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THE MEANING OF MONEY

CHAPTER SEVEN

The Person, Not the Paper

Mark Sullivan on why the surest returns come from trusting the people you back

Featuring

Mark Sullivan

Co-Founder, Lineage Capital

Hosted by Stefan Whitwell

Presented by Whitwell & Co., LLC

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lineagecap.com

Most investors would find the arrangement unthinkable. A firm puts its capital into a company, takes a controlling stake, sixty or seventy percent of the equity, and then, having paid for control, hands the board back to the founder. It keeps the economics and gives away the steering wheel. Ask a room full of private equity professionals to do the same, and most of them, as Stefan Whitwell puts it, would be scared out of their minds. Mark Sullivan does it on purpose. He has built a firm on the conviction that it is not only the more humane way to invest but the more realistic one.

Sullivan is a co-founder of Lineage Capital, a Boston firm that partners with owner-managers of established, lower-middle-market businesses, the kind that have been around ten, twenty, thirty years, what he affectionately calls mom and pop mainstream America. These are not venture bets on unproven ideas. They are seasoned companies with real cash flows and, at their center, a founder or family who built the thing and still cares about it. Lineage offers those owners something the rest of the market rarely does: significant liquidity, a chance to take real money off the table, without asking them to surrender command of what they created. Even when Lineage holds the majority of the equity, the owner keeps control of the board.

The model only works because of what sits underneath it. Whitwell, who traces his own fascination with human capital back to a lesson from Michael Milken, is struck by how completely Sullivan's approach turns on the person rather than the paper. Because Lineage deliberately gives up the contractual control that most investors treat as protection, it has to understand its partners before the money moves, not after. Their motivations, what matters to them inside the business and outside it, become the real due diligence. Understanding what is important to a person in and outside the business, Sullivan says, is foundational to everything the firm does. The bet is not on a spreadsheet. It is on a human being.

A bet on the person

What makes the bet defensible, Sullivan explains, is that the model quietly screens for the right people. Because Lineage requires owners to keep a meaningful stake, typically thirty or forty percent, the only founders who sign up are the ones who still believe in the business and think they can move it forward. A person looking to cash out entirely and walk away simply does not fit. The structure does the sorting. What is left is a partner who has kept skin in the game by choice, which is exactly the person Lineage wants beside it.

The question after the money

Whitwell raises the question that haunts every liquidity event, one that had surfaced in an earlier conversation with a venture capitalist on this same show. The only thing guaranteed in building a business, that investor had said, is that you will run into hard times. Before the money, the reason to push through them is obvious: you have to make it work. After a transformational payday, a quieter and more corrosive question can creep in when trouble hits. Why am I still doing this? I have money in the bank. Why am I putting up with this? Sullivan is handing founders precisely the kind of wealth that could trigger that drift, so Whitwell asks how he manages the risk that a newly rich partner simply loses the will to fight.

The answer surprised even Sullivan. For the most part, he says, the owners work harder after the liquidity than they did before, and the reason is not the money; it is the partnership. They do not want to let their partner down, and in years of doing this, Lineage has never watched a founder pocket the check and throw in the towel. Some of the businesses go sideways for a stretch, as businesses do, and still no one has walked away. Either we are good at picking partners, Sullivan offers with some humility, or partners are good at picking us. Money, which so often dissolves motivation, turns out to bind it more tightly when it arrives inside a relationship a person does not want to disappoint.

Where the friction lives

That does not mean the road is smooth. The friction, when it comes, tends to arrive from an unexpected direction: the very traits that made a founder successful can be the ones that keep the company from reaching its next level. The classic flashpoint is the first serious professional hire. Why do I need a CFO, an owner will ask, I have never had one. If Lineage and the founder choose well together, the objection evaporates within months, replaced by a rueful admission: what was I thinking, why did I not always have a CFO. Choose badly, and the owner has all the evidence he needs that the whole exercise was a waste. Loyalty adds its own complication. Founders are fiercely loyal to the people who came up with them, and Sullivan admires that, but sometimes the person a founder is loyal to cannot make the climb to the next stage, and that is where the hardest conversations live.

A multiplier, not a magic wand

The conversation turns, as most now do, to artificial intelligence, and here Sullivan is refreshingly unromantic. He describes a board meeting held only days earlier. Three months before, one of Lineage's companies had done essentially nothing with AI. Now, unprompted, every functional area stood up and explained how it was using the tools to sharpen analysis, clean data, and speed up routine work like bank reconciliations. The company had gone, in his words, from zero to sixty. And yet he refuses to oversell it. The business is a children's publisher, and its market does not want content generated by a machine, so the humans there guard the actual creative work carefully. Across his portfolio, AI has improved productivity and the speed of decent analysis. It has not, he insists, revolutionized a single company, and he is not sure it ever will.

What he keeps returning to is that the tool rewards effort and punishes laziness. AI, he says, is a fabulous multiplier, and a multiplier works in both directions. Feed it careless input and it will produce confident, spectacular mistakes and make you look like a fool. Put real thought and sweat into the front end and the result can be genuinely powerful. Whitwell recognizes the pattern from his own work: the outputs that astonished him were always the ones he had labored over, not the ones he had tried to shortcut with a single lazy prompt. Sullivan reaches for martial arts, a shared interest, to make the point. Be lazy on the front end of anything and you will pay for it on the back end. He has seen it even in hiring, where a flood of cover letters were plainly written by AI with no thought behind them, and Lineage simply passed on those candidates, strong resumes and all. The machine changes the leverage; it does not remove the requirement to do the work.

