

CASE STUDY

Longevity fueled by Trusted Partnership

Building relationships based on trust has been a cornerstone of Flagel Huber Flagel's (FHF) relationship with Arrow Wine & Spirits for generations. When you know someone and trust them, they become more than just advisors.

HISTORY

Prohibition was repealed in 1933 while the Great Depression still had its grip on both the nation and on the Dayton area. Three brothers, Irv, Malcom and Sanford Frank, were looking for innovative ways to earn a living during spare times. They saw the state-owned Liquor stores doing a brisk business and decided they could capitalize on that demand by converting some cars into delivery vehicles and bring spirits directly to their customers. The Frank brothers started in a small space in the historic Dayton Arcade with just a desk, a phone and a pad of paper. Customers called to order spirits that the brothers would then buy from the liquor store, add on a small delivery fee, and deliver to homes, bars, restaurants and clubs. They called their business "Arrow" to convey that it was fast and accurate.



*Founder Irv Frank (left) loading spirits into Arrow's delivery truck
Irv's son, Mike Frank, Sr. (right) as a young boy standing by delivery truck.*

Based on their success, Arrow (now called Arrow Wine & Spirits) made the decision to "go retail" and added direct spirit sales to their already thriving delivery business. Given their expanding footprint, Arrow knew that in order to transition from a small start-up to creating and building a successful family business for generations to come, they needed to find expert business partners they trusted.



Situation at a Glance

- Started by the Frank brothers during the Great Depression Arrow Wine & Spirits has been a Dayton gem for over 85 years.
- Arrow Wine & Spirits has been working with Flagel Huber Flagel (FHF) since the 1940's relying on FHF as their tax and financial strategy experts.
- FHF has helped Arrow Wine & Spirits transition through three generations.
- FHF was a key strategic and financial advisor in Arrow Wine & Spirits' decision to expand by adding a new 15,000 square foot store in fast growing Mason, Ohio.



Founders Mal, Irv and Fritz Frank



*Beth (Frank) Freyvogel and Mif Frank
current generation owners*

COLLABORATIVE TRUSTED PARTNERS

For over 50 years Flagel Huber Flagel has been one of Arrow's trusted partners. And for all of those decades, FHF has worked on complex income tax, compliance, and tax planning for both the Arrow Wine & Spirits entity as well as multiple families and generations working in the business. In more recent years, FHF's work has also included estate planning to ensure a smooth and financially-smart generational transition. According to Mike Frank Sr. of Arrow Wine "We know it is not just business, it's the relationships you build. I've always looked for partners that have the same values and philosophy as Arrow Wine & Spirits, and FHF is clearly that for us."

Beyond just traditional finance and accounting, Arrow Wine & Spirits also trusts FHF with leadership on strategic projects. With their recent decision to expand with a new 15,000 square foot store in Mason, Ohio, Arrow Wine called on FHF to take the lead on a very competitive application process for a liquor license. FHF also did extensive work on financial feasibility, projections, lease vs. buy analysis and on obtaining financing with Arrow Wine & Spirits' long-time banking partner.

Joe Gordon, FHF's partner on the business says, "It is really a team built on trust, between the client, their other advisors and us. It's not something you see every day where multiple companies can work together so seamlessly. It is a true testament to Arrow Wine & Spirits' commitment to finding the right partners and making sure that the partnership works with transparency."

The benefits of trust and in-depth understanding of the client's business were evident in a recent opportunity where Arrow Wine & Spirits had a long-time manager retire. Given the level of trust between the partners, Arrow asked FHF to be actively involved in the replacement, including everything from writing job descriptions, interviewing candidates and helping select the final person for the role. With the transition, FHF also suggested and helped implement a new accounting system to update processes and tools to increase productivity and set the company up for future success.

Michael 'Mif' Frank, Jr. (3rd generation Arrow Wine) says, "There are real benefits to having partners who know you as well as you know them. When you have long-time partners who continue to bring new ideas that will help your business and are by your side for big and small evolutions, it just makes good business sense to continue the partnership."



One of Arrow Wine's early stores



Prototype of the new 15,000 square foot Mason location to open in early 2020.

Interested in learning how Flagel Huber Flagel can help you create lifelong prosperity for you, your family, and your employees?

Joe Gordon advises, "Let's just talk. We can share directions with you, and you can benefit as well."

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