

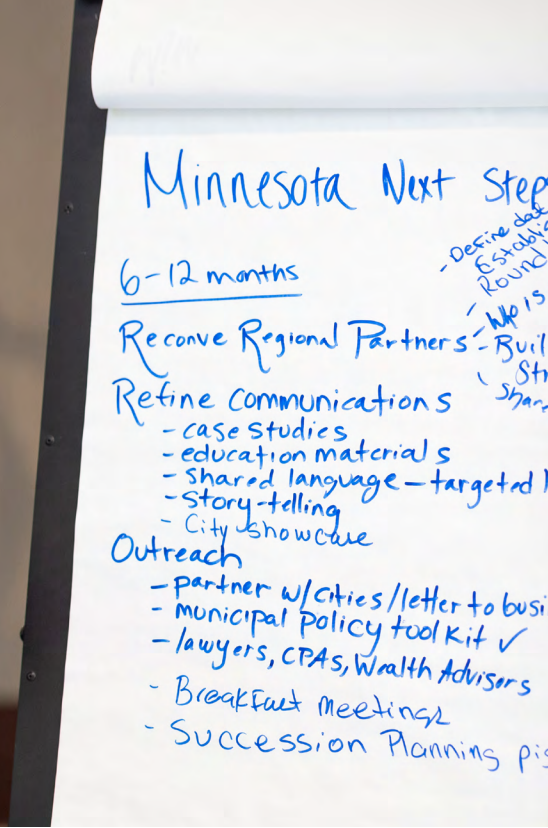
SAINT PAUL SHARED OWNERSHIP EQUITY SUMMIT

Saint Paul, MN | October 8, 2024



{ Project **Equity** }





Benjamin Tsai, Director of the Shared Ownership Center, Nexus Community Partners

Table of contents

How to use this workbook 3

Intro to EO 4-8

- Introduction to employee ownership 5
- Employee Stock Ownership Plans 6
- Worker cooperatives 7
- Employee Ownership Trusts 8

Toolkit 9-34

- Toolkit overview 10
- Step 1: Assess the opportunity 11
- Step 2: Build awareness 16
- Step 3: Demonstrate impact 22
- Step 4: Embed into systems 26
- Building an ecosystem 31
- Creating an action plan 33
- How Project Equity can help 35



Jennifer Bryant, Program Manager, Black Employee Ownership Initiative, Project Equity

How to use this workbook

We provide this workbook to help you maximize the learning and networking opportunities. Within its pages you will find a wealth of information and thought-provoking prompts designed to facilitate reflection and idea generation. As you navigate through the Summit, jot down your thoughts, insights and action items in the dedicated spaces provided.

This information is only the tip of the iceberg.

Use the links provided in this document to access additional resources for further exploration and learning.

We also include networking prompts to facilitate meaningful connections with fellow attendees and others in the field. These connections are critical. Our goal is to build a network of support for all of us who are leveraging the power of employee ownership across the country.

Finally, we want you to capitalize on the momentum of this Summit. We recommend blocking off some time on your calendar next week to review your notes, identify key ideas or action items and reach out to those with whom you connected or wish to. As always, please reach out to members of the Project Equity team if you have any questions or suggestions.



Intro to
EO




An introduction to employee ownership

What is EO?

EO is a business model in which the employees have an ownership stake in the business making them full or part owners. Broad-based employee ownership sustains quality jobs, creates stronger businesses and preserves your company’s legacy.

Types of EO

There are three main types of employee ownership, all of which have been around for many decades: Employee Stock Ownership Plans (ESOPs), worker cooperatives and Employee Ownership Trusts (EOTs). Each employee ownership model has key characteristics.

