◆ OWNERS AT WORK ◆

THE OHIO EMPLOYEE OWNERSHIP CENTER

Volume VIII No. 1 Summer 1996

Employee Ownership in the 21st Century

What is the future of employee ownership in America? We posed this question to a panel of four national employee-ownership leaders at the 10th Ohio Employee Ownership Conference in April. In an exciting discussion, they mapped very different, diverging possible futures driven variously by tax law changes, by competitive pressures, and by popular discontent with the growth in inequality in America.

Tax law is not enough. Malon Wilkus (American Capital Strategies) and Corey Rosen (National Center for Employee Ownership) traced one road that threatens a dead end for employee ownership. Since the majority of employee ownership deals are presently driven by tax incentives (primarily deductions for principal payments and the 1042 rollover for selling owners), if these are eliminated by a deficit-conscious, budget-cutting congress, the growth of employee ownership would be drastically reduced or halted. Though there are many people who believe in employee ownership, Wilkus contended, it is a limited constituency when contrasted to other tax incentives that have enormous support and are highly organized. Moreover, Rosen added, even if we could maintain the present tax incentives and "achieve an economy in which employee ownership was driven entirely by tax incentives and that extended employee ownership to many more areas than you currently have, it would be so expensive [because of lost tax revenues] that Congress would limit it."

At the 1996 Ohio Employee Ownership Conference are *(left to right)* Jeff Swogger, Sharpsville Quality Products; Malon Wilkus, American Capital Strategist; Corey Rosen, National Center for Employee Ownership; & Stan Lundine, Worker Ownership Institute.

Competitiveness. One reason for the limited constituency for employee ownership, Wilkus pointed out, is that the word has not spread sufficiently that companies which combine employee ownership with employee participation outperform their competitors. Should the advantages of employee ownership become well known, Wilkus speculated,

> Another vision of the future could be that non-employee owned companies will start looking over their shoulder and see employee-owned competitors on their heels. They may start to realize that to be competitive in today's world economy you must have employee ownership. We could even teach ownership in the public schools, that ownership makes sense, that it is fundamental, an opportunity that should not be missed, a way of insuring your future, a way of giving you a voice, and of creating economic democracy by expanding our democratic system to the workplace.

While Rosen agreed that employee ownership has a dramatic impact on the competitiveness of firms, he argued that even if this were widely known companies would not necessarily adopt employee ownership strategies. Employee ownership coupled with a participatory company structure requires work and patience and is usually a long-term strategy for growth and success; short-term strategies like downsizing offer more immediate and bigger gains to managers with stock options. "As long as it is individuals and not collectives making decisions about the future of firms, there is no reason to think that firms will necessarily act rationally in the market place. So, this means that it is still the case that employee ownership and other kinds of enlightened management strategies are still adopted by the few and not the many."

Kelso and inequality. Rosen noted the growing discussion on a national basis of several of the issues that had led Louis Kelso to the ESOP concept originally. "We have seen in the last couple of years people talking about the disparity of wealth in this country as a political issue. Both liberals and conservatives are talking about it. Even when you count stock ownership through retirement plans, one percent of the population owns 47% of the stock in the United States and 80% of the population owns only 2% of the stock."

Stan Lundine (Chairman of the Worker Ownership Institute and former Lt. Governor of New York) offered a vision of employee ownership that foresaw "a moderate increase in employee ownership during the rest of the nineties and then in the first quarter of the 21st century you will see an explosion, a significant increase at the very least in employee ownership in America." The primary "macro-reason" for this prediction is the growing income gap.

Lundine offered graphic evidence of the dramatic changes in the growth of real family income. During what he called the "golden era," which lasted from the end of World War II until about 1973, real family income grew across the board for all families in line with increases in productivity. Families in the lowest fifth in terms of income saw their incomes rise by 136%, the second fifth rose by 98%, the middle fifth by 106%, the fourth fifth by 111%, and the top fifth by 99%. But, after 1973 a drastic change occurred in the growth of real family income. Rather than an across the board increase for families in all income groups, there is a growing polarization. There is decline at the bottom (down 17%) and growth at the top (up 18%). (Figure 1) And, continued Lundine,

> When you look at the wealthiest Americans, the top 1% of families, the data is even more dramatic and even more spectacular gains were made. According to the Congressional Budget Office, between 1977 and 1989 their average income rose . . . by 78%. The numbers prove what Americans have suspected for a long time: living standards have fallen or stagnated for the majority of Americans, while a small minority have enjoyed a bonanza. These trends appear to be intensifying regardless of which political party is in office.

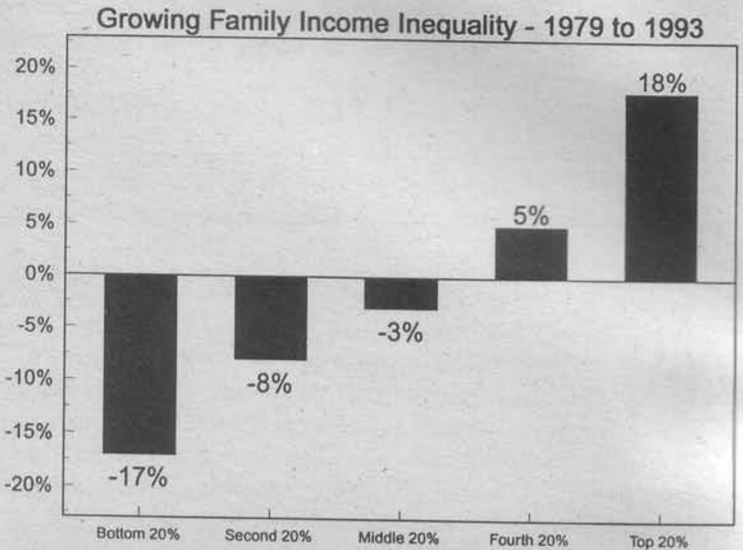


Figure 1 Source: Bureau of the Census, Department of Commerce. All data converted to 1993 dollars

While incomes have declined or stagnated for the majority of American families, productivity, profits, and stock prices have all soared, benefitting the few. Add in the explosive growth in CEO salaries to more than 100 times the wage of the average worker and you have the preconditions for a grass-roots movement for change and reform. This movement will see employee ownership as a strategy for strengthening the declining or stagnating wages of workers, for a more equitable distribution of productivity gains, and for reinvestment to insure future employment.

Jeff Swogger, former union local president and now CEO of Sharpsville Quality Products, is part of that grass-roots movement. Swogger was both the most radical and the most conservative of the panel. "There will be an uprising in the next century," Swogger said bluntly. "All people want is an opportunity to go to work and provide for their families. We don't have to have the big fancy homes or big fancy cars; just give us an opportunity and let us do what we have always done, what our forefathers did, and let us pass that on to the next generation."

Most companies are owned by people who have never set foot inside of the company. Not surprisingly, decisions concerning those companies and the people who work there are made from a narrow economic perspective, and that narrow economic reasoning often dictates shutting plants like the Shenango ingot mold foundry that the employees bought after a six week sit-in to avert liquidation. (For the Sharpsville story, see *Owners at Work*, Summer 1994.)

