CASE STUDY 10 · BUSINESS C1

The Founder's Letter & the 2035 Paragraph

Integrated case study · reading, analysis, negotiation and writing

BRIEFING

Two paragraphs, two decades

8 min

Company A — Halden Studio. A London-based design consultancy, 240 people, founded in 1994. Founder-CEO: Elena Marchetti (61), thirty years in the chair, chair-elect Anselm Hart, currently managing partner. Elena is signing, on Friday afternoon, the closing paragraph of the farewell letter that will front the last annual report she signs as CEO — the paragraph the alumni network, the founding investors and the successor cohort will, a decade later, still be quoting as the covenant of the handover.

The Halden situation. The draft closing paragraph on Elena's desk, prepared by her chief of staff Rafael, runs to four sentences of passive voice and un-named nouns — "many decisions were made", "many people contributed", "a succession plan has now been approved". Elena has read it three times. She knows exactly which sentence a departing employee will walk off the page in and which decision the paragraph, as drafted, allows her not to own. She has forty-eight hours to rewrite it in the inversion register — front-loaded, named, and, in the bad case, quotable back to her.

Company B — Verrocchio Group. A Milan-headquartered industrial mid-cap, 3,100 people, founded in 1972, restructured in 2020. Chief strategy officer: Ines Ramírez (48), eight years in the seat, ex-partner at a long-horizon-capital-facing consultancy. Ines is writing, on the same Friday, the opening paragraph of the ten-year narrative section of the annual report — the paragraph the sovereign lender, the pension endowment and the long-horizon fund will, on first reading, price the decade on.

The Verrocchio situation. The current draft, prepared by Julian in Investor Relations, is written entirely in the present tense — "the company is a leader in its sector; we invest in innovation; we grow steadily; we plan to continue on this trajectory". Ines has read it once and returned it with a single note: "This is a three-year narrative. I asked for ten." She has forty-eight hours to rewrite it as a mixed-tense arc — past perfect continuous stacked on a dated reference point, present perfect continuous on the pivot, third conditional on the 2011 acquisition, future perfect and future perfect continuous on 2035.

The parallel. Both Friday paragraphs are read, at a distance, by readers whose relationship to the firm the register of the paragraph will either preserve or destroy. Halden's closing will be judged by whether its inversion register carries the moral weight of the succession itself; Verrocchio's opening will be judged by whether its tense arc situates the firm on the decade the reader is being asked to price. Both problems are grammatical, and both, on Monday morning, will be publicly filed.

COMPLICATION

What can't be filed as it stands

9 min

Halden — the inversion problem. Rafael's draft closes: "Over the past thirty years the company has grown substantially. Many decisions were made and many people contributed. The board has now approved a succession plan and I am proud to hand over to my chosen successor." Four sentences. Two passives. Two un-named nouns. A first-person "I" that owns the announcement but not the road. In the register the reader is expecting from the founder of the firm, the paragraph is a passive-voice inventory a departing employee will walk off the page in.

ASK THE TEACHER — notes to bring to class

Elena's private diagnostic: Every un-named "many decisions" and every un-named "many people" is a decision I did not, in the closing paragraph of the letter, in fact own. And the "I" that "hands over" is the "I" that owns the promotion but not the road.

Verrocchio — the tense problem. Julian's draft opens: "The company is a leader in its sector. We invest in innovation. We grow steadily. We plan to continue on this trajectory. Our people are our greatest asset and we are excited about the future." Five sentences. Every verb in the present. Under a fluent reading it is competent prose. Under the reading a sovereign lender actually performs, it is untensed — the reader cannot locate the firm at 2011, at 2025 or at 2035, and, more consequentially, concludes that the writer has not, in fact, located the firm on the decade either.

Ines's private diagnostic: Every present-tense verb in this paragraph is a decade the firm did not commit to. The paragraph is a three-year narrative dressed as a ten-year one, and the sovereign lender will, on the first reading, price it accordingly.