COMPARE FEATURES			
	Employee Stock Ownership Plans (ESOPs)	Worker Cooperatives	Employee Ownership Trusts (EOTs)
SUITABLE COMPANY SIZE	40+ employees, \$1 million+ EBITDA	Any size	Any size
TAX BENEFITS TO SELLING OWNER	✓ Can opt for \$1042 deferral of gains	✓ Can opt for \$1042 deferral of gains	No
TAX BENEFITS TO EO BUSINESS	✓ S Corp tax avoidance	✓ Tax deduction for patronage	✓ Tax deduction for profit-sharing
SETUP AND ONGOING COSTS	High	Low	Low
FLEXIBILITY OF MODEL	✓ Within ESOP parameters	✓✓ Within coop parameters	✓✓✓ Highly flexible
EMPLOYEES BUY THEIR SHARES	No	✓	No
EMPLOYEE ROLE IN STRATEGIC DECISION-MAKING	Optional	✓✓✓	Optional
PARTIAL EO TRANSITION	✓	✓	✓
PROFIT-SHARING BUILT IN	No	✓	✓

Employee Stock Ownership Plans

Employee Stock Ownership Plans (ESOPs) are the most common type of employee ownership. ESOPs, like 401(k)s, are qualified retirement plans. However, they are used to transfer all or part of the company's shares to a trust administered on behalf of the employees.

ESOPs are

- **Size-dependent:** generally advisable only for companies with more than 40 employees, \$1M in earnings (before interest, taxes, depreciation and amortization) and \$5M in revenue
- **Tax positive:** significant tax benefits to the seller, business and employees
- **Highly regulated:** a qualified defined-contribution employee benefit plan designed to invest primarily in the stock of the sponsoring employer
- **More expensive:** however, the high setup costs and ongoing administrative costs usually outweighed by tax benefits for companies above a certain size
- **Free to employees:** employees don't pay for their shares; instead, shares are distributed as a retirement benefit
- **Long-term wealth building:** financial rewards to employees accrue in an account accessible at retirement

ESOPs are a tax-advantaged structure that makes them a fit for companies over a certain threshold size. ESOP ownership can be anywhere from a small percent of the company stock up to 100%. If the ESOP owns at least 30% of the business at the close of a sale transaction, the seller may be able to reinvest the proceeds in a qualified replacement property and defer any capital gain on the sale, based on guidance from their tax advisor. Typically, the ESOP's percentage ownership of the business is not subject to federal and state income tax. The stock held in the ESOP must be valued independently on an annual basis.



Employee-owners at CT3 Education, an ESOP that transitioned in 2022 with help from Project Equity

Worker cooperatives

A **worker cooperative** is a company owned and controlled by—and for the benefit of—the people who work there. The Board of Directors comprises a majority of employee-owners who are elected by the full membership on a one-person, one-vote basis. Net profits are shared based on a formula designed to suit the company.

Worker cooperatives are

- **Democratic:** one person, one vote among employees, to elect board members and vote on major strategic decisions defined in the bylaws
 - Employee-owners also make up the majority of the board
- **Equitable:** employee-owners earn profit-sharing via patronage, based on hours worked
- **Less expensive:** lower set up and ongoing administration costs
- **Tax positive:** profits shared as patronage are tax-deductible to the business; also, some sellers may qualify for lifetime deferral of capital gains tax
- **Equity stake:** employees usually pay a modest equity buy-in
- **Universal:** appropriate for companies of all sizes

Worker coops have lower setup and ongoing administration costs and may qualify for some tax benefits. For example, in some circumstances, the seller can be eligible for lifetime deferral of capital gains tax and the profit that is paid out as patronage is tax-deductible to the worker cooperative business.



Employee-owners at Happy Earth Cleaning, a worker cooperative in Minneapolis, MN that transitioned in 2019 with help from Nexus Community Partners and Project Equity

Employee Ownership Trusts

An Employee Ownership Trust (EOT) is a trust that holds some or all of the shares of a company on behalf of the employees. An EOT ensures employees have a share in profits, a voice in governance and that the mission of the business—and its jobs—can be preserved for generations to come.

EOTs are

- **Perpetual:** safeguards the ownership of the business over the long term
- **Flexible and simple:** offers the ability to design the trust structure to meet the goals and needs of the selling owner, company and its employees
- **Lower cost:** lower setup and administration costs
- **Free to employees:** employees don't pay for their ownership benefits
- **Typical transaction value:** \$3-20M
- **Typical workforce size:** 10+ employees
- **Universal:** appropriate for companies of all sizes

EOTs have been the favored path to employee ownership in the United Kingdom for decades. The EOT structure in the United States uses a Perpetual Purpose Trust to establish an EOT, which is an innovation of trust law that is becoming more commonplace.