Swogger appealed for a broader perspective that includes the community. "That is why employee ownership makes sense: the people who work in that factory, who go to work everyday, pay taxes to that community, whose children attend those schools, who patronize local businesses, the people that make things happen in that community, all depend on that company, so it makes sense for these same people to make the vital decisions about that company."

We have to rally around and help others who want to become employee-owners, argued Swogger.

> I think the challenge for each and every one of you is to find a little bit of that old time ethic that believed that if your brother is in trouble you reach down and help him up. It's like when I was growing up on the farm, we had the old time barn raising when a group of neighbors would get together and help each other out. That is one of things we seemed to have lost in this country. . . Employee owners are rediscovering that we all have something in common; and, I look to employee-owners to be an example to the rest of the nation. As a group we will demonstrate that there is an option, there are other alternatives, and that, doggone it, we can do it if we all step up and do it together.

The Ohio Employee Ownership Center (OEOC) is a university-based program which provides information and technical assistance to retiring owners, buyout committees, labor unions, managers and community-development organizations interested in exploring employee ownership. Center staff can help locate competent and appropriate legal and financial advisors, and perform initial assessments to determine whether employee ownership is a viable option. The OEOC develops resource materials on employee ownership and participation systems, sponsors workshops and conferences for the general public, develops training programs for employee owners, facilitates cooperation among employee-owned firms, and assists international efforts to privatize businesses through employee ownership.

The OEOC is funded by grants from the Ohio Department of Development's Office of Labor/Management Cooperation and the Cleveland, Gund & Eurasia Foundations and contributions from Kent State University and the companies that comprise Ohio's Employee-Owned Network. **Department of Political Science, KSU, Kent, Ohio 44242. Telephone (330) 672-3028 Fax (330) 672-4063 email:noeoc@phoenix.kent.edu**

Owners At Work (ISSN 1046-5049) is published twice a year by the OEOC. Letters, articles, requests for permission to reprint and subscriptions (which are free) should be sent to the editor. The OEOC is funded in part by the: **Ohio Department of Development Labor-Management Cooperation Program.**

Where is *your* pension money invested?

Wall Street is awash in speculative capital but Main Street America has increasing trouble borrowing long-term to buy the equipment to stay competitive in the global economy. Ironically, much of that speculation is fueled by the pension fund dollars that belong to the guys and gals working on Main Street.

"Our Money, Our Jobs: Worker Saving Funds and Long-Term Investing in Manufacturing" was the subject of a path-breaking conference in Pittsburgh on June 14-15. Sponsored by the Steel Valley Authority, the Steelworkers, and the AFL-CIO's Industrial Union and Public Employee departments, the conference presenters provided a well documented case that managing our pension money is too important to leave to Wall Street.

Today American employee pension funds are worth about $5 trillion. They are the primary vehicle for family savings and are also the major source of new capital in the country. How pension funds are invested not only makes a difference for our well being when we retire, it also makes a difference for our well being today.

Unfortunately, the rapid growth in pension funds and the increasing short-term perspective in their investments have fueled the speculation in the financial market and not job-creating long-term investment in our industrial base. "Market participants trade more than $100 of stocks and bonds for every dollar invested in new plant and equipment," economist Regina Markey of the AFL-CIO Pension Department told the conference.

This has some shocking consequences:

- Pension money is fueling a huge increase in merger and acquisition activity which hit $378 billion in the first 10 months of 1995, exceeding the peak of merger activities in the mid 1980s. This merger and acquisition activity liquidates jobs and undercuts living standards for ordinary Americans -- whose pension fund money fuels the boom.
- Pension fund managers are increasingly shifting resources off shore in pursuit of higher rates of return in foreign markets. Our own pension money helps ship our jobs abroad!
- This rising speculation leads to an increasingly rapid turnover of stock in pension fund portfolios. The turnover for all private pension funds in 1993 was 40%, more than three times the 12% in the market in 1960. The bigger the fund, the higher the turnover; there was a 75% turnover rate for institutional investors with portfolios over $30 billion.

"I don't think that the average citizen knows that the money we own is being used to destroy our hopes, our aspirations, our lives," commented Leo Gerard of the Steelworkers.

At the same time, the banking sector has declined as a source of funding for corporate investment in plant, property and equipment in this country. Banks frequently turn to more speculative activities themselves, and they have ratcheted down the length of the industrial loans that they make.

This combination has created a major shortfall of investment funds for what the Steel Valley Authority's Joe Bute calls "the critical middle": closely held manufacturing companies doing $5 - $100 million in sales. These companies find their traditional sources of lending drying up or becoming far more expensive at the very time they need to invest more to stay competitive.

The conference conclusions:

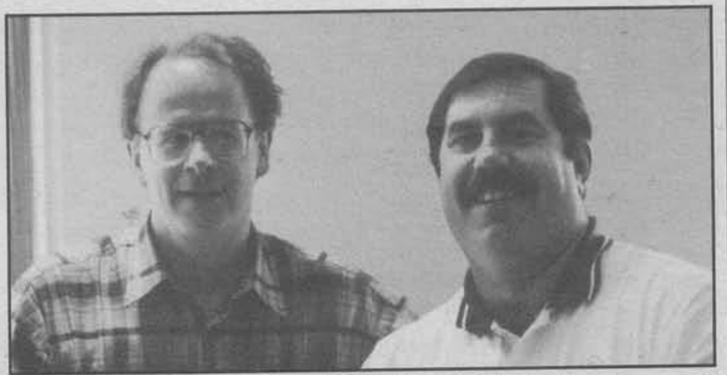
We need a serious public discussion of how our pension funds ought to be invested to provide not only a secure retirement tomorrow but also to provide secure jobs today. We need to target pension fund investment to:

- renew our industrial base and our infrastructure;
- to fill the investment gap for the "critical middle" -- those small and mid-sized closely held companies that provide the backbone of our communities' economic structure but which can't tap the financial markets;
- help average American employees buy their own businesses; and
- reinvest in the same communities where we live and work.

In short, we need to invest our pension assets in ourselves. It's our money.

George Becker, president of the Steelworkers, reminded the audience of the power of employee savings just north of our border. The Quebec Solidarity fund, Becker pointed out, "became the largest single source of investment capital in Quebec in only three years after it was created. Why can't we do that in the US? Think of all the potential this has. Think of all the plants and jobs we could have saved."

For information on how to get a copy of the conference proceedings, due to appear this fall, contact Leo Gerard of the United Steelworkers of America at 412-562-2325 (fax: 412-562-2317) or Tom Croft of the Steel Valley Authority at 412-462-8408.



Tom Croft, Steel Valley Authority (left) and Leo Gerard, Secretary-Treasurer of the USWA, are all smiles at the successful conclusion of the conference.

Are ESOPs as Good as other Pension Plans?