The register each reader is expecting. Halden's alumni network and its successor cohort are calibrated to a specific inversion register: Not only has this company grown; it has grown without losing the people who built it. Only after the second downturn did we understand what a durable balance sheet was worth. No sooner had the board endorsed Anselm as my successor than I understood the succession had in fact begun five years ago. Rarely, in the past three decades, have I misjudged a hire more badly than in the year we passed on the candidate whose absence then cost us two years. Under no circumstances will I return to the executive chair once the announcement is public. Verrocchio's sovereign lender is calibrated to a specific tense register: Since the pivot of 2020 we have been trending above the sector's decadal line, and by the time Anselm takes the chair next spring we will have been working on the second phase of that pivot for three uninterrupted years. Had we not signed the Warsaw acquisition in 2011, the firm would not now be positioned on the two central-European markets that in 2035 will account for two-thirds of revenue. By 2035 we will have delivered the fifty-thousandth new hire since the founding, and we will have been operating a materially higher standard of purpose-alignment reporting than any peer for the second half of the decade. Both readers will judge the paragraph in the first fifteen seconds, and both will silently price the register.

DATA ROOM

Facts, uncontested and contested

6 min

Halden — uncontested:

- Founded 1994, seven original employees; 240 people today; alumni network 1,100.
- Elena Marchetti: 30 years CEO; two downturns navigated (2009, 2020); one major acquisition (Warsaw, 2011); one hire regretted (2011, missed on Priya Kaur).
- Anselm Hart: chair-elect; five years managing partner; put in front of audit committee 2020; announcement 12 May, transition complete 30 June.
- Prior thirty years of founder's letters: 84% of closing paragraphs contain at least one passive of the "many decisions were made" form; 12% contain at least one full inversion.
- Chief of staff's private note to Elena (Friday morning): "The paragraph has to sound, ten years from now, like the covenant it is — not like the announcement of a succession we already made."

Verrocchio — uncontested:

ASK THE TEACHER — notes to bring to class

- Founded 1972; restructured 2020 after a three-year strategic review; 3,100 people across six countries.
- Warsaw acquisition 2011: nearly declined; now the two central-European markets account for 41% of revenue and, on Ines's model, will account for two-thirds by 2035.
- Pivot of 2020: five uninterrupted years of investment above the sector's decadal capex line; second phase due to close 2028.
- Long-horizon capital in the register: 22% of the shareholder base is sovereign or pension-endowment, mandate measured in decades.
- CSO's guideline to IR: opening paragraph ≤ 5 sentences; at least four distinct tenses; the future-perfect and future-perfect-continuous must, in the same clause, name both the fact and the duration.

Contested (Elena and Ines vs their drafters):

- Elena. Rafael wants the closing paragraph to remain "in the register of the previous twenty-nine letters" — passive, dignified, no naming of hires regretted. Elena has decided that the register of the previous twenty-nine letters is precisely the register the thirtieth cannot, on the eve of a succession, be written in.
- Ines. Julian's instinct is that the future perfect "sounds arrogant" and that the third conditional on Warsaw "invites litigation from the shareholders who opposed the 2011 acquisition". Ines has written a single word in red on the draft: "commit". Long-horizon capital, she notes, is not moved by hedged language; it is moved by tense.

TEXT EXTRACTS

Two Friday drafts, side by side

5 min

Extract 1 — Rafael's first-draft closing paragraph (Halden farewell letter):

"Over the past thirty years the company has grown substantially. Many decisions were made and many people contributed. The board has now approved a succession plan and I am proud to hand over to my chosen successor."

Extract 2 — Julian's first-draft opening paragraph (Verrocchio ten-year narrative):

"The company is a leader in its sector. We invest in innovation. We grow steadily. We plan to continue on this trajectory. Our people are our greatest asset and we are excited about the future."

Both paragraphs are grammatically defensible under a narrow reading. Both, as drafted, will fail — Halden's by walking off the page in the passive voice of the previous twenty-nine letters, and Verrocchio's by dressing a three-year narrative as a ten-year one. Your task begins here.

YOUR TASK

Two paragraphs, one register discipline each

35 min

You are, in turn, Elena and then Ines. Draft both:

Document 1 — Elena's closing paragraph of the farewell letter (180–220 words).

- At least five distinct inversions: one negative adverbial ("Rarely have I..."), one restrictive "only" ("Only after... did we..."), one "no sooner ... than", one "not only ... but also", one "under no circumstances".

ASK THE TEACHER — notes to bring to class

- Names, in the same clause as each inversion, both the specific fact and the agent — no orphan "many decisions", no un-named "many people".
- Includes at least one decision Elena got wrong (2011 miss on Priya Kaur), one person the firm was built by, and one door she is, on the record, closing.
- Ends with the sentence Elena would be most content for a departing employee to quote back to her ten years from now.

Document 2 — Ines's opening paragraph of the ten-year narrative (180–220 words).