With an EOT, there is no required buy-in. EOTs have lower setup costs and negligible ongoing maintenance costs, but they are not eligible for the potentially significant tax benefits of an ESOP. An invaluable feature of EOTs is that they can be crafted to be protected from a future sale, with a flexible structure that can be designed to fit the specific goals of each business.



Employee-owners at Hummingbird Wholesale, an EOT that transitioned in 2023 with help from Project Equity

Toolkit

A toolkit for building resilient local economies with employee ownership

We know that when business decisions are made through a lens of what is good for workers and communities, businesses are more successful, local economies are more resilient, and workers gain meaningful pathways to quality jobs and economic mobility.

But how can you advance employee ownership (EO)?

This toolkit is a practical guide to help you move from ideas to action and create meaningful impact in your practice or community.

How to advance EO in your region



For each of these steps, this toolkit provides

1. **Key questions** to consider as you approach each step
2. **Practical tools** you can use today to advance EO
3. **Networking spotlights** of peers you can reach out to learn more about how they approached each step
4. **Reflection questions** to inspire your thinking

Step 1: Assess the opportunity

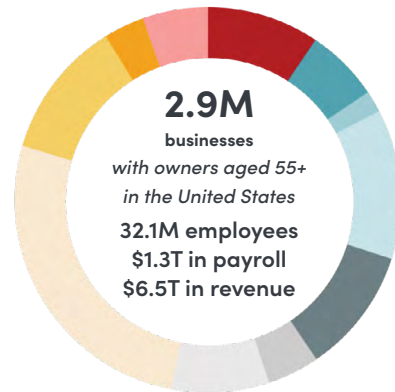
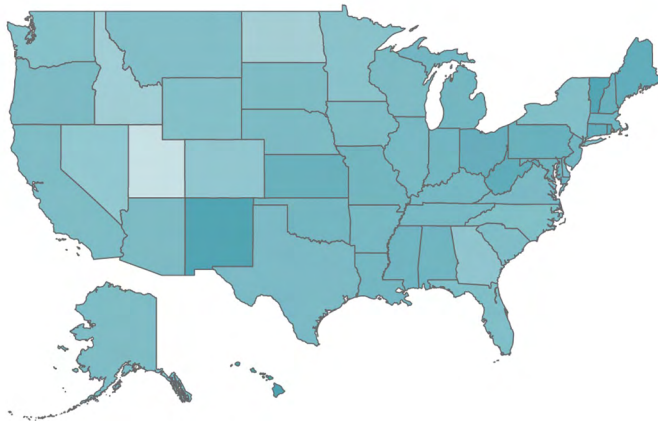
Key question

How might you define the opportunity for employee ownership in your region and identify businesses that are strong candidates for employee ownership?

TOOL: Silver Tsunami data

With over half of all privately held businesses with employees having owners over age 55 in the United States, we are seeing a massive ownership changeover of locally held businesses as the Silver Tsunami of retirements continues to march forward. The vast majority of business owners do not have a succession plan in place, and increasingly, many are finding it hard to find a buyer when they are ready to sell. As a result, some of these companies will quietly close down, a very small percent will be passed on to family members, others will sell to another local owner, and some will be sold to a larger company or out of area buyer.

The Silver Tsunami data in your region can tell a compelling story and inspire action among local partners & policy makers.



INDUSTRIES

- Accommodations & food services
- Admin & waste management
- Arts & entertainment
- Construction
- Health care & social assistance
- Manufacturing
- Other industries
- Professional services
- Retail trade
- Transportation & warehousing
- Wholesale trade



What does the Silver Tsunami look like in your region? Visit our interactive [Silver Tsunami map](#) to find out and click on your state and county on the map.

TOOL: Mapping your ecosystem

Unlocking the power of employee ownership in your region requires collaboration across the public and private sector. Use this tool to begin mapping your local ecosystem, identifying partners and potential gaps, and activating each sector to advance EO.



