

A large, white, spotlight-shaped graphic originates from the top left corner, casting a beam of light across the page. The background is a light blue-grey gradient. A horizontal row of seven circles, alternating in shades of blue and grey, is positioned behind the spotlight beam.

OWNERS @ WORK

the ONLINE magazine of the
Ohio Employee Ownership Center

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OAW interviews Spotlight on State Employee Ownership Centers

Also in this issue:

Photo Review of the 30th Annual Ohio Employee Ownership Conference

What Does It Mean To Be An Employee-Owner?

Selling to Your Employees - When an ESOP Doesn't Fit

OWNERS AT WORK

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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 and delivers training programs for employee owners, facilitates cooperation among employee-owned firms, coordinates a comprehensive succession planning program, and assists international efforts to privatize businesses through employee ownership.

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What Does it Mean to Think Like An Owner?

Chris Cooper

As I talk to employee owners (of all levels) one of the questions I often hear is: “What does it mean to be an employee owner?”

For leaders in employee-owned companies, the answer (or answers) to this question are an important part underpinning how they go about educating and training their people to act and think like owners. For the average rank and file employee owner, they wonder what if anything is different for them as they go about their daily tasks in the business. Perhaps most importantly, the perceptions of what it means to be both an employee and an owner can be different depending on the individual, and what their part in the well-oiled machine that is an employee owned business is on a given day.

The key is to understand what people are perceiving as they think what it means to be an employee, what it means to be an owner, and what it means when the two ideas are brought together.

“Average” or “everyday” employees (if they exist!) in a conventionally-owned business can be seen as fitting in a sort of standardized role: show up for work on time, do your job well, go home, and do it again tomorrow. Doing these things consistently provides an opportunity for continued employment, and perhaps opportunities for advancement and growth. While all well and good, this is essentially only a half step above the “punching the clock” mentality.

If we flip the coin over, we can also easily see that being an employee owner via an ESOP is different than being a “traditional” business owner of a privately-held business. We all know that the ownership stake of an ESOP Participant is an “indirect” or “beneficial” form of ownership based in the mechanism of an Employee Ownership Trust. Mechanically, the ESOP Trust owns the company stock, and the participant (when vested) owns the financial value of that stock. When this is explained to them, perhaps for the first time, many employee owners think this

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means they are not a “real” owner. This perception can create significant problems at the company in creating the ideal ownership culture.

So do either of these attitudes/perceptions provide sufficient space for creating a high performance ownership culture at your company? I think it is clear that they really don't. So, how do we get from there to where we want to be?

I believe that we can get there from here if we agree to, and operate by, some key first principles:

1) Effective employee participation in decision-making within the company, at the level or degree that makes sense for each company. In other words, until we decide to empower, and trust, our employee owners to utilize their judgment and expertise in their day-to-day work life, we likely won't get to where we need to be. Whether this includes employee participation on the company's board of Directors; a level of autonomy being provided to department or location managers; pass through voting that is more extensive than the law requires; an “open door” access policy; or anything else, is up to each company to decide individually. But the general principle is sound.

2) Whatever the level of participation and culture you decide to create, make sure it is reflected in how you communicate the ESOP and your culture. In other words, don't promise what is not going to (or cannot) be delivered; and deliver on what is promised. In my experience, one of the biggest single issues in creating a successful employee ownership culture is miscommunicating, or over/under-selling the ESOP.

We are often asked to assist new ESOPs (or mature ESOPs bringing on new employees) how to frame the initial understanding of employee ownership to those new to the idea. We tend to focus on some key components:

1) What it is: The Employee Stock Ownership Plan is a retirement plan that invests primarily in the stock of the sponsoring company. The ESOP holds the assets (stock) of the company in a tax-exempt trust; as such it is owned for the benefit of all company employees who are participants - past, present, and future.

2) As an Employee: Each employee has a specific job title and job description, and is responsible for performing the tasks for that job. Each employee has the responsibility to show up, do the work, and represent the company in a positive way to their fellow employees, its customers, and the public.

3) As an Owner: As an ESOP participant, when vested, you own the financial value of the stock in your individual account. Again, each ESOP participant is one of many owners, not THE owner.

4) As an Employee-Owner: Each employee-owner has a specified role, with specified responsibilities, to maintain and grow the value of the company and therefore the value of your ESOP account. Each employee owner will have the opportunity, and responsibility, to participate (at the appropriate level) in the day-to-day operations and decision-making of the business. Each employee owner has the opportunity, and the responsibility, to assist the company in improving the bottom line profitability of the company.