Michael A. Conte and Rama Jampani

Editor's note: From time to time, Owners at Work publishes what we believe to be significant research findings. Mike Conte and Rama Jampani's article which follows is more technical than most of our contents, but it's worth the trouble. It's methodologically the best study done to date of the financial returns of ESOPs, and it includes the risk involved in putting all your eggs in one basket. Their research was commissioned by the Department of Labor to determine how ESOPs stacked up against other pension plans.

Their findings: (1) the financial return on ESOPs is superior to the returns in diversified pension plans, but (2) the superior return is not sufficient to compensate for the additional risk of having all your eggs in one basket, except in very large, publicly traded companies. As they put it, "[i]f the objective is to plan for retirement, an ESOP is not the best vehicle for this purpose." But an ESOP may achieve other objectives, they suggest, including reinvestment and employment security.

Pension plans that invest a majority of their assets in employer stock predate the establishment of the Employee Retirement and Income Security Act (ERISA) of 1974. However, it was this Act that codified the Employee Stock Ownership Plan (ESOP) in the law. While all pension plans are permitted to invest a portion of their portfolios in employer stock, ESOPs are required to invest a majority of their assets in qualified employer securities. Their other distinguishing feature is that ESOPs may be leveraged, utilizing the credit of the sponsoring company or actually borrowing from the sponsoring company to purchase the sponsor's stock. Taken together, these two features make ESOPs an attractive instrument of corporate finance.

There is a natural tension that arises from the dual purpose - corporate finance vs. retirement - which ESOPs are expected to serve. Companies adopt ESOPs for a variety of reasons: to provide retirement benefits to employees, to serve as an exit vehicle for shareholders, to obtain tax advantages, to serve as a corporate financing mechanism, to avoid hostile takeovers, and to avert shutdown, among others. Irrespective of the reason for adoption, all qualified pension plans are required to be operated for the *exclusive benefit* of the participants. Because ESOPs invest a majority of their assets in a single employer's stock, they present a greater risk to participants than do other types of defined contribution plans, which invest in well diversified portfolios. This is particularly important when the ESOP serves as the only or primary plan offered by the company. From a public policy perspective, it is therefore important to ascertain whether the financial returns of ESOP participants are commensurate with, and compensate participants for, the additional risk that they bear.

In our study, we analyzed the risk-adjusted financial returns to participants in ESOPs as compared with returns to participants in defined contribution plans that invest in well diversified portfolios, which we refer to as "diversified" plans. On average, the ESOPs in our database invested 78.5% of the plan's assets in employer stock, while the diversified plans invested less than one half of one percent in employer stock. The asset mix of our diversified plans portfolio is typical of single employer defined contribution plans generally.

Because ESOPs invest a majority of their assets in a single employer's stock, they present a greater risk to participants than do other types of defined contribution plans, which invest in well diversified portfolios.

Two features distinguish our research from prior work in the area. First, we utilized data on several thousand ESOPs and over ten thousand comparison plans. Our results are therefore quite reliable in comparison to those of prior studies, which typically relied on data for fewer than one hundred ESOPs and comparison companies. Second, we report evidence on the performance of ESOPs in closely held companies, which has never been done before. Because the stock of closely held companies is not valued on public markets, investments in these stocks could exhibit very different behavior from investments in publicly traded stocks. More than three-quarters of U.S. ESOPs are in closely held companies. Therefore, the return on ESOP investments in closely held companies is a subject of great importance.

Raw Financial Returns of ESOPs and Other Plans

The simple average return for ESOPs in each year of our study is compared to the average return for diversified plans in Figure 1. (The ESOP data in Figure 1 includes all ESOPs in existence in the corresponding year for which we could measure the annual return.) Also shown is the S&P 500 return, which is one of several frequently used benchmarks of stock market performance.

ESOP returns were typically, but not always, higher than returns of both diversified plans and the S&P. ESOP returns were negative in two years, while the diversified plans never had a negative return. This visual pattern indicates that ESOPs had returns that were higher but more volatile from year to year than were the returns of diversified plans, and that were more highly correlated with the S&P 500 index.

It is difficult to draw any conclusions about ESOPs versus non-ESOPs on the basis of simple comparisons like this. There are many reasons why the graph could show the indicated relationship: ESOPs, for example, are larger on average than

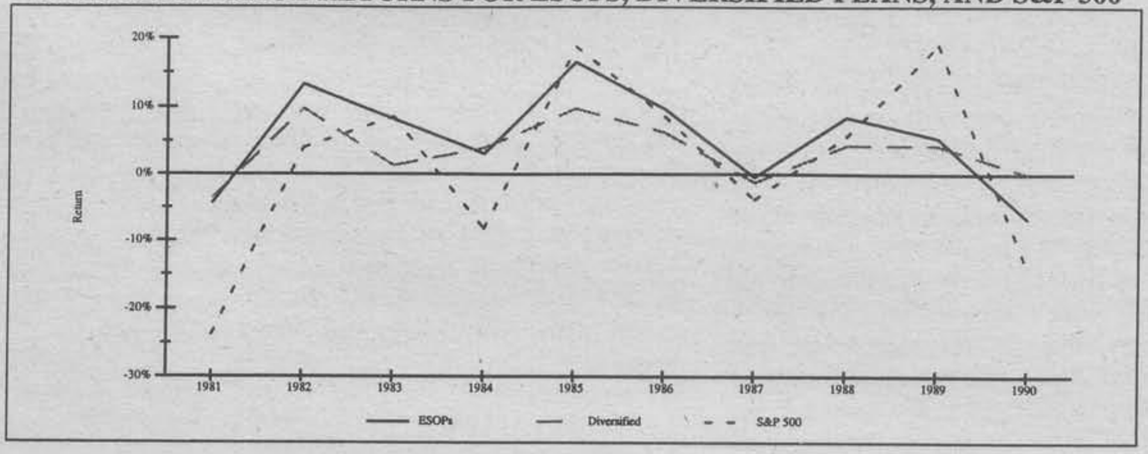
This article summarizes Michael Conte and Rama Jampani's paper entitled "Financial Returns of ESOPs and Similar Plans," completed under contract with the U.S. Department of Labor - contract # J-9-P-2-0051. The paper is forthcoming in a volume entitled *Pensions, Savings, and Capital Markets*. Michael Conte is a professor in the Department of Economics and Finance and Rama Jampani is a Research Associate at the Regional Economic Studies Program of the University of Baltimore.

diversified plans. This could account for some differences in returns. And, of course, ESOPs invest in the stock of closely held companies, which diversified plans do not. This could have a very dramatic effect on the comparison. Our research was aimed at controlling for these and other variations, so as to make a fair comparison between the returns of ESOPs with those of diversified retirement plans.

For technical reasons, we used "market adjusted residual" (MAR) returns to measure the annual performance of ESOPs and diversified plans. MAR returns measure the difference between the total return of the plan and the return achieved by the market in general. So, for example, if a particular plan achieved an 8% return in a given year and the market turned in 5%, the MAR for this plan in this year would be 3%.