Evan Edwards, CEO, Project Equity and Melvin Carter, Mayor of the City of Saint Paul

PUBLIC SECTOR

Organization type	Name of organization in your region	Key point of contact
Government agencies that support business, economic, workforce development		
Government procurement departments		
Elected officials		
Small Business Development Centers		
Minority business development agencies		
Workforce Development Boards		
Business Improvement Districts		
Find out how three cities are advancing EO		

FINANCIAL SECTOR

Organization type	Name of organization in your region	Key point of contact
Community development financial institutions		
Traditional lenders		
Impact investors		
Community capital		
Credit unions		
Learn more about Project Equity's capital programs		

PRIVATE SECTOR

Organization type	Name of organization in your region	Key point of contact
Existing employee-owned businesses		
Chambers of commerce & industry associations		
Wealth planners, exit planners, financial advisors		
Accountants / CPAs		
Attorneys		
Business brokers		
Find messages and resources you can share with business advisors		

NONPROFIT SECTOR

Organization type	Name of organization in your region	Key point of contact
Local first / buy local organizations		
Local philanthropy & foundations		
Community & economic development organizations		
Coop developers		
Advocacy & labor organizations		
Universities & researchers		
Other community-based or non-traditional business connections with trusted relationships with your target audience		
Find funders that are embracing EO		



Employee-owners at Improve Group, a worker cooperative in Saint Paul, MN that transitioned in 2023 with help from Nexus Community Partners

Step 2: Build awareness

Key question

How might we make employee ownership a well-known and widely adopted strategy among business owners, business advisors, economic developers and policy makers?

TOOL: DIY newsletter blurb

Use the instructions on the following page to fill in the blanks of this blurb that you can put in your next newsletter, use to write a press release, or share with partners when planning a local convening.

As the Silver Tsunami hits [your community], could employee ownership be an opportunity for economic resilience?

According to research by the nonprofit Project Equity, [insert % from data link] of businesses in [your county] are owned by individuals at or near retirement age. This so-called Silver Tsunami represents [insert # from link] local businesses, accounting for [insert # from link] in revenue and [insert # from data QR code below] local jobs.

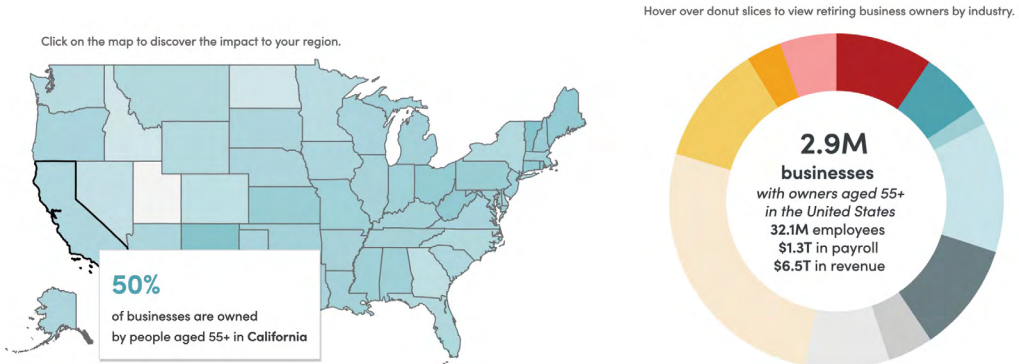
Without an exit plan, these local businesses and jobs are at risk. Additionally, the pandemic has made recruitment and retention of employees more challenging for business owners, slowing their recovery and growth.

Transitioning these businesses to employee ownership would keep these businesses going while also creating pathways to quality jobs and wealth building for workers. Employee ownership is a proven business structure in which a broad base of employees own the business where they work. Employee-owners build assets through profit sharing, retirement savings, and /or shared business ownership. Studies have shown that employee-owners have higher median wages than their peers, were five or more times less likely to be laid off during the Great Recession, and that employee-owners of color have substantially more wealth than their peers nationwide.

There are several examples of existing employee-owned businesses across sectors in [your region] like [insert business from business link], [insert business from business link], and [insert business from business link].