I hope it goes without saying that the particular language or specifics that are implemented at a given company will vary depending on needs and circumstances of that company. And even though this is geared towards new ESOP participants, it is important for all employee owners, regardless of experience or seniority, to understand your version of these basic facts. **OEOC**



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Worker Cooperative Corner: Selling Your Business To Your Employees...When an ESOP Doesn't Fit

Many business owners and advisors are familiar with Employee Stock Ownership Plans (ESOP). They can be a good fit for business owners who are looking to cash out some or all of their equity in the business. ESOPs also provide significant tax breaks for the seller AND the business. Another advantage of employee ownership is that, when done right, the extra incentive of ownership and employee involvement can drive the employees and the company to new heights of productivity and profitability.

However, there can be some roadblocks for smaller small businesses. Two of the major ones are the cost of setting up the plan, and the cost of maintaining the plan. Generally speaking, both of these can be prohibitive for companies with fewer than 20 employees and less than \$1 million in sales.

The good news is that there is another alternative for smaller companies: an employee-owned cooperative.

While cooperatives may be an unfamiliar concept to some, they are a tried and true method of doing business. Many of us may do our banking at a credit union (a co-op owned by its depositors), or our grocery shopping at a food-co-op (owned by its customers). We may buy Land O'Lakes butter (owned by the dairy farmers who produce the milk), our juice from Ocean Spray (owned by the growers), or our nails at ACE Hardware (owned by the local independent hardware stores). An employee owned cooperative has a similar structure, but instead of the business being owned by customers, depositors, or producers, in this case the employees own the business.

So why would a business owner choose to sell to an employee owned cooperative? There are a couple of major reasons.

Selling to an employee owned cooperative provides the same benefit to the selling owner as selling to an ESOP, what is commonly known as the 1042 Rollover. The 1042 rollover is so named for the section of the Internal Revenue Code (section 1042) that permits owners of closely held businesses who sell 30% or more of the stock in their company to their employees through an ESOP or a worker-owned cooperative to shelter the capital gains from taxes by rolling the proceeds of the sale over into other qualified domestic securities within 12 months of the sale. This can increase the net proceeds received by the selling owner for the business.

The other major "selling" point is that setup costs, as well as the ongoing expenses, are much lower than with an ESOP. For example, employee owned cooperatives do not require neither yearly valuations of the business nor the ongoing expense of trustees and plan administration.

There are some differences between the two structures from a corporate governance standpoint, (for example what business issues are voted on by the employee owners, and how ownership shares are voted) that need to be taken into consideration. Generally, the major differences can be summed up as follows: An ESOP allows for employee participation (and even control) but does not require it; a worker owned cooperative will require greater employee participation and control.

Because of these differences, a sale to a worker owned cooperative is certainly not a fit for every situation, or for every business owner. However, it can be a viable option for a business owner looking to exit their business and who is also interested in a broad-based, participatory ownership culture.

If you are interested in learning more, contact us at oeoc@kent.edu. **OEOC**



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OAW Interviews

State Employee Ownership Centers

Making it Happen

Editor's Note: We at the OEOC think its vitally important that state-level initiatives designed to promote and grow the employee-owned sector not only exist, but thrive. As such, we thought it might be interested for our readers to hear more about other state centers around the country, and what they are looking to achieve. We conducted these interviews via email.

Vermont Employee Ownership Center - Don Jamison, Executive Director

Q: Don, thanks for joining us today. Tell us a little bit about the VEOC, its mission, and your role within the organization.

A: The Vermont Employee Ownership Center has a mission very similar to the OEOC's: "to promote and foster employee ownership in order to broaden capital ownership, deepen employee participation, retain jobs, increase living standards for working families, and stabilize communities." I staffed the steering committee that formed the organization, beginning in 2001, and served as Co-Director when we launched in the fall of 2002. I'm happiest as a program person rather than administrator, but have stepped into administrative roles as our funding has waxed and waned, and currently serve as Executive Director. The other staff person here is Matt Cropp, our Program and Outreach Coordinator, who is proving to be very capable at pretty much everything we do.



Q: How did you first become interested in the idea of employee ownership, and in starting the VEOC?

