

Acquisitions Evolution: An Alternative Path to Employee Ownership

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NCEO



webindustries
a 100% employee owned company



NCEO Membership Benefits



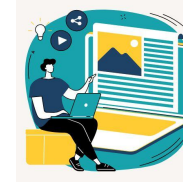
NETWORKING & TRAINING

HR Peer Networking
CEO Network
Innovative
Communications
Coalition



EVENTS

Webinars like this one!
Conference & Forum
Ownership in Action



THE DOWNLOAD

This month: Collective
Power of Employee
Ownership (Part 2)



DATA

2023 Executive &
Director Compensation
Report



TOOLKITS

Pre-Feasibility
Board Excellence



PREFERENTIAL PRICES

Publications & Live
Events

& more. Become a member at www.NCEO.org/join

Additional Resources & Upcoming Events

July 1st - Weekly Webinar Series | **Repurchase Obligation 101**

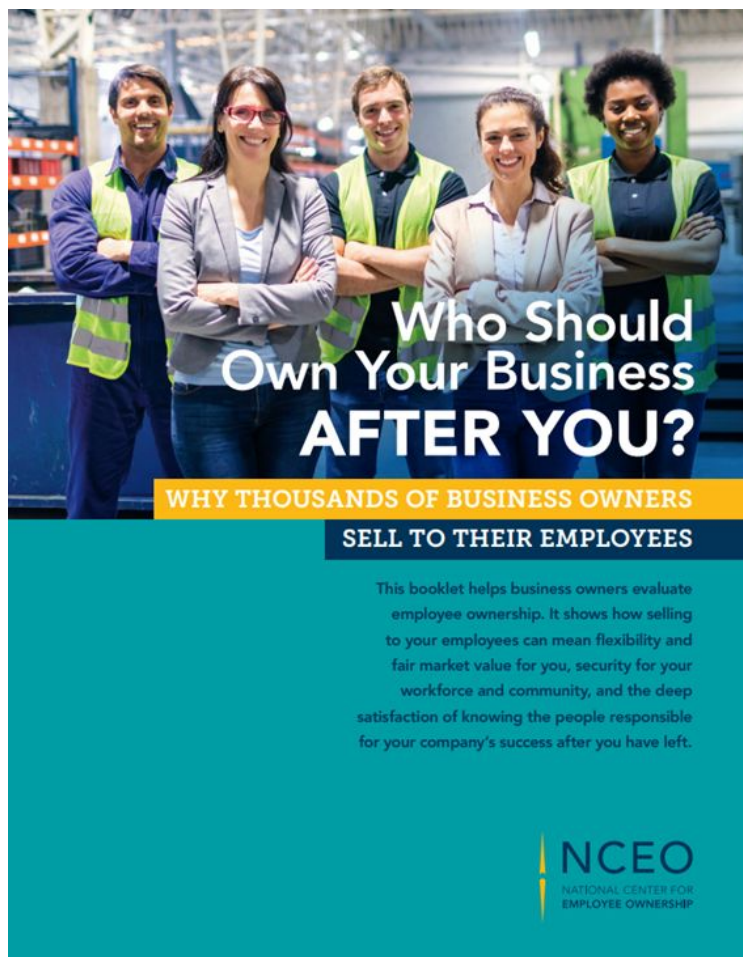
July 8th - Weekly Webinar Series | **From ESOP to Ownership:
Navigating Change and Transition**

NCEO Forum

Philadelphia, PA | August 27-29, 2025

<https://forum.nceo.org/registration>





What Is Employee Ownership? ▾

Solutions ^

Events ^

Is Employee Ownership Right for You? >

Start Here: Who Should Own Your Business After You?

ESOPs

Assess Employee Ownership for Your Company

Equity Compensation

Virtual Learning Series

Employee Ownership Trusts

The employee-ownership menu

1. Employee stock ownership plan ("ESOP")
2. Worker cooperative
3. Equity compensation / direct employee ownership
4. Employee ownership trust
5. Being acquired by an employee-owned company

Data on acquisitions

In February, the NCEO released a review of acquisitions by ESOP companies. On average, annually ...