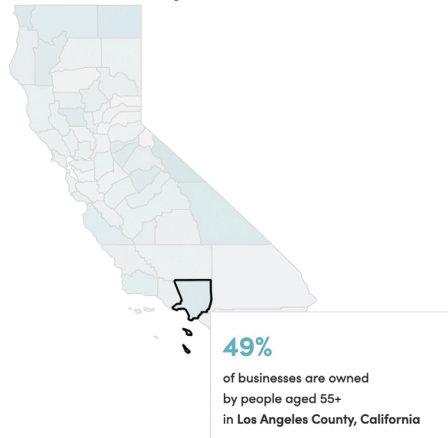
[Consider inserting a quote from a leader in your organization.]

Visit Project Equity's interactive [Siver Tsunami map](#) and click on your state



Then click on your county to display the data

Click a county or group of counties to view data, click again to reset counties. Use the circle to return to states. ↻



Enter a company name on [Certified EO](#) to get more information

Find Employee-Owned Companies

Company Name or Keyword

Sector State EO Type

Reset Filters

This Silver Tsunami coupled with the lingering impacts of COVID-19, means these businesses urgently need solutions. This is a critical time for business owners to consider pathways to retirement, particularly how employee ownership can address current business needs.






Consider your closing call to action







Do you want to direct your audience to resources?	Do you want to invite your audience to a webinar to learn more?	Do you want to invite your audience to a meeting to discuss further?
<p><i>Consider closing with:</i></p> <p>If you are a business owner wanting to explore employee ownership, you can schedule a free consultation or join an upcoming webinar with Project Equity at https://project-equity.org/free-consultation/.</p> <p>Project Equity is a nonprofit organization that provides hands-on support to companies that want to explore and execute employee ownership as well as critical working capital and transaction financing through their Employee Ownership Catalyst Fund.</p> <p>Business advisors can learn more about how to talk about employee ownership with their clients at https://project-equity.org/advisors.</p>	<p><i>Consider closing with:</i></p> <p>What to learn more? Join [your organization] for a webinar [insert date & time] to learn about employee ownership as a strategy to retain local businesses, build an exit plan, and create a more resilient local economy. Register here [insert registration link].</p>	<p><i>Consider closing with:</i></p> <p>Are you tired of hearing about beloved, local businesses closing in [your community] and eager for strategies to build a more resilient local economy?</p> <p>Join [your organization] for a roundtable [insert date & time] to learn about employee ownership and how we can collaborate to advance EO in our region. Register here [insert registration link].</p>

TOOL: Sample social media posts



Awareness is our greatest challenge when it comes to retaining businesses and creating a more resilient local economy through employee ownership.

Using our collective platforms, we can begin to scale awareness of employee ownership. We challenge you to start with Message #1 today and share your version of each of the messages below in the weeks ahead.






Message #1 - Intro to EO		
  	<p>Did you know nearly half of businesses in Saint Paul have owners at or near retirement? Employee ownership is a proven strategy to retain these businesses and build wealth for workers. Learn more at https://project-equity.org/ @Project Equity #employeeownership</p>	
	<p>Did you know nearly half of businesses in Saint Paul have owners at or near retirement? Employee ownership is a proven strategy to retain these businesses and build wealth for workers. Learn more at https://project-equity.org/ @projectequity #employeeownership</p>	<p>Image is in this folder</p>

Message #2 - EO webinar		
  	<p>Are you interested in learning more about employee ownership in Saint Paul? Join @Nexus Community Partners for an upcoming webinar or event: https://nexuscp.org/news-events/</p>	 
	<p>Are you interested in learning more about employee ownership in Saint Paul? Join @nexuscp for an upcoming webinar or event: https://nexuscp.org/news-events/</p>	<p>Image is in this folder</p>

Message #3 - Local stories of EO

  	<p>Business owners are choosing employee ownership as a strategy to preserve their legacy, strengthen business performance, and engage employees. @Happy Earth is one example of a Minnesota-based employee-owned business with an inspiring story. Learn more about their transition to employee ownership and read other ownership stories here: https://project-equity.org/learn/ownership-stories/</p>	
	<p>Business owners are choosing employee ownership to preserve their legacy, strengthen business performance, and engage employees. @Happy Earth is one example in Minnesota. Learn more about their transition: https://project-equity.org/learn/ownership-stories/</p>	<p>Image is in this folder</p>