What the money did and did not

Whitwell has spent his career watching what happens to people on the far side of a windfall, and he asks Sullivan the question at the heart of this book: where does money help more than people expect, and where does it fail to solve anything at all. Sullivan's answer is almost comically undramatic. He makes a habit of asking the owners he backs what they plan to do with the money, the beach house they have been dreaming of, whatever it is, and the striking thing is how few of them actually change their lives. One man traded a twelve-hundred-square-foot house for a forty-five-hundred-square-foot one and promptly wished he had the small one back; the new place was all upkeep. A couple of owners started foundations they were genuinely excited about. One threw himself into his state's school funding, not to write a check but to help administrators manage their cash more intelligently than they ever had. Maybe, Sullivan says with a shrug, we are dealing in the boring crowd. It is a telling admission from a man who makes people rich for a living: the money, by itself, rearranges very little.

Health, wealth, and purpose

What does move people, both men agree, is purpose, and it tends to be discovered late. Whitwell has long believed that true wealth is lived at the intersection of health, wealth, and purpose, and that the years of building a business leave little room for the third. One of the quiet gifts of financial freedom is the time to finally go looking for it. Sullivan has watched the return on that search, and he calls it off the charts. When an owner gives to something they care about, not to win a contract or a connection or a visible board seat, but simply to make a difference, whether through money or sweat or both, the impact on them is larger than anything they anticipated. The contrast he draws is sharp: the black-tie gala where you write a check and enjoy a pleasant evening that fades in fifteen minutes, set against the deep and lasting memory of rolling up your sleeves for a cause. The difference, he notes, is nearly impossible to explain to someone until they have felt it.

The consistent thread across the owners Lineage has backed is not a bigger house or a faster car. It is time, and enough capital to spend that time on what matters. Even for owners who were already comfortable, the big liquidity event supplies something a smaller cushion never quite did, a kind of exhale that Sullivan describes simply as a sigh of relief that all is okay, and now a person can go do these things. Whitwell names it security, and observes that it arrives at wildly different numbers for different people. What consistently helps a person actually feel it, he adds, is a defined financial plan. Without one, people can hold a fortune and still write every check in fear.

The number in their head

That fear has a shape, and Sullivan sees it constantly: a target number lodged in an owner's mind that bears no necessary relationship to what the business is worth, or to what the owner actually needs. Some will refuse to sell below the number even when the company cannot justify it, and Whitwell has watched entire deals collapse on that single point. The tragedy, as he sees it, is that the figure is usually far above what the person truly requires to be free. The math says they have already won; the number in their head will not let them believe it. Stranger still is the resistance to planning at all. Owners often will not build a financial plan before a sale because, as Sullivan puts it, they do not want to assume the egg will hatch. They fear jinxing the very outcome the plan would help them secure. The work, for both men, is to coax a person toward a non-financial grounding in what is enough, because only then can they appreciate the wealth they already hold.

The goodwill you cannot squeeze

In the end the conversation returns to where it began, to control, and to the courage required to let it go. The instinct of most investors, Sullivan acknowledges, is to build a fortress of

clauses and rights and procedures, to believe that if they can just constrain the founder tightly enough, they will be protected. He has seen too many of those arrangements curdle. Owners who feel micromanaged and boxed in disengage, and some walk away vowing never to take institutional money again, precisely because the control stripped away the one thing that made them great. Lineage's wager is the opposite. Give the founder the equity, the board, and the genuine authority to build, and you get a partner who works with you because they want to, not because a contract forces them. The goodwill that comes from that, Whitwell observes, is immeasurably larger than anything a person could squeeze out by force. Sullivan's version is quieter: even when Lineage is sure it could improve a business, it holds what he calls extraordinary respect for what the founders have created, and it hires people who are not just smart but disciplined enough to respect the party on the other side of the table.

It is, in its way, an answer to the question this book keeps asking. Sullivan has made a career out of proving that the surest returns, in business and in life, come not from the capital you control but from the people you trust and the purpose you serve. The money is real and it matters; it buys the house, the time, the exhale, the freedom to give. But it was never the point, and the owners who thrive are the ones who work that out, ideally before the sale rather than after. Once a person has taken the money off the table, the question that remains is the one Lineage asks its partners on the way in, and the one Whitwell asks his clients every day. What do you want it to make possible?

Pull-Quotes

> *“Even if we own sixty or seventy percent of the business, they get to keep board control.”*
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> *“Many of them work harder than they did before. They do not want to let their partner down.”*
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> *“If you are lazy on the front end, you are not going to get what you want on the back end.”*
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> *“Even when we could improve a business, we have extraordinary respect for what the founders have created.”*
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> *“So many owners have a target number in their head that is not even related to the value of the business.”*

As said by Mark Sullivan, 2026
The Meaning of Money, recorded July 31, 2026

About the Author

Stefan Whitwell is the CEO and Chief Investment Officer of Whitwell & Co., LLC, where he helps entrepreneurs and families align health, wealth, and purpose, from complex tax and alternative investing to preparing a business for sale.

He cut his teeth in mergers and acquisitions at firms including Goldman Sachs and Credit Suisse, working across New York, London, Hong Kong, and Tokyo before leaving global finance to help founders turn their exits into lives of meaning. Whitwell & Co. is an SEC-registered fiduciary that brings family-office caliber strategy to business owners and families, with a focus on proactive tax planning, coordinated decision-making, and thoughtfully vetted investments.

Now based in Austin, Stefan is the proud father of four. He is a Brazilian Jiu-Jitsu brown belt, has played the violin for more than forty years, and speaks Japanese. His conviction, and the premise of this book, is simple: true wealth is lived, not merely owned, at the intersection of health, financial wealth, and purpose.

He hosts The Meaning of Money to explore exactly that, in candid conversation with the kind of builders and investors whose stories fill these pages.

Whitwell & Co., LLC
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