A: I grew up in western Pennsylvania, and was aware of efforts in the 1970s by union workers, sometimes with enormous community support (as in Youngstown) to keep rustbelt industries alive, so employee ownership -- in a heroic, often desperate form -- was planted in my mind early. In the 80s, in Philadelphia, I learned about worker co-ops and efforts to spread seeds from Mondragon to the US. It really wasn't until the 90s, after moving to Vermont, that I learned about ESOPs and how they can be used to create great workplaces.



Q: How has the concept of employee ownership been received by the Vermont business community?

A: We are very lucky here in Vermont to have some well-known and truly excellent ESOP companies, as well as some very successful worker co-ops. They make the "business case" for employee ownership, and a lot of our work has been simply to make sure that business owners and their advisors know of these examples -- and how the structures work and can be applied in new situations.

Q: Were you to start the VEOC today, is there anything you would do differently?

A: It took us a while to understand that our role is primarily educational, and that our most important function is to spread the word about these great ways of doing business, and then to connect those interested in employee ownership with peers in established employee-owned companies and with professionals who can make deals happen. That's a very important role, but it requires financial support from outside -- and a very lean operation. I'm glad to say that, for now at least, our sponsors and the State of Vermont's Agency of Commerce and Community Development understand this.

Q: What has been the impact of the VEOC on the employee ownership climate in Vermont?

A: I think that employee ownership in both of its main forms (ESOPs and worker co-ops) is seen as a very

effective and an increasingly common way of doing business here. That's not only due to our work, but we're certainly part of this "mainstreaming" of employee ownership.

Q: In your view(s), what impact can state centers like the VEOC play in promoting employee ownership both locally and nationally?

A: We're the advocates for employee ownership on the local level where the companies are -- and generate interest and enthusiasm for broad-based sharing of equity and involving employees more deeply in their places of work. This leads directly to more companies becoming employee-owned. More state centers will lead to more employee ownership.

Q: What does the future hold for the VEOC as you look to the next 5-10 years?

A: We're very interested in continuing to help make worker co-op conversions easier to do and more common. This structure can work well for companies that are too small to afford an ESOP and/or where a more democratic form of employee ownership fits the culture. There are many such companies here in Vermont. Our big audacious goal is for employee ownership to be the predominant way of doing business in Vermont. That means more employee ownership from the get-go in start-ups, primarily through the co-op structure. It also means that entrepreneurs will plan to sell to an ESOP or co-op when they exit, rather than to a strategic buyer or private equity firm -- not just as a fall-back plan, but as a goal that brings them a fair reward for their efforts and a way of keeping the company and its jobs in the community.

Q: Thanks again Don, it was a pleasure talking with you.

A: Thank you for your interest, Chris, and for the great example that all of you at the OEOC have set for us and all the new state centers that are coming along.

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Interested? contact Chris Cooper at ccooper1@kent.edu or 330-672-0338 or log on to <http://www.oecokent.org/>



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Pennsylvania Center for Employee Ownership - Ken Baker, Chariman of the Board



Pennsylvania Center for Employee Ownership

Q: Ken, thanks for joining us today. Tell us a little bit about the PaCEO, its mission, and your role within the organization.

A: Chris, Thank you. It's a privilege to work together with the OEOC. As a new organization we have a lot to learn, and are so fortunate to have a great model in the Ohio Center.

I am CEO of NewAge Industries in Southampton, PA. We're a successful manufacturer of plastic and hose tubing for Pharma and Commercial Industry. And important to my heart, we are an Employee Owned Company, and have been so for over 10 years.

About a year and a half ago, along with other CEO's and interested parties, we began discussions with the NCEO about the possibility of launching a Pennsylvania Center along the lines of the successful efforts of Ohio and Vermont.

Employee Ownership has been a boon to many business, including mine, and is an extraordinary way to grow quickly (over 650% in 10 years!), secure

the future of dedicated workers, and keep jobs here in the US.

In late January of this year, we officially opened for business as the Pennsylvania Center for Employee Ownership, as a new 501(c)(3) and an affiliate of the NCEO. I have the honor to serve as the founding Chairman of the Board.

Our mission is simple - increase Employee Ownership in the Commonwealth of Pennsylvania.

Q: You came to employee ownership by way of implementing an ESOP at your family business, New Age Industries. Tell us a little about that process.

A: NewAge conducted TQM (total quality management) training in the mid 90's for our team members. And through that process I knew I would not get the total commitment to the company without giving ownership to all the team members. After I bought out my brother and father in 2006 I did a 30% ESOP tranche. This was a wonderful event for our company and was well received.