Message #4 - EO for business advisors

  	<p>Retaining local businesses as owners retire is critical to our economy. Business advisors in our region need to have employee ownership in their toolbox as they explore succession options with clients. Learn more about employee ownership as an exit strategy: https://project-equity.org/learn/benefits-for-business-advisors/</p>	
	<p>Retaining local businesses as owners retire is critical to our economy. Business advisors in our region need to have #employeeownership in their toolbox as they explore succession options with clients. Learn more: https://project-equity.org/learn/benefits-for-business-advisors/</p>	<p>Image is in this folder</p>

Step 3: Demonstrate impact

Key question

How might you and your partners create a robust pipeline of business owners exploring and transitioning to employee ownership and demonstrate its impact for businesses, workers and local economies?

TOOL: Readiness factors

Employee ownership is a great fit for businesses in nearly every sector from main street to manufacturing and from restaurants to construction. That said, there are some readiness factors that indicate whether a business could be a good fit for an employee ownership transition.

Readiness factors

for employee ownership transitions

- ✓ **10 or more employees**
40+ employees for ESOPs
- ✓ **Profitable company**
In good financial health for the past 5 years
- ✓ **Proven track record**
Established business with years of experience
- ✓ **Minimal debt**
To support the transaction



Sarah McBroom, Director, Regional Engagement, Project Equity, speaking at the 2023 Employee Ownership Equity Summit

TOOL: Talking points for an initial employee ownership consultation

Interested in having an introductory conversation with a business owner about employee ownership? Use this tool to guide you.

Goals of an introductory call

- Understand the owner’s interest in Employee Ownership (selling, transformation, etc.)
- Educate about employee ownership and its benefits
- Gain core company info or potential challenges or barriers
- Refer businesses that could be ripe for transition and ready to talk more to an EO expert like Project Equity

SPOTTING POTENTIAL BUSINESSES THAT MIGHT WANT TO LEARN MORE & STARTING THE CONVERSATION

What business owners might say	What you can say
I'm ready to retire but can't find a buyer for my business.	The perfect buyer for your company may be the ones you work with every day. Employee ownership is a great strategy to preserve your hard-earned legacy and exit on your own terms.
I need strategies to retain my employees, support their engagement, productivity, and well-being.	Have you considered giving your employees a stake in your business's future? Employee ownership has been shown to strengthen business performance and increase employee retention and productivity.



Patty Viafara, Director, Worker Ownership Initiative, Nexus Community Partners at the 2023 Employee Ownership Equity Summit

ADDRESSING COMMON MISCONCEPTIONS

What business owners might say	What you can say
Does selling to my employees require accepting a lower selling price?	NO! A fair sale price is established by debt capacity, just like in a bank-financed sale to an individual.
Will my employees have to pay out of pocket to buy the business?	NO! Employees are not obligated to finance the transaction. Usually it is completed through a leveraged buyout.
Does this mean all my employees will now run the business like I have?	NO! Your management structure can stay in place or strategically shift after the transition but either way, it is separate from the new ownership structure.
Can I remain strategically involved after the transition?	YES! Selling owners have many options to stay involved in the business.

CONSULTATION QUESTIONNAIRE

Below are other additional important pieces of information to gather to assess whether the business is ready for a transition.

- When the business was founded
- Number of owners
- Entity type
- Total number of employees
- Owner's exit timeline
- Annual revenue & net profit
- Average profit margin %
- Outstanding debt and debt sources

Next steps

Is this business a good fit for employee ownership? Help them schedule a call [here](#) (which you're welcome to join).

Reflection questions

What ideas do you have to demonstrate impact in your region?

- In order to demonstrate EO as a viable business model for the diverse businesses in your communities, what key industries or special locations within your city, county or region would be important to target for an initial pilot or demonstration?
- What would you need to demonstrate in order for your clients or community partners to understand employee ownership as a beneficial business and workforce strategy?

