

The lesson. When a deal dies, the problem may be what you were selling. The asset a buyer needs is not always the one you have been pitching.

Company names disclosed with consent.

5. Holding the Line

Marcus's role: Special Advisor

A family business brought in a corporate strategic partner to run a key part of its operation, expecting the partnership to grow beyond the original company. When that didn't materialize, the family, as the minority operator, signaled they would rather exit than continue on.

The corporate partner faced a choice between absorbing the whole enterprise and walking away from the partnership. Marcus advised the family that pressure from either side would not force any decision. Time would. Their job was to hold firm and resist stepping in with additional options, and Marcus stayed alongside them to keep that resolve steady while the decision played out for everyone.

Outcome. The corporate partner ultimately took over the business. The family's financial exposure is closed.

The lesson. Not every standoff needs a move. Sometimes the strongest position is patience.

Every situation like these starts with a conversation. To talk through one of your own, contact Marcus directly at marcus@atlasstventures.com.