We averaged the MARs of all the ESOPs in each year of our study (1981-1990, a period of ten years), arriving at one number for each year. This number represented the average MAR for all of the ESOPs in that year. We did the same for the diversified plans. Then, for each of these two groups, we calculated what we called a "synthetic geometric mean return" (SGMR), which is the average over time of the ten annual average MAR returns. There were two SGMR's, one for ESOPs and one for diversified plans. In addition to calculating the SGMR's, we also calculated the standard deviation of the annual average MAR returns (SDAAR). The SGMR was our primary measure of return, and the SDAAR was our primary measure of risk.

Figure 1
ANNUAL AVERAGE RETURNS FOR ESOPS, DIVERSIFIED PLANS, AND S&P 500



The SGMR for ESOPs was 5.1 %, compared to 3.5 % for diversified plans, implying that the return achieved by ESOPs was about 1.6% higher per year than that achieved by diversified plans. Since the portfolios of ESOPs are each concentrated in a single stock, we expect them to be risky investments. The SDAAR of ESOPs was 7.1%, more than one and one-half times higher then that of diversified plans, which was 4.2%. The question this raises is, is the higher average return for ESOPs high enough to offset their increased risk?

Impact of Sponsoring Company Characteristics on Return

Because ESOPs invest primarily in employer stock, their financial returns are acutely sensitive to the performance of the sponsoring company, and are, in turn, affected by factors that determine security returns. We would therefore expect the return of ESOPs to be dependent on the trading status, size, and industry of the plan sponsor.

In addition to the factors affecting stock value, the technique of arriving at values is also important. Publicly traded stock is valued through daily buying and selling on an open market. In contrast, the stock of closely held companies is valued by appraisers. Therefore, there is reason to believe that the returns of ESOPs sponsored by public companies might be governed by a different model than the returns for ESOPs sponsored by private companies, even after controlling for dissimilarities in average firm size between the two groups. In addition, there are a number of special tax provisions that are applicable only to private ESOPs, which would serve to further differentiate the expected pre-tax returns between these two groups of plan sponsors.

In contrast to ESOPs, diversified plan returns are not expected to reflect sponsor characteristics. Trading status, size and industry of the sponsoring company should have no direct effect on the returns achieved by their diversified plans. However, sponsor characteristics may have an indirect effect on the returns of diversified plans if they affect the plans' investment strategies or investment efficiencies. For example, smaller sponsors may be relatively risk-averse, thereby leading to slightly lower expected investment returns. Smaller sponsors may have higher overhead costs per dollar of invested assets, also lowering expected returns by a number of basis points. Closely held sponsors tend to be smaller than public sponsors, and therefore their returns may share in the small firm indirect effect. For these reasons, one might anticipate finding a small trading status effect and a small sponsor size effect for diversified plans, as well as a small industry effect to the extent that industry is correlated with firm size.

As shown in Table 1, the financial returns of ESOPs sponsored by public companies were higher than those of private companies, and ESOPs sponsored by larger companies exhibit systematically higher returns than those sponsored by smaller companies. The returns also vary widely depending on the industry of the plan sponsor. As anticipated, the returns of diversified plans were generally found to be independent of the characteristics of the plan sponsor. Average MARs lay between 3.43% and 3.55% for diversified plans in all industries except mining. The gap between the returns of small diversified plans and medium sized plans was 0.19% (3.53% versus 3.70%), with the return on large plans falling in the middle.

Table 1: Impact of Sponsor Company Characteristics on Return

Sponsored company characteristic	ESOPs		Diversified plans	
	SGMR	SDAAR	SGMR	SDAAR
Overall				
All plans	5.13%	7.10%	3.45%	4.19%
Trading Status				
Public	6.42%	10.75%	3.67%	4.61%
Private	3.79%	3.91%	3.42%	4.13%
Size				
Small	2.37%	4.09%	3.53%	4.34%
Medium	6.91%	8.20%	3.74%	4.33%
Large	6.92%	10.02%	3.70%	4.37%

Risk Adjusted Performance

Having found that returns were generally higher for ESOPs than for diversified plans, we calculated various statistics to assess whether the superior performance of ESOPs still exists after controlling for their added risk.

Among plans sponsored by public companies, the beta values (which measure the relationship of portfolio returns to returns achieved by the market as a whole) were much higher for ESOPs than the diversified plans. This confirms that ESOP returns are more highly correlated with the stock market than are the returns of diversified plans. This correlation with the market is a source of "systematic" risk. The fact that the estimated alpha values are higher for ESOPs than for diversified plans means that the ESOP returns are more than sufficient to compensate for their systematic risk.

The next question was whether ESOPs exhibited higher risk unrelated to the market as a whole (unsystematic risk), and, if so, whether ESOP returns compensate for this additional source of risk.

We found that the residual variation in returns, after controlling for market-related variation, was much higher for ESOPs than for diversified plans. This was expected because ESOPs are concentrated in a single security, rather than spread over many stocks. In order to assess whether ESOP returns compensate for unsystematic risk, we estimated regression equations wherein the dependent variable was the plan's average return over the study period and the independent variables were the standard deviations of the same plan's returns and an ESOP dummy variable (taking the value "1" if the plan was an ESOP and "0" otherwise). The estimated coefficient on the ESOP dummy variable is a measure of the differential in excess returns between ESOPs and diversified plans, *after controlling for total risk*.

These regression results imply that ESOPs sponsored by large public companies have returns which are more-or-less equivalent to the returns of diversified plans after accounting for total risk. Oddly, the worst performers were the smaller public companies, which exhibited a differential of 6.7% from the diversified plans after accounting for total risk. ESOPs sponsored by closely held companies demonstrated results which lay between the large and small public companies. The shortfall in risk-adjusted returns was 3.1% for ESOPs of smaller closely held companies and 1.2% for ESOPs sponsored by larger closely held companies.

Returns of ESOPs Which Were Terminated

Of the 1,790 ESOPs in our dataset, 277 were terminated in the course of the study period. About 71% of these plans terminated due to changes in tax incentives (principally the end of the PAYSOP tax credit), and another 24% of ESOPs terminated due to merger or acquisition. Fewer than 5% of the ESOPs in our sample terminated due to bankruptcy of the sponsor.

In order to determine whether the terminated plans had investment performances that were significantly different from the non-terminated plans, we calculated residual returns for each terminated ESOP in each of the six years prior to termination, using non-terminated ESOPs as a benchmark. Only in the case of bankruptcy were returns consistently and highly inferior in the six years prior to termination of the plan. These results suggest that even though the overall rate of termination was much higher for ESOPs than for diversified plans, the terminated plans were not necessarily ended for poor performance.

Implications and Conclusions

We found that the return for ESOP investments in all types of companies is superior to the returns achieved by diversified plans. However, in general, these superior returns do not compensate for the additional risk which participants bear in these plans. The major exception to this are ESOPs sponsored by large publicly traded companies; our research shows the returns of plans in this category to be sufficient to compensate for the additional risk. Since more than 90 percent of all ESOP participants participate in plans sponsored by large public companies, we may conclude that, on a total risk adjusted basis, the financial returns available to a typical participant in ESOPs are comparable to returns available to participants in diversified plans.