A large grid of graph paper for taking notes, consisting of 20 columns and 25 rows of small squares.

Step 4: Embed into systems

Key question

How can we use public policy and programs to create self-sustaining, supportive ecosystems for employee ownership transitions at the local, regional, state and / or national levels?

TOOL: A Guide to Educating Elected Officials About Employee Ownership

Supportive public policy is key to expanding employee ownership. There are many new laws and active campaigns right now to create more employee-owned businesses and level the playing field for existing ones. So it's a great time to get involved in employee ownership advocacy.

Here are some ways to get involved:

Educate yourself and connect with other advocates

- Sign up for email updates from [Project Equity](#), [National Cooperative Business Association \(NCBA-CLUSA\)](#), [National Center for Employee Ownership \(NCEO\)](#), and the [US Federation of Worker Coops \(USFWC\)](#).
- Join the ESOP Association's (TEA) [Employee Ownership Action Network](#).
- If you are a member of the USFWC, join the federation's Policy and Advocacy Council.
- If you live in a state with an [EO center](#), sign up for your center's newsletter.
- Join or start an employee ownership advocacy coalition in your state.
- Join the ESOP Association's (TEA) [Employee Ownership Action Network](#).

Engage and educate your legislators

- Collaborate with other constituents to request meetings with your local, state or federal elected officials (or their staff) to share the importance of EO for you and for the small businesses, workers and local economies in their district.
 - Keep in mind TEA's "[10 Do's and Don'ts](#)" for legislative meetings.
 - Read the American Sustainable Business Council's [advocacy guide](#) for tips on meeting with legislators, messaging, and working with media.
- Participate in lobbying events, such as [TEA's Advocacy Day](#) and "Hike the Hill" at NCBA-CLUSA's [Cooperative Impact Conference](#).
- Invite your legislators to visit an employee-owned company in their district (see below for details on how to organize a visit).

Support EO bills

- Sign on to coalition letters supporting bills or budget asks (signatures from organizations, constituents and well known individuals have the most sway).
 - *CURRENT OPPORTUNITIES: advocates in [California](#), [Colorado](#) and [Massachusetts](#) are seeking sign-ons to support EO in their states as of April 2024. If you live in CA, CO or MA, [click through to take action](#).*
- Write or call legislators about current EO bills and budget requests.
 - *COMING SOON: FY25 federal budget ask for [\\$4 million in WORK Act funding](#).*
- Submit public testimony or attend hearings when EO is on committee agendas.

Whether focused on immediate campaigns or long-term goals, EO advocates have a lot to gain by educating government leaders. It's a powerful strategy and a lot of fun.

TOOL: Host an elected officials for a site visit at an employee-owned business

Many of the most vocal EO champions in government say that they love employee ownership because they've seen its benefits up close and personal. Even a [single visit](#) to an EO company can inspire meaningful change.

Follow these steps to organize an EO site visit with an elected official (many of these apply to other advocacy efforts as well):

- 1. Identify the legislator and the host:** choose an elected official (local, state or federal) who you think could be an EO champion. Then find a leader in a successful employee-owned company in that legislator's district and invite them to collaborate.
- 2. Send the invitation:** Describe the host company, your organization and any other noteworthy constituents that will participate, and, of course, the purpose of the meeting. Keep the request concise but enticing. Propose days / times that will facilitate meaningful learning about the host company, and send the invitation well in advance.



Santiago Carrillo, Assistant Director, Business Ownership, Living Cities, speaking at the 2023 Employee Ownership Equity Summit