Q: Has being an employee-owned company made a difference at New Age?

A: Absolutely. I have seen team members stepping up to support the company like owners would only do. The team members treat the company equipment better because they own a portion of it. They are concerned about the spending of expense and capital money. And they only recommend good quality workers when there are job openings.

Q: Getting back to the PaCEO, how has the startup process gone to this point?

A: Chris, It's gone great. We were successful in recruiting an Executive Director in Kevin McPhillips, who comes with a strong background as a business CEO, as well as a history leading non-

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We are very fortunate to have a volunteer group of over 40 individuals from 30 different companies, and is growing. The response we have received from the Governor's Office, as well as almost half of the Economic Development organizations in the State, has been overwhelming. As I said, we have lots to learn, but feel we are off to a terrific start.

Q: Any lessons learned, or to put it another way, is there anything you would do differently if you were starting the PaCEO today?

A: As we're just 5 months into the process, it's a little early to draw too many conclusions. But we have learned that perhaps our most important role is collaboration. We take a "Hunting and Farming" approach. We're looking for and working with individual companies to assist them to navigate the waters of ESOP's and other forms of OE. But at the same time, we are an educational and marketing organization with a goal of bringing the concepts of Employee Ownership into the common language. Most of us know what a 401k account is, but virtually none know what an ESOP is. We want to change that.

We do this by working with many constituencies, including Government and Economic Development groups; Trade Associations, Universities and Community Colleges; and other non-profit organizations with complementary goals.

Q: In your view, why are state employee ownership centers important?

A: Great question. There are numerous resources out there today for the ESOP and EO worlds. Groups like The ESOP Association, the National Center for Employee Ownership, and ESCA provide tremendous services to current EO organizations on a national basis. But what State Centers like Ohio or Pennsylvania can do is the important ground level organizing and prospecting. If you look at the history of virtually any movement - and Employee Ownership IS a movement, it succeeds from the ground up - from the grassroots organizing efforts.

We can, through volunteer organizing, get to the nooks and crannies of the State. That's not something that

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National organizations can do well. Furthermore, we can dedicate ourselves to locating potential new companies and educate them. We do not provide any services to existing EO companies. So we can focus entirely on engendering new Employee Ownership.

Q: As you look towards the future, what are your goals for the PaCEO over the next 5-10 years?

A: We'd like to get through one successful year first. And we've got a great start. In our First Annual Meeting in Harrisburg in February, we did the hard work of putting together a Strategic Plan for the next two years.

We've identified goals and Committees in 4 areas - Education; Key Partnerships and Collaboration; Public Profile and Marketing; and Funding. Our ultimate goal is to increase EO in Pennsylvania, and with the tremendous support we have, I'm certain we'll get there.

Q: Any last words of advice you would give other folks interested in starting a state employee ownership center?

A: Yes - Do it! And we're here to help. As mentioned, we are supported by the NCEO. As part of our affiliation, we are chartered to create a "State Model Handbook", in effect, a series of

lessons learned. It is our hope that our successes and missteps can be a useful guide to many other States as we pursue a nation with greater economic strength. Employee Ownership can provide that.

Q: Thanks again Ken, it was a pleasure talking with you.

A: Chris, thank you very much for the opportunity, and more importantly, for the great working partnership we are developing together.

Rocky Mountain Employee Ownership Center - Halisi Vinson, Executive Director

Q: Halisi, thanks for joining us today. Tell us a little bit about the RMEOC, its mission, and your role within the organization.

A: I came to the RMEOC as Executive Director at the end of last year. The Rocky Mountain Employee Ownership Center's mission is to increase participation in the economy through employee ownership.

Q: Can you share with us a little about your background and how you became involved with employee ownership and the RMEOC?

A: I began my career in Colorado in the venture capital industry, one of my main functions was to help facilitate strategic planning sessions with companies



under consideration as well as companies that were already a part of our portfolio. I've spent the last 7 years as a business consultant somewhere in there I decided to run for office. I noticed that many of the solutions being proposed by elected officials did not impact the disparities in wealth or income, but were merely job creation mechanisms. After my unsuccessful bid for office the members of the RMEOC tried to recruit me for the board and the end result was hiring me for the Executive Director position.

Q: How is the concept of employee ownership being received by the Denver/Colorado business community?