This is not the case for participants in smaller plans, however, or for participants in plans of closely held companies. The risk-adjusted returns available to these participants is lower than that from alternative types of plans.

ESOPs should not be viewed as primary retirement plans.

The first and foremost policy implication of these results is that ESOPs should not be viewed as primary retirement plans. If the objective is to plan for retirement, an ESOP is not the best vehicle for this purpose. Secondly, these assets have been pledged to support the retirement goals of participants, and should not be compromised by the added risk imposed by an ESOP. Industry practice is not to do this. An issue here is whether pension assets should be used to effect an employee buyout when the alternative involves downsizing or shutting down the plant. Our results do not address this question as the potential benefits from continued employment could outweigh the effects of an ESOP's inherent risk.

Finally, how about plans which are funded with company cash which would otherwise have gone to a qualified plan which was terminated or frozen in order to establish the ESOP? The answer to this question is similarly not supplied by our research. The benefits to employee-participants from such a transaction may not be fully captured in the ESOP returns themselves. Rather, there may be additional benefits such as employment stability, higher wages and/or higher contributions for retirement plans than would be available to participants if the ESOP transaction had not taken place.

The total economic welfare of plan participants is affected by many factors apart from the financial returns on plan assets.

Succession Planning Program

A Job Retention Partnership

Owners of small to medium sized businesses are the focus of the Ohio Employee Ownership Center's (OEOC's) new project. The Succession Planning Program is a partnership between the OEOC and the **Greater Cleveland Growth Association** that will encourage business owners to plan for management and ownership succession. The Cleveland Foundation and the George Gund Foundation have funded the pilot project for 18 months.

Not planning leads to job loss

When business owners fail to plan for ownership and management succession, everyone loses. Often the business and the business owner die on the same day according to Stephan Leimberg, Mary Rosenbloom and Joseph Yohlin, authors of *The Corporate Buy Sell Handbook*. Everyone involved is hurt by the failure to plan.

- The business owner's family is hit with a financial crisis. The family must pay taxes on the estate, *just when,* the family lost the main wage earner.
- Too often the business is sold quickly or liquidated in fire sale fashion. So the financially needy family does not get the full value for the business.
- Employees often lose jobs. Even when the company continues to operate under new ownership, the jobs are threatened. The new owner probably leveraged the purchase and has too much debt to make necessary capital investments.
- Local government loses taxes and faces higher costs. The employees are no longer contributing to local taxes and are collecting unemployment and public assistance.

Despite these unhappy consequences, many business owners fail to plan for succession.

A recent study by the Massachusetts Mutual Life Insurance Company found that 72% of family business owners did not have a written plan for succession in their business. These results support earlier studies which showed that while owners have vague ideas about wanting the business to continue after their departure, very few plan for the transition.

Research supported by the Northeast Ohio Inter-Institutional Small Grant Program and the Ohio Department of Development, enabled the OEOC to design a model outreach program. The model program is designed for public-sector economic development or industrial retention organizations, in partnership with private sector business service providers. The program combines the proven abilities of the private sector with the unique capacity of the public sector to serve the full population of targeted prospective business owners.

The Succession Planning Program will help prevent the loss of otherwise strong local businesses.

Gerry Meyer, GCGA

The services of the private sector are used wherever they meet the public need and are complemented by the public sector when necessary. Sometimes, particularly in smaller businesses, the public sector needs to fill in between the cracks, where the services provided would not be profitable for the private sector.

Important work

The OEOC sees the Succession Planning Program (SPP) as an opportunity to pilot an exciting new project, and the response has been impressive. The OEOC's main partner, the **Greater Cleveland Growth Association** has brought all of its impressive resources to the project. According to Gerry Meyer, Director of Business Finance at the Growth Association, "Stabilizing businesses is crucial to Cleveland's continued revitalization. The Succession Planning Program will help to prevent the loss of otherwise strong local businesses." Meyer added, "We're glad to be working with the OEOC on this innovative project."

For copies of the model program, or more information about the initial SPP workshops, contact Stephen Clifford or John Logue at the Ohio Employee Ownership Center.

10th Annual Ohio Employee Ownership Conference Breaks Attendance Records

"Innovation, Participation, and Performance in Employee-Owned Companies," the theme of the 10th annual Ohio Employee Ownership Conference, brought over 300 participants to Richfield, Ohio, on April 12. The annual Ohio conference is by far the largest regional employee ownership meeting in the country.

1

HERE ARE SOME OF THE HIGHLIGHTS FROM THE CONFERENCE:

Robert Rosen, President of the Healthy Companies Institute (1), spoke on the need for new leadership of organizations in America and the characteristics such leadership should have. He saluted Russ Maier of Republic Engineered Steels, one of the 36 exemplary American leaders highlighted in Rosen's new book, *Leading People*, for his participative leadership in promoting employee ownership.

The 1996 Ohio Employee Ownership Award for Labor-Management Partnership was presented to Republic Engineered Steels, Inc. and the United Steelworkers of America. **Russ Maier**, Chairman and CEO of RESI (2) and **John Greene II**, USWA Sub-District Director, District #1 (3), accepted the award from **State Senator Scott Oelslager** (R-Canton). In the 1989 labor contract, the USWA and RESI pledged:


2

> to establish joint cooperation committees at the department and plant level, to provide training necessary to make them work; to involve the union in improving aspects of the business; to replace adversarial relationships with "an invitation of trust in which the most appropriate management style is a non-autocratic, cooperative style of management"; and to "put the basic structure in place that will facilitate change and also allow the ownership interest of each employee, hourly and salary, to evolve into a true partnership.


3

LEGISLATIVE LEADERSHIP AWARD

State Representative Jack Cera (4) (D-Bellaire) earned the 1996 Ohio Employee Ownership Award for Legislative Leadership as the author of the Ohio Employee Ownership Assistance Act. Other award winners are Clarence Davis, IAM, and Steve Walko, Textileather Corporation, for their service as Labor Co-Chair and Management Co-Chair respectively, with the Advisory Board of the Northeast Ohio Employee Ownership Center.

PUBLIC SECTOR SUPPORT FOR ESOPs

Employee ownership makes excellent sense as an economic development strategy. **Elmar Koeberer**, Deputy District Director of the US Small Business Administration; **Marjorie Bradford**, State of Ohio Office of the Treasurer; **Gerald Meyer**, Director of Business Finance, Greater Cleveland Growth Association; and **Doug Ross**, Assistant Finance Director, Akron Regional Development Board (5) spoke at the

4


5


6


7


8


9


10


11


12

panel on public sector economic development programs available to assist employee-owned companies.

Best Practices in Workplace Safety

Employee-owned workplaces ought to be the safest in the country. **David Turner** (6), Safety Coordinator, YSI spoke on new initiatives as part of the "Making Joint Safety Committees Work" panel. **Karen Conrad** (7), Ohio Department of Development, presented the state-funded program cosponsored by Ohio's Office of Labor - Management Cooperation and the Bureau of Workers Compensation towards development of joint safety committee efforts.