3. Prepare speakers and talking points:

- a. Draft the key messages you want to convey to the legislator, such as:
 - i. **The benefits** of employee ownership for workers, businesses and communities and the **need** to retain local legacy businesses.
 - ii. The fact that EO is a good investment – for example, EO companies were **4 times less likely to lay off workers** during the pandemic.
 - iii. What employee ownership means for the host business: did it help the company continue when the founder retired? Has the business been more profitable or innovative under EO? Does EO help attract or retain talent?
 - iiii. How EO has helped the company's employee-owners.
- b. Select some plum data points and examples to support your messages.
- c. Help employee-owners and company leaders tell their stories (lawmakers are especially interested in economic impact).
 - i. If any employee-owners have saved money for the first time, paid off debt, advanced in their careers, bought a home or otherwise increased their financial wellbeing, be sure to highlight their stories!
 - ii. Many people fear public speaking, and it could be the first time for employee-owners. Spend time helping them craft and practice their remarks well in advance.
 - iii. Encourage company leaders to provide an inside view of their business, and a tour if it's an interesting facility.
- d. Keep the agenda short and include some remarks by your legislator, as well as informal time for them to converse with constituents.
- e. Discuss the agenda with the legislator's staff and determine together whether to invite press, and who will take the lead if you do.

4. **Consider your ask:** The purpose of a site visit can be purely educational, but it's still a good idea to have a small request for your legislator. You might simply ask them to share photos of the visit in their newsletter and social media. If you have a specific endorsement request or follow up opportunity, include that too. Be sure that the agenda helps motivate your ask, and keep the focus on EO.

5. **On the day of:** Have your key people there early. Bring supporting materials that the legislator can take with them, and make sure you have someone capture the visit with photos, video, or other media.

6. **Follow up:** Send a thank-you note to the legislator and their staff (and to the host business). Include materials, links or brief summaries of information you discussed, and reiterate your ask and any commitments the legislator made. Make the next steps easy—you want your legislator to emerge from this visit as a vocal EO supporter.

Key
question

Which policies should we prioritize when advancing EO legislation at the local, state and federal levels?

TOOL: Project Equity policy platform

There are many policy ideas to support employee ownership, some are more effective and likely to pass than others. To learn more about how specific EO policy proposals can address needs and opportunities you see in your communities, refer to our [policy platform](https://project-equity.org/impact/public-policy) (project-equity.org/impact/public-policy). We lay out five key areas in which policy is most needed to advance employee ownership, and identify specific policies, bills and laws in each area and at each level of government.

Networking spotlight



Melvin Carter, Mayor of Saint Paul, MN speaking at the 2023 Employee Ownership Equity Summit



SAINT PAUL
MINNESOTA

Ask the City of Saint Paul about their \$2.5million [Locally Owned Cooperative Assistance Loan \(LOCAL\) Fund](#) that will provide subsidized technical assistance as well as grant and loans to businesses owners to support business expansion into employee ownership, employee-owned start-ups, and community-owned commercial real estate.

Building an ecosystem

Ecosystem levers

Financial sector

- Community development financial institutions
- Credit unions
- Lenders, impact investors
- Community capital
- Public funders

Public sector

- Government agencies
- Elected officials
- Policymakers
- Small business development centers
- Workforce development organizations

Nonprofit sector

- Small business developers
- Community economic development organizations
- Coop developers
- EO advocacy organizations
- Community-based organizations
- Universities
- Researchers
- Labor organizations
- Community trusts

Business owners

- Existing EO businesses
- Business advisors
- Accountants
- Lawyers
- Brokers
- Exit planners
- Wealth planners
- M&A firms
- Anchor institutions
- Coop developers
- Local business networks

Building an ecosystem

Ecosystem levers

Financial sector

Public sector

Nonprofit sector

Business owners

Creating an action plan



Reflection questions

Taking the framework and examples above and the tools within this workbook, plot your ideas to advance employee ownership in your organization, field or region.

- What are some first actions? Be specific - what are the very first, next things you can do to move this forward?
- What are your ideas for activities over the next 6 months?
- What are your ideas for longer-term, transformative actions to advance EO?

A large grid of graph paper, consisting of 20 columns and 25 rows of small squares, intended for writing answers to the reflection questions.

How Project Equity can help

Project Equity is here as a resource to you, your organization, and your region every step of the way.



We can help you with			
Data analysis of the retention risk and opportunity in your region	Messaging and storytelling to help you talk about EO	Education, events, and one-on-one advising to interested business owners in your region	Training, capacity building, continuing education for business advisors, and policy assessments with local government

Contact us

to learn more about how we can partner with you to unlock the power of employee ownership



Thank you to our partners



{ Project Equity }



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