A: Employee ownership as a concept is not very well known. That is our biggest hurdle and what has led to hiring an outreach person. We have been reaching out to government officials, which has resulted in employee ownership being included in Denver's economic development strategic plan. We've also been consulting with one of our congressman who would like to add employee ownership to his priority list. Even with these wins, we have a long way to go before employee ownership is a well known concept.

Q: What are the role or roles that state employee ownership centers have in promoting the employee ownership message?

A: RMEOC considers messaging one of its primary roles. Our job is to increase awareness of the merits of employee ownership in all sectors.

Q: In your view, what are some of the opportunities (and challenges) facing the employee ownership community in Colorado, and beyond?

A: As a community we need to be aware and really take advantage of this moment in time. Never, in my adult life, has income and wealth inequality been at the forefront of current affairs. Economic Development agencies are finally understanding that simple job creation will not create the parity that is needed. Philanthropic

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agencies in Colorado finally understand that the charity model will never eliminate the problems that plague working class America. Collectively we must seize this opportunity to ride the momentum started by the occupy movement.

The SBA and other financial institutions still seem to be confused on how to finance employee owned businesses. SBA and traditional banking institutions loans become problematic because of the personal guarantee rules and collateralizing issues.

Q: What exciting projects or initiatives are you and the RMEOC currently working on that you'd like to share with our readers?

A: The RMEOC is practically brand new in comparison to the Ohio and Vermont centers. We're in the middle of a pretty extensive research project that we will share with the community once the first phase is completed. We're launching our first educational workshops in partnership with the Denver Office of Economic Development. Lastly we're creating a video content series the plan is that it will be a mix of educational and testimonial.

Q: From a strategic standpoint, what does the next 5-10 years hold for the RMEOC?

A: Our 10 year goal is to ensure that Colorado is known for employee ownership. In order to achieve that we believe that at least 15-20% of the businesses will have to be employee owned. In just 7 short months, we've been able to secure two additional rounds of funding and we're hiring another person. We have big dreams for RMEOC's role in increasing employee ownership in the region.

Q: Thanks again Halisi, it was a pleasure talking with you today.

A: Thanks Chris! **OEOC**

Need Specialized In-Company Training for Your Employee Owners?

The OEEOC can design a custom training and education program built around your specific needs. Modules/Activities can include:

- The OEEOC's ESOP Game
- The ABCs of ESOPs
- Teamwork Training/Team Problem Solving
- Basics of Financial Information for Employee Owners
- Communications Program Rollouts

Log on to <http://www.oecokent.org/training-programs/> for more info.

Don't see what you need here? This is just a sample of what we can help you with!
Contact Chris Cooper at ccooper1@kent.edu or 330-672-0338 for more info.

Members of [Ohio's Employee Owned Network](#) receive discounts on OEEOC Training Services!!



November 2016

Dear Friend of the OEOC,

While many debate the best way to move our economy forward in 2017, we at the OEOC know that employee ownership is a proven solution that works for business, employees, and our communities. Employee ownership has helped improve the lives of employees, and increased the operating performance of the businesses that employ them. At the 30th Annual Ohio Employee Ownership Conference held this past April, we were able to celebrate the many successes of employee ownership in Ohio. We were also able to take a look at the great future opportunity in Ohio as more business owners retire and transition the ownership of their companies.

Your past support has led to those successes, and your continued support is critical for us to continue expanding employee ownership. [That is why we are asking you now to join us in expanding the impact of employee ownership by making a tax-deductible donation of \\$50, \\$100, \\$250, \\$500, or \\$1000 to the OEOC through its Friends of the Center program.](#)

Here is why your continued support of employee ownership is so important:

- ☐ Each employee shares in the risks, and rewards, of being an owner
- ☐ Employees are considered an asset worthy of investment rather than just an expense
- ☐ Studies consistently show that employee-owned companies outperform their non-employee-owned counterparts in virtually all business metrics
- ☐ During the Great Recession, employee-owned companies remained more profitable, productive, and had lower level of layoffs than conventionally owned business
- ☐ Expanding employee-owned companies means anchoring businesses, jobs, wealth and economic activity in our local communities.

Since 1986, the OEOC has focused tirelessly on promoting employee ownership, deepening employee participation, retaining businesses and jobs, and increasing living standards for working families and their communities. Your assistance is needed as much as ever, as state and federal budgets supporting our programs has diminished.