Innovations and Sharing Profits in ESOPs

Several panels focused on managerial innovation. **Riley Lochridge** (8), President and CEO, ComDoc discussed leading organizational change in an ESOP firm. **Roy Allen** (9), President and CEO, Buckeye Corrugated, presented Buckeye's unique profit sharing system. **Ed Schmitt** (10), Corporate Secretary, Riesbeck Food Markets, with others from Riesbeck presented the Team 2000 project teams operating in various in-store departments.

Selling to Your Employees

Nineteen non-ESOP companies came to investigate whether ESOPs made sense for them. Here **Larry Hodapp** (11) of Bush Leasing discusses using an ESOP to purchase the stock of a retiring business owner and the 1042 Rollover transaction.

Building Employee Teams: How to Do Problem Solving .

The Ohio conference always includes skill training sessions. Mike Nock (12) of Joseph Industries tests his team's paper airplane designs as part of a hands-on learning session.

Mark your calendars for next year's **Ohio Employee Ownership Conference, scheduled for the Akron West Hilton on April 4, 1997.**

In the Next Issue

Special Issue on participation in Employee Owned Companies

- ***Employee Ownership and Participation and Erie Forge & Steel***
- ***Designing Participation Strategies in Employee Owned Companies***

Do You Want Your Firm's Employee Owners To:

- *Meet employee owners from other ESOPs?*
- *Be more effective in team meetings?*
- *Better understand the ESOP?*
- *Recharge their enthusiasm?*

They can do all this and more at one of the two ESOP Association's Employee-Owner Retreats

August 2 - 4, 1996	August 9 - 11, 1996
The Berkeley Marina Marriott Berkeley, California *(15 minutes from Oakland Airport)*	Tara Ferncroft Conference Resort Danvers, Massachusetts *(30 minutes from Logan Int'l. Airport)*

What's the Nonmanagerial Employee-Owner Retreat?

It's a 2 1/2 day, off-site training seminar, where nonmanagerial employees learn from and interact with their peers from other ESOPs. In small groups, structured exercises, and informal discussions, employee owners develop new skills and a new perspective on employee ownership at their respective companies. Training is conducted by the Ohio Employee Ownership Center staff.

The program includes:

- *Interaction with other employee owners*
- *Problem-solving skills*
- *The ESOP game*
- *Team-effectiveness training*
- *Financial training by skill level*

ESOP™

Who should attend?

Hourly and salaried nonmanagerial employee owners, employee owner board or ESOP committee members, members of work teams or problem-solving groups, and formal and informal nonmanagerial leaders.

To find out more about the retreat, contact Rosemary Clements of The ESOP Association at (202) 293-2971 or Karen Thomas of the Ohio Employee Ownership Center at (330) 672-3028.

Reinvesting Locally:

An Update on Canadian Labor-Sponsored Investment Funds

The Canadian system of labor-sponsored investment funds was featured in the Summer 1995 issue of *Owners at Work* as a ***means to anchor capital in our communities***. These funds, organized at the provincial level, are mutual funds which accept the Canadian equivalent of our Individual Retirement Accounts (IRAs) from individuals and pool them for investments exclusively in local industry in the province.

Dan Delaney, First Ontario Fund & Sherman Kreiner, Crocus Fund at the Industrial Heartland Investment Conference in Pittsburg where the Canadian investment funds were a hot topic of discussion.

The first, and largest, of these Canadian funds is the Quebec Solidarity Fund, which was set up in 1984 by the Quebec Federation of Labor as a response to the deep recession of the early 1980s. The Province of Quebec provided a tax credit in addition to the IRA-style tax deduction to encourage local investment; the Canadian Federal government subsequently also added a tax credit. Since 1984, the Quebec Solidarity Fund has grown to some $1.7 billion invested by about 300,000 Quebec shareholders -- 65% of them union members. (Quebec has a population of under 6 million, a little more than half that of Ohio.) The Quebec Fund, like the newer funds in Manitoba, British Columbia, and Ontario, invests exclusively in the local economy.

These funds have become a major source of venture capital in Canada, accounting for more than $3 billion of the $6 billion Canadian venture capital market. They are extraordinarily broad based: about 500,000 Canadians have invested an average of $6,000 each in them to insure local reinvestment.

Last summer's *Owners at Work* profiled the Crocus Fund in Manitoba in an article by Crocus CEO Sherman Kreiner. Crocus is a new fund, set up by the Manitoba Federation of Labor in 1993. *OAW* talked to Kreiner to find out how Crocus has done.

"Our fourth annual investment drive was a real success," Kreiner told OAW. "We raised $22 million. That brought us to a four year total of $50 million from 12,000 shareholders. We've invested $14 million in debt and equity placements in 9 Manitoba firms. I expect we'll invest another $15 million in Manitoba companies during the coming year."

"A large portion of these firms have outgrown the capital sources that are easily available to entrepreneurs and family-owned businesses but are too small to tap the public market," says Kreiner. Moreover, in some cases, the family owners are anxious to take some of their equity out of the company.

The alternative for these companies, all too typically, is to sell to larger competitors outside of Manitoba, who, Kreiner fears, will ultimately move the jobs out. Sound familiar?

Crocus uses an "ethical screen" on worker health and safety, employee participation, and environment issues to select firms which qualify for investment. This is not altruism. "Ethical screens improve performance," Kreiner says bluntly.

Crocus has a **special preference for employee ownership**, and several of its investments have been in helping firms make the transition from family to employee ownership or in firms using employee ownership to expand. It also requires that the firms it places investments in join a CEO roundtable -- inspired by Ohio's Employee-Owned Network -- that features regular programs dealing with employee participation.

Like the other labor-sponsored investment funds in Canada, Crocus also invests in local and provincial bonds which finance building local infrastructure.

What is particularly impressive about the Crocus Fund is that it has raised $50 million for local investment in four years in a province with only one million inhabitants.

If they can do it in Manitoba, why can't we do the same in Cleveland? Or in Cincinnati, Toledo, the Mahoning Valley, Akron, Dayton or any of the other Ohio local economies which have been victims of disinvestment?

Key to the success of the Canadian investment funds has been the tax credit to encourage people to commit their IRA money to a fund that invests locally, says Kreiner. Thus the Province of Quebec provides a tax credit to encourage Quebec taxpayers to buy shares in the Quebec Solidarity Fund and the Province of Manitoba provides its taxpayers with a tax credit to invest in the Crocus Fund, etc. The public policy objective is ensuring adequate local investment capital.

Canadian studies indicate that the government recovers the tax credit over a 3-4 year period through increased local economic activity. We could do the same in the US at the state level or in larger cities like Cleveland or Cincinnati: local or state tax credits to encourage citizens to put their IRAs into mutual funds that invest locally rather than in Mexico or Malaysia.