... there are over 270 acquisitions

... representing over 19,000 employees

See our blog post: *New Data on ESOP Companies Acquiring Non-ESOP Companies*

POLLING QUESTION 1

What do you most want to preserve or protect when exiting your business?

- a) Brand
- b) Legacy
- c) Investment in Community
- d) All of the above



GETTING STARTED

For Owners Looking to Sell, an Option That Keeps Their Company Intact

A sale to employees keeps the company local, and that may be more important to some owners than getting the highest price.

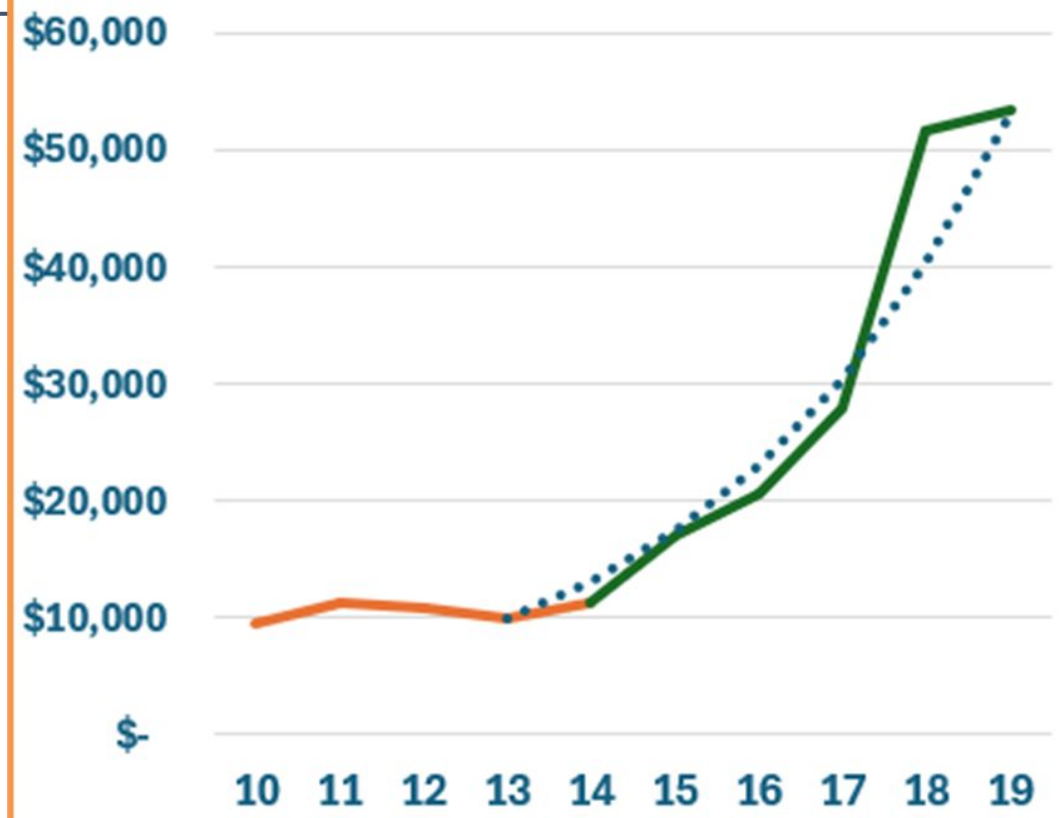
(Published October 23, 2020)



Lynn and Michael Terry of Chickasha, Okla., sold Cimarron Trailers, to their employees. “We thought, this has got to go on,” Mrs. Terry said. Nick Oxford for The New York Times



Sales Growth



POLLING QUESTION 2

The exit I want will:

- a) maximize the price paid to me.
- b) give FMV and maximize company's continuity.
- c) give me flexibility in my tax treatment.
- d) other - something else



THE TRANSACTION

POLLING QUESTION 3

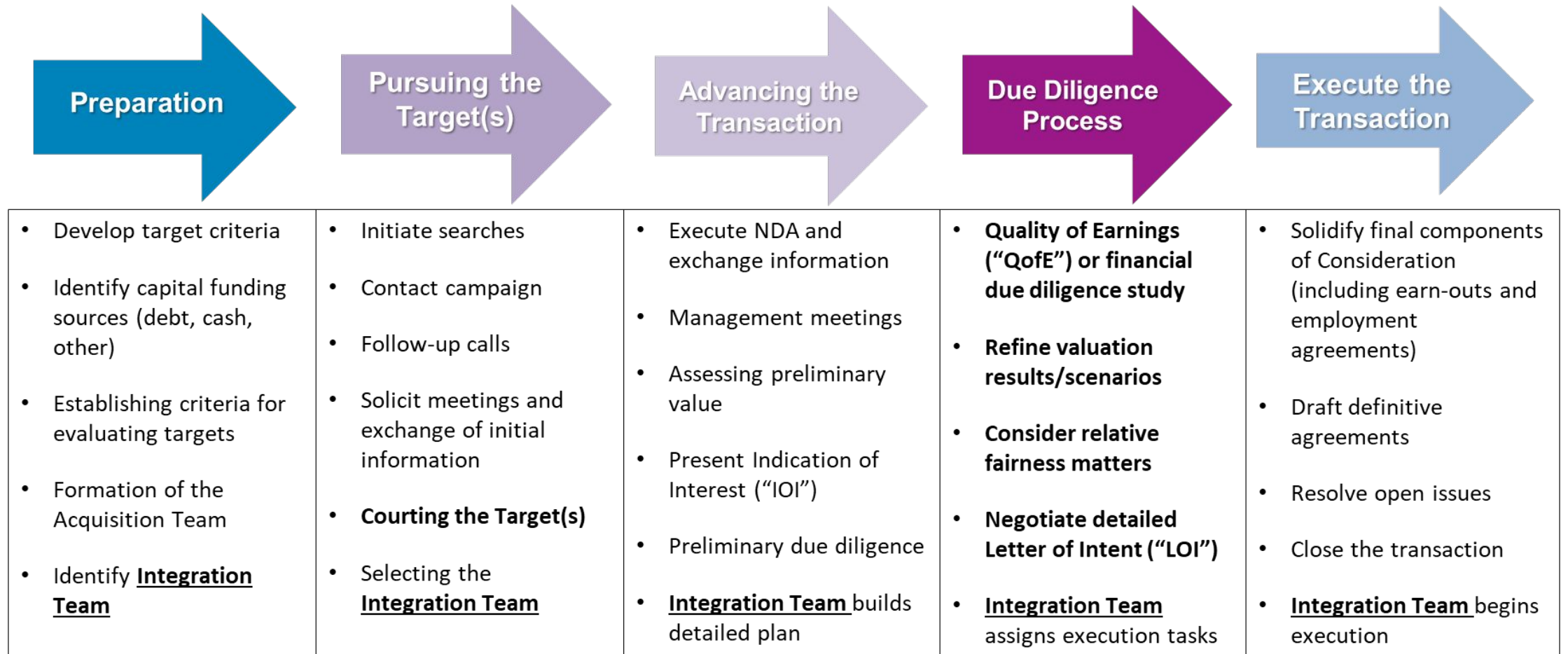
What are your next steps?

- a) Find out more about setting up my own ESOP.
- b) Find out more about being acquired by an ESOP.
- c) Look at alternate exit paths.
- d) Not sure - undecided.



NCEO RESOURCES

Exploring the Due Diligence Process





FINAL QUESTIONS & REMARKS