- Layers four distinct tense-answers: past perfect continuous (a duration stacked on a past reference point), present perfect continuous (a dated pivot to an ongoing state), third conditional (a counterfactual on Warsaw whose absence would still be visible in 2035), future perfect and future perfect continuous (the specific fact and the specific duration the decade will have delivered).
- Names at least one year in each of the four decades: 2011, 2020, 2025 and 2035.
- Includes the counterfactual sentence a shareholder who opposed the 2011 acquisition will read with, on the record, sober attention.
- Ends with the sentence long-horizon capital is being asked, in this letter, to price the decade on.

Teacher notes

Success criteria (teacher-facing): Document 1 passes if a member of the alumni network, reading it in 2035, can quote at least one full inversion aloud as the covenant of the handover — and if the sentence about the 2011 miss on Priya Kaur owns the decision without opening ground the succession did not close. Document 2 passes if a sovereign-lender analyst can, in a fifteen-second first reading, locate the firm at 2011, 2020, 2025 and 2035 without asking — and can name the specific counterfactual whose absence would still be visible on the balance sheet in 2035.

SOLO WORK

Two rewrites, in your own hand

25 min

Before you draft the two documents, spend 15 minutes on the following:

- Take Rafael's draft (Extract 1) and, sentence by sentence, underline every passive and every un-named noun. Beside each, write the agent and the specific in the margin. Rewrite the paragraph so that no reader can find either a passive or an un-named noun on it.
- Take Julian's draft (Extract 2) and, verb by verb, mark the tense. What decade is each sentence situating the firm on? Rewrite the paragraph in four sentences, one for each of the four tense-questions of a ten-year arc.
- Write, in one sentence, the difference between the register the alumni network of Halden is calibrated to and the register the sovereign lender of Verrocchio is calibrated to. What does each reader take as the sign of a senior operator?

This is a private diagnostic. The point is not to publish the sentences — it is to notice which of the two register disciplines you can, in fact, execute under time pressure.

Did you read carefully?

5 min

ASK THE TEACHER — notes to bring to class

- The central event at Halden Studio is:
  (a) an IPO
  (b) a founder signing the closing paragraph of the farewell letter that will define the twenty-year covenant of the handover — every inversion a claim she is willing to own
  (c) a merger
  (d) a rebrand
  Answer key: (b) a founder signing the closing paragraph of the farewell letter that will define the twenty-year covenant of the handover — every inversion a claim she is willing to own
- The parallel event at Verrocchio Group is:
  (a) a listing
  (b) a chief strategy officer writing the opening paragraph of the ten-year narrative on which long-horizon capital will, on first reading, price the decade — every tense layered against a specific year
  (c) a bond
  (d) a dividend
  Answer key: (b) a chief strategy officer writing the opening paragraph of the ten-year narrative on which long-horizon capital will, on first reading, price the decade — every tense layered against a specific year
- The Halden paragraph has to be written in the inversion register because it:
  (a) is expected
  (b) will, a decade later, still be quoted by the successor cohort — and only the front-loaded fragment forces both the specific and the agent into the same clause
  (c) is legally required
  (d) is house style
  Answer key: (b) will, a decade later, still be quoted by the successor cohort — and only the front-loaded fragment forces both the specific and the agent into the same clause
- The Verrocchio paragraph has to be written in the mixed-tense register because:
  (a) it is expected
  (b) long-horizon capital is buying the duration and the counterfactual, not the present-tense claim — and only the layering of past perfect, present perfect continuous, third conditional and future perfect / continuous carries the decade
  (c) it is longer
  (d) it is formal
  Answer key: (b) long-horizon capital is buying the duration and the counterfactual, not the present-tense claim — and only the layering of past perfect, present perfect continuous, third conditional and future perfect / continuous carries the decade

WRAP-UP

From two Fridays back to your desk

6 min

Answer, in a note to yourself:

- Which upcoming paragraph of yours has the shape of Elena's Friday — a farewell, retirement or handover in which the passive voice is the safe option and the inversion is what covenant requires?
- Which has the shape of Ines's Friday — a strategy opener in which the present tense is the safe option and the mixed-tense arc is what a long-horizon reader is buying?
- Which of the two register disciplines — the emphatic inversion of the farewell paragraph or the mixed-tense arc of the ten-year opener — do you naturally reach for, and which do you have to force? What would it cost you, this year, to add the one you do not already have?

ASK THE TEACHER — notes to bring to class

Take-away:

ASK THE TEACHER — notes to bring to class