Effective Committees

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Terry Burnett  Admix, NH
Steve Merchant  Gardeners Supply Company, VT
Maria Prado  Rex-Cut Abrasives, MA
Framework of our Discussion

1. Our story
2. Why is a structure important
3. Establishing purpose
4. Tools for establishing a structure
5. Gathering resources
6. Evaluating effectiveness
7. Questions encouraged!
Johnny’s Selected Seeds

1973 Rob Johnston Jr started Johnny’s Selected Seeds out of his parents garage

Johnny’s now has 3 locations
- Albion Maine- Research Farm for Trialing and Breed Development Farm, Breeding
- Winslow Maine- Warehouse, Purchasing, Tools, Shipping, Seed Packing and the Retail Store
- Fairfield Maine- IT, HR, Marketing, Contact Center, Commercial Sales and Finance

Johnny’s Selected Seeds has 191 Full-Time employees. At our peak we are 250 strong!
Johnny’s Selected Seeds

2006- We started our Journey of being an Employee Owned Company
2006- We were 30% Employee Owned
2012- 100% Employee Owned
2016- Paid off 1st Loan for the ESOP Purchase
2016- Johnny’s had our first Diversification
2021- Pay off 2nd Loan for ESOP Purchase

STOCK VALUE
Johnny’s stock has increased 150%

OUR MISSION
Our mission is helping families, friends, and communities to feed one another by providing superior seeds, tools, information, and service.
Johnny’s Selected Seeds

1982- Johnny’s was chosen as an All-America Selections (AAS) trial ground, one of just 20 in North America.

All-America Selections is an independent, nonprofit organization that tests new, never-before-sold crop varieties, and then introduces only the best garden performers as AAS Winners.

Johnny’s AAS Winners
- 2015- Two winners Cornito Giallo and Escamillo (peppers)
- 2014- Butterscotch PMR (butternut squash)
- 2013- Jasper (cherry tomato)
- 2009- Honey Bear (acorn squash)
- 2006- Carmen (pepper)
- 2005- BonBon (buttercup squash)
- 2004- Sunshine (kabocha squash)
- 2002- Diva (seedless cucumber)
- 1998- Bright Lights (swiss chard)
- 1993- Baby Bear (pumpkin)

Johnny’s Breeders Cup Winners
- 2013- Founder Robert Johnston Jr
- 2016- Janika Eckart
Who We Are

Admix is a premier manufacturer of innovative stainless steel mixing technologies. We engineer, market, and service high performance, high efficiency mixing and blending systems for the sanitary and hygienic industries including food, dairy, meat & poultry, beverage, pharmaceutical and cosmetic.
Admix ESOP

- Admix founded in 1989 and our ESOP began in 2001
- Currently have 58 employees (54 in the US, 4 in Denmark)
- US employees currently own approximately 44% of the shares. We are in the process of going to 100% by the end of the year.
- Admix ESOP currently has 41 Active participants - 11 of whom joined the plan in 2015
- There are currently 11 active Owners-in-Training that will join the plan in 2016 and 2017
Our Ownership Committee

- This year (2017) moved from 4 small teams to one large committee, taking on responsibilities of the previous teams (Let's Play, Let's Give, Let's Network, Let's be Healthy)
- Consists of 12 - 14 rotating members with each serving on the committee for 1 year with an option to stay longer, plus 2 permanent members. Meet every two weeks, more frequently if needed.
- Responsible for the administrative, educational and cultural well being of our ESOP Plan and participants.
- Attends National and Regional ESOP conferences
- Members head up events and sub committees and assist with event planning, poster contest, scholarship application, etc.
- Plans, organizes and executes ESOP Days in October
- Plan and execute annual Shareholders Meeting
- Have won 2 AACE Awards - the latest being the 2016 AACE award for the winning communication video
## Successes & Challenges

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Gardener’s Supply Company

- ESOP started in 1987
- Started philosophical - now ownership succession
- 1987-1998 - 0% - 19% ESOP - pay as you go
- 1999 - 30% - bank financed
- 2006 - 45% - bank financed
- 2009 - 100% - bank and seller financed
Gardener’s Supply Company

Mission

“We are knowledgeable educators, communicators, and planners about the culture and value of employee ownership”
Gardener’s Supply Company

- **Chair** - Committee leader, sets agenda (additions encouraged), sets the calendar items, facilitate the meetings, sets action steps from meeting

- **Vice Chair** - Runs meeting if chair is absent, creates ESOP report, writes back page ESOP report

- **Secretary** - Takes minutes including committee attendance and posts them to the Village

- **Advisory Board Member** - Liaison to board, attends board meetings, no voting rights

- **Online Coordinator** - Keeps ESOP information on the Village current, manages Nectar Notes

- **5 Committee Members** - 3 year term - Represents employee-owners and communicates ESOP issues to local constituency, active participant, engages in discussion/dialogue, solicits input from employee-owners, supports the mission and direction of the committee, actively engages in the rights and responsibilities of employee ownership

- **2 Fast Track Committee Members** - 6 month term

- **Permanent ESOP Member** - Cindy Turcot - Acts as a resource, holds historical ESOP data, oversees the ESOP budget
Rex-Cut Abrasives

- Located in Fall River, MA
- Founded in 1928
- Became 100% ESOP in 2008
- 55 Employees
- The only manufacturer of non-woven cotton fiber abrasive impregnated fabric in the world.
- Rex-Cut Services a variety of industries: aircraft, aerospace, shipbuilding, energy, automotive, jewelry and precision machine parts
Rex-Cut’s model

- Received training grant from state of MA
- Trained TIPS Model - TEAM INVOLVEMENT PROBLEM SOLVING
- This model is used throughout the Company for all Committees.
- Majority of committees focus on business improvement.
- Roles are assigned for each committee
- Once a project and/or problem is chosen, goals are defined
- HR regularly communicates with all committees to ensure success
- Final presentations are made to Executive Leadership Group and respective managers
Roles, Rules & Purpose

- **ROLES:**
  - Leader/Facilitator, Process Guide, Recorder, Timekeeper, Presenter, Participants

- **RULES:**
  - Define the problem
  - Identify issues/problem and/or new process
  - Identify solutions
  - Develop Action Plan
  - Implement Action Plan
  - Evaluation solution
  - Initiate permanent corrective action

- **Purpose:**
  - To Produce a positive result that will:
    - Improve the quality of work life.
    - Increase efficiency and/or productivity.
Establishing purpose

- What are the goals of your ESOP Committee?
- How were goals developed?
- What are the Committee’s major responsibilities?
- How have purpose/goals been changed, revisited or recommitted to over time?
Structuring to meet goals

- What is the size of your Committee?
- What is the criteria for membership?
- How are members selected?
- How long do members serve?
- How do you educate Committee members?
- How do you match members’ skills to goals?
- How are decisions made?
- Senior management approval, budget expectations?
- What is frequency and duration of meetings?
- How has Committee structure/membership changed over time?
Gathering resources to meet goals

- How does your company consider the time/cost for Committee activities?
- What resources does your Committee use?
- What activities do members engage beyond ESOP education?
  - How does your Committee interact with other company functions (senior management, HR, IT, finance)?
  - How have resources and activities changed over time?
Evaluating effectiveness

- How do you know if your Committee is being effective?
- How has your Committee adapted to changing business circumstances?
- How do you balance the need for both new perspectives and continuity?
- How has Committee focus shifted over time?
- How do you rejuvenate a Committee?
THANK YOU FOR YOUR TIME

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