Your support will fund our work of promoting employee ownership, in which we are uniquely qualified to facilitate the advancement of employee ownership in Ohio and across this country. With your contribution, we can continue the following initiatives:

- 1) Continue assisting business owners in planning for their ownership succession, through our Business Succession Planning Program, which is especially important as large numbers of baby-boomer business owners are reaching the age of retirement and will be selling their businesses. Our work in this area helps more businesses transition to the employees who, by leaving the business intact, help maintain the economy of their local communities.
- 2) Grow our outreach, programming, and technical assistance to new and existing cooperatives

through our Cooperative Development Center. Our main focus in this area is to assist small businesses as they convert to worker cooperatives.

3) Provide ongoing training and resources to existing employee owned companies. Employee owned companies take time to develop their culture and operational capabilities. The OEOC provides direct training to members of the Ohio Employee Owned Network, or partner with highly qualified professional service providers who can help these businesses meet their long term goals.

Highlights of last year accomplishments can be found on the included Annual Report on the following two pages.

We have responded to both economic challenges as well as new technologies with creativity and innovation. We have expanded our online offerings, including an expanded series of webinars covering all things employee ownership; initiated partnerships with other employee ownership organizations to expand our reach and programming; and continued publishing our semi-annual magazine Owners At Work 100% digitally to reduce costs. You can find out more about all of these initiatives on our website, www.oockent.org.

The OEOC is well positioned to provide continuing assistance to both new and existing employee-owned businesses; in order to maximize our reach and effectiveness, we still need your help.

Your willingness to be a Friend of the OEOC and provide monetary assistance is more important than ever. As a supporter of the OEOC, you can be proud in helping build on our past accomplishments, and extend our impact going forward.

Please consider making a contribution to the OEOC. Your contribution is tax exempt to the extent allowed by law. [You can make your contribution via credit card on our website by clicking here.](#)

We at the OEOC wish you and your family a happy holiday season and all the best in 2017.

Sincerely,

A handwritten signature in black ink, reading "Roy J. Messing". The signature is fluid and cursive, with the first name "Roy" being particularly prominent.

Roy J. Messing
Director

Ohio Employee Ownership Center

Annual Report, FY2016 July 1, 2015 - June 30, 2016

Our mission: "To promote employee ownership in order to broaden capital ownership, deepen employee participation, retain jobs locally and increase living standards for working families and their communities."

Engaging Employee Ownership

Since the OEOC was created in 1987, we have worked to broaden the reach of employee ownership through media outreach, and working directly with companies and service providers to educate those interested in employee ownership and those who want to expand and improve where employee ownership already exists. In FY 2016, the center worked with 20 companies employing over 2600 people to explore whether employee ownership made sense in their cases. One of these companies established an employee ownership structure resulting in the creation of approximately 30 new employee owners. Additionally, the Center consulted with 17 potential cooperatives, and provided technical assistance to 6 existing employee-owned companies with nearly 450 employees.

One of the highlights of our activities through the year is our annual conference held each April in Fairlawn, Ohio. Our theme for the conference was "Celebrating 3 Decades of Success: Growing the Employee Ownership Future." Last year, our 30th annual conference held on April 29th, 2015 drew 325+ people representing more than 15 states and the District of Columbia who came to hear from keynote speaker J. Michael Keeling of The ESOP Association and attend the various breakout sessions throughout the day. We are honored to have a great gathering of folks each year as we communicate the employee ownership message. Here is a sample of the feedback we received from attendees to the conference, as well as other OEOC events and programming:

"Thanks very much for everything...really appreciate all that you and the folks from OEOC have done for us."

...Let me just confirm that this was, for me, the best conference yet. It was very helpful on many fronts, and I always love being there."

"...Great learning experience. I appreciated meeting people from all over the country and learning about their companies...thank you Chris and Roy, terrific instructors [with] a wealth of knowledge."

"Great info, people at [my company] talked highly about this to me. I will as well."