NetNews

Spring Highlights of Ohio's Employee-Owned Network

Ohio's Employee-Owned Network is a growing consortium of employee-owned businesses which jointly co-sponsors educational workshops, forums, and events in order to learn more from each other about how to make employee ownership work in their firms and to discuss and explore important topics and common issues.

Participants in a small group case study exercise at the June 6 - 7 CEO Retreat

ESOP Administration Forums

ESOP Trustee and Administrator Roles were the topics of February's ESOP Administration Forum which featured Sharon Mason, Tom Moyer, and Fred Owens of Bliss-Salem's ESOP Administration and Trustee Committees, and John George, Treasurer and ESOP Administration Committee member at Republic Engineered Steel, Inc. presenting key issues and lessons learned in overseeing their ESOPs. In addition, Doug Clark, of FirstMerit, Mark Bober of Bober, Markey and Company, and Michael Harris of Arter & Hadden offered the outside trustee, valuation, and legal perspectives.

Next ESOP Administration Forum:

Repurchase & Diversification Strategies

September 26, 1996

For more information, call Karen Thomas at (330) 672-3028

New Network Program

CEOs, senior managers, and union leaders gathered for the Network's first annual CEO Retreat June 6-7 at Atwood Resort. Beginning with a plant tour at the Will-Burt Company's new manufacturing facility in Orrville, participants explored common issues in the areas of employee involvement, participative management, cultural change, and technical aspects of an ESOP.

Company Showcase *(see photos below)*

The Network's first "Company Showcase" reception, held in conjunction with the 10th Annual Ohio Employee Ownership Conference, was an opportunity for Network members to meet each other and exchange information about their firms' products, services, and employee ownership.

Karen Harris, The Flood Company talks with Joanne Lampman, Westfield Tanning

Darrell Tackett & Mike Palitto of Reuther Mold talk with Jim Otermat & Neal Ungar of The Mosser Group.

Mike Saluke, Karen King, Doug Morris, & Jeff Helton of Concrete Tech. display some of the firm's projects.

Fred Schroeppner shows a Republic Storage System locker to Jeff Helton of Concrete Technology

Ohio Award Winners

Congratulations to Dimco-Gray, a mid-sized firm with a large-sized vision for cultural transformation, for winning the 1996 Ohio ESOP Company of the Year Award presented by the Ohio Chapter of the ESOP Association. This 100% employee-owned Centerville firm, a manufacturer of electric timers and plastic knobs, became employee-owned in 1986 and began a long-term cultural change process. About five years ago employees and management decided together that it was time to change and they began developing mutual goals. Today everyone works together with winning results.

Profits have skyrocketed since a profit sharing plan was started several years ago in which all employees share profits on the basis of hours worked. The plan has paid out over a million dollars to the firm's 135 employee-owners. The program is supported by workforce training and the company's books are open to everyone too. The cultural changes are paying off for Dimco's shareholders, the return on equity of Dimco-Gray stock has grown 134 percent in recent years.

Jim Daulton of Dimco-Gray earned the 1996 National Employee Owner of the Year Award presented by the National ESOP Association for his leadership in helping to pioneer a corporate culture based on trust and cooperation between labor and management. Daulton, a member of Dimco's Human Resources Management Team, is the Chief Steward for the

Employee-Owners from Dimco-Gray celebrated Jim's award at the National ESOP Association Conference in Washington DC. Among the group are *left to right:* Eileen Spears; Janice Wilson; Norm Brennan; Jim Daulton; Danny Iker; Gail Perry; Virginia Fushimi.

International Union of Electrical Workers (IUE) Local 768, and a member of the firm's Board of Directors. He is involved in the day-to-day coordination of problem solving on contractual and personnel issues and the firm's extensive workforce training efforts. Daulton's 18 years of service with Dimco includes work as a journeyman toolmaker and department team leader.

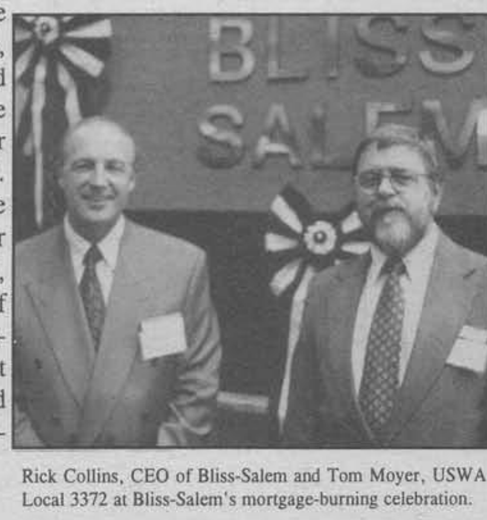
Congratulations to the employee owners of Mantaline Corporation for earning the 1996 Governor's Workforce Excellence Award. The $10,000 prize showcases outstanding worker training programs and the commitment to provide employees with a broad base of workplace skills. Employee-owned since 1989, Mantaline has 155 employees and specializes in solid and sponge rubber sealing products for the transportation, construction, and industrial markets. "We celebrated with a picnic," commented Diane Kruis, Employee Involvement and Training Manager, "following a serious meeting in which we talked about our future workforce development needs."

Newsworthy Mortgage Burning

Bliss-Salem, a 100% employee-owned manufacturer of rolling mill equipment, recently burned the mortgage on loans from both the City of Salem and the State of Ohio which helped the employees purchase the facility through an ESOP and save over 200 jobs. As City of Salem Mayor Larry DeJane recalled at the company's April celebration, "Back in 1985, this facility was bound for shutdown, but the employees had other ideas. With a solid background in the steel mill equipment industry, they saw the potential for a successful future." The City of Salem assisted the firm with a community development block grant of $340,000; other assistance was provided by the State of Ohio, the United Steelworkers of America, and private capital.

Don Jakeway, Director, Ohio Department of Development; Debra Bowland, Administrator, OBES; Ohio Governor George Voinovich; and Mantaline's Terry Green, Vivian Linaman, Diane Kruis, & Mark Truschel.

Rick Collins, CEO of Bliss-Salem, compared the strong teamwork and world class effort of Bliss' 250 employees to that of the Cleveland Indians' winning last year's American League Championship. Tom Moyer, the former president of USWA Local 3372 and leader of the buyout effort, likened the past decade of employee ownership to a race with hurdles, "we jumped some and we knocked some over to get here today". "Bliss was one of the original ESOPs our union pioneered", said Leo Gerard of the USWA International, "and look at the future it created for so many people."



Rick Collins, CEO of Bliss-Salem and Tom Moyer, USWA Local 3372 at Bliss-Salem's mortgage-burning celebration.

From the Ohio Employee Ownership Center

New Name

On April 11th, the Center's Advisory Board officially approved changing our name from the *Northeast Ohio Employee Ownership Center (NOEOC)* to the ***Ohio Employee Ownership Center (OEOC)***. The OEOC has been responsible to provide technical assistance throughout the entire State of Ohio for the past seven years so the former name was somewhat of a misnomer. OEOC's Director, John Logue, says "our name change was long over due but it was also an ideal time to do it since our area code also changed from 216 to 330 and we need to print new letterhead and business cards."