Highlights of the OEOC's work in FY 2016

- ❖ The Ohio Employee Ownership Network currently consists of 75 members. In the last fiscal year, one of these companies increased their employee ownership percentage to become 100% employee owned.
- ❖ Published two on-line issues of *Owners at Work*, available to over 11,000 email subscribers in a number of downloadable formats.
- ❖ The OEOC was featured or mentioned in 19 employee ownership media coverage in newspaper, magazine, online blogs and radio-TV stories.
- ❖ The OEOC was featured in national publications including Yes Magazine, The ESOP Association Report and a The Democracy Collaborative's Broad Based Ownership Models report.
- ❖ Center staff spoke on employee ownership at 13 workshops, meetings, and conferences, at the request of other groups, with 687 participants.
- ❖ The OEOC Cooperative Development Center held 6 cooperative events with 140 participants.
- ❖ We spoke at 6 programs at the request of other organizations with 222 participants on business succession planning.
- ❖ The business ownership succession planning program for retiring owners continued with 2 seminars/webinars for 47 participants.
- ❖ Provided assistance in considering whether employee ownership makes sense to 16 groups/companies employing approximately 2600 in Ohio and to 4 groups/companies exploring employee ownership and employing 98 outside Ohio. One of the companies we worked with established an employee owned company, creating 30 new employee owners.
- ❖ Provided assistance to 8 potential start-up companies, which were projecting to employ 100 people.
- ❖ Provided technical assistance to 4 existing ESOP companies employing approximately 400 people.
- ❖ Facilitated growth of employee ownership with 2 CEO/CFO Network Company dinners attended by 28 top managers, an in-house training programs for an ESOP companies employing 50, and a multi-company training programs for 16 employee owners.
- ❖ Conducted 15 ESOP related webinars with 268 total attendees. Conducted 4 related Cooperative webinars with a total of 40 attendees.
- ❖ Ran 1 employee-owner retreat with the ESOP Association, which provided 2 ½ days of training for 22 employees from 9 companies.
- ❖ The OEOC Cooperative Development Center assisted 19 start-ups or existing non-cooperative businesses on co-op conversions and technical assistance to 2 existing co-ops, employing 26.
- ❖ Developed and completed 3 business studies for 3 separate cooperative organizations.
- ❖ During the period of July 1, 2015 – June 30, 2016 the OEOC received \$12,099 in program related activities from existing ESOP/Co-ops or those looking to explore employee ownership and was awarded \$105,162 in grants.



Highlights from the 30th Annual Ohio Employee Ownership Conference

The 30th Annual Ohio Employee Ownership Conference was a smashing success, with more than 325 attendees joining us for a milestone celebration of the OEOC and employee ownership in Ohio. on this and the next 3 pages are some pictorial highlights from the day, including those who received awards for excellence in employee ownership. As always, thanks to all of the employee owners, professional consultants, academics, economic developers, and others who joined us, and worked with us to make the day a success. And remember to mark your calendars for the 31st Annual Conference, on Friday April 28th, 2017, we hope to see you there!!









Need the Services of an ESOP Services Professional?

The Ohio Employee Ownership Center's Professional Members are dedicated to providing ESOP companies, and prospective ESOP companies, with the quality assistance they need.

Log on to <http://www.oeockent.org/directory/> to find the professional assistance you need!

In Memoriam: Richard Abbott

We are saddened to let our readers know that Richard 'Dick' Abbott, founder and owner of ACRT, Inc., has passed away after an extended illness. Mr. Abbott was a long time client, friend, and supporter of the OEOC, dating back to our origins in the late 80s. With the OEOC's assistance, Mr. Abbott successfully sold ACRT to the employees via an ESOP, starting the process in 1997, and completing a 100% sale to the ESOP in 2003. Over the years, Dick Abbott and his wife Sue graciously hosted at their home various foreign delegations that were visiting the OEOC in an effort to learn more about employee ownership.

ACRT is a utility vegetation management (UVM) consulting firm headquartered in Akron OH. with

500 employees. Mr. Abbott founded the company in 1985 after career stops with the Davey Tree Expert Co., American Electric Power, and Central Hudson Gas & Electric.

Mr. Abbott was born in Boston in 1929, a veteran of WWII (serving in Japan), and a graduate of the University of Massachusetts-Amherst. He had a long history of serving the community of Kent and arboriculture industry, including Past President and member of International Society of Arboriculture, Buckeye Chapter International Society of Arboriculture, Kent Rotary Club, Garden Club of Kent and a Past Director, Portage County Parks District Board and a Board member of Coleman Professional Services. oaw

The current Board of Directors of ACRT, with Dick and Sue Abbott in front.



**Don't forget to mark your calendars for the
31st Annual Ohio Employee Ownership Conference
Friday April 28th 2017
SEE YOU THERE!**

Thanks To Our Sponsors!



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