Richard Glass and Carol Sahley sitting on the steps of Franklin Hall at Kent State University

New Faces

Richard Glass joined the Center as a Research Associate in May 1996. Richard has a background as an officer and local president in the United Mineworkers of America and was formerly a member of the United Steelworkers of America. Glass brings extensive experience to the Center with a practical background in contract negotiations, arbitration and grievance mediation from both union and management perspectives.

He earned his undergraduate degree in Organizational Communication from Slippery Rock University and received a Master Degree in Labor Relations from Indiana University of Pennsylvania.

In addition to being awarded a doctoral fellowship in Political Science at Kent State University, Glass also serves in the elected office of Township Supervisor in his home town of New Sewickley, Pennsylvania. He also serves as a board member for the County Economic Development Agency. Glass will be working initially on developing a new workshop on collective bargaining in ESOP firms in cooperation with the Worker Ownership Institute.

Carol Sahley has served the OEOC as the Grants and Special Projects Coordinator since she joined the Center's staff on a part-time basis in December 1995. After receiving her BA from the University of Florida in 1995, Sahley went on to study International Economic Development from the London School of Economics where she earned her doctorate in 1995. Carol has previously worked for INTRAC (the International Nongovernmental Organization Training and Research Center in Oxford, England where she did research on developing capacity for sustainable economic development grassroots organizations in Africa. She also worked for the International Committee for Andean Aid to develop small producer cooperatives in the slums of Lima, Peru. Sahley speaks fluent Spanish and is the author of *Strengthening the Capacity of NGOs: Cases of Small Enterprise Development Agencies in Africa* (London: Intrac, 1995) as well as several articles dealing with small enterprise development in Peru.

Alex Teodosio joined the Center's full time staff as a Program Coordinator in January 1996. Teodosio studied Economic Development and Government Management at Bowling Green State University's Center for Governmental Research and Public Service where he earned his MPA in 1992. Alex comes to the Center with a strong background in economic development. He began his career in public service as the Planning Director for Henry County (Napoleon, Ohio), where he focused on progressive land use, infrastructure, and economic development issues. Prior to joining the Center, he designed, marketed and administered the Summit County (Akron, Ohio) Economic Development Revolving Loan Fund. Teodosio has also done extensive work with housing rehabilitation and migrant farm workers on a volunteer basis. Given his background, Alex is focusing on Employee Stock Ownership Plan (ESOP) technical assistance.


Alex Teodosio reflects on a presentation from the Economic Development Finance panel at this year's 10th Annual Ohio Employee Ownership Conference.

This Issue of Owners At Work . . .

Sponsored By:

The Ohio Department of Development, Labor Management Cooperation Program

The Ohio Labor-Management Cooperation Program encourages cooperative work practices among employers and employees throughout Ohio through a network of Area Labor-Management Committees and Centers to develop high performance work organizations.

Co-sponsored By:

Deborah Groban Olson
Attorney at Law

Since 1981, Attorney Deborah Groban Olson has represented employees, selling owners, ESOP trustees and labor unions in employee ownership matters as a deal maker, plan counsel, in negotiations and litigation. Groban Olson has worked on over 140 projects ranging from under $1 million to over $300 million asset value. Attorney Groban Olson serves on the Board of Directors of the National Center for Employee Ownership and is Vice-President of the ESOP Association Michigan Chapter. For more information, please contact Deborah Groban Olson: 313-964-2460 or 313-331-7821 or visit her web site at HTTP://Ourworld@Compuserve.Com/Homepages/DebGrobanOlson.

Keilin & Company

Keilin & Company, LLC, a New York investment banking firm, is dedicated to providing sophisticated financial advice to unions and employee groups. The firm's professionals have assisted in a number of significant employee-led acquisitions, including United Airlines, Republic Engineered Steel, Inc., Weirton Steel, Provincial Paper Company, and St. Mary's Paper Company. Keilin and Company has advised unions in large and complex bankruptcies and restructuring such as LTV, Wheeling-Pittsburgh, and Navistar. Many corporate restructurings have led to significant employee ownership such as Algoma Steel (the largest ESOP in Canada) and Northwest Airlines. For more information, please contact Eugene J. Keilin at 212-338-5100.

Valuemetrics, Inc.

Valuemetrics, a financial advisory firm with offices in Atlanta, Chicago, Cincinnati and New York, provides business succession and transition advisory services such as ESOP feasibility through implementation programs, gift and estate tax valuations, transaction advisory services and litigation support services. Our customers include business owners, attorneys, accountants and commercial and investment bankers. These people have looked to Valuemetrics for the last fifteen years as their independent advisor who understands their company, their industry and the securities markets. We would like to build that same relationship with you. For more information, please contact Tim Escott (Cincinnati: 513-241-9633) or Craig Miller (Cleveland: 216-589-9333).

The Cooperative Charitable Trust

The OEOC appreciates the support from our sponsors in this issue of Owners At Work.

OWNERS AT WORK

Volume VIII, No. 1 **Summer 1996**

IN THIS ISSUE:

OEOC
309 Franklin Hall
Kent State University
Kent, OH 44242

OEOC
Ohio Employee Ownership Center

UPCOMING NETWORK EVENTS

September 12 - 14
Atwood Resort
(south of Canton)
Leadership Development Retreat
A leadership development retreat for nonmanagerial employee-owners. A 2-1/2 day training event on the basics of ESOPs, financial training, problem solving, and meeting skills.

September 26
Dayton, Ohio
ESOP Administration Forum
Repurchase & Diversification Strategies
A forum for ESOP Administrators, managers, and ESOP Committee members.

October 31
Kent, Ohio
CEO Annual Meeting and Roundtable
Planning & review of Network activities; roundable on current CEO issues.

November 14 - 15
Hudson, Ohio
Teaching Financials to Employee Owners:
A Financial Train-the-Trainer Workshop
Two-day seminar which teaches your in-house trainers how to teach the basics of business financials within your company.

December 5-6
Hudson, Ohio
Supervisor/Team Leader 2-day workshop
The Changing Role of Front-Line Leaders

For more details on these and other upcoming Network Events, call Karen Thomas at (330) 672-3028.

OTHER NATIONAL & LOCAL EVENTS

August 2-4
Berkeley, CA
Employee-Owner Retreat
Call the National ESOP Association at (202) 293-2971 for details (see page 10)

August 9-11
Boston, MA
Employee-Owner Retreat
Call the National ESOP Association at (202) 293-2971 for details (see page 10)

August
Centerville, OH
(south of Dayton)
Plant-to-Plant Visit at Dimco-Gray
Ohio Chapter of ESOP Association
Call Dave Gustafson at (216) 689-3198 for details.

October
Fall Conference
Ohio Chapter of ESOP Association
Call Dave Gustafson at (216) 689-3198 for details.

Ohio Employee Ownership Conference
April 4, 1997