



The ESOP Association

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91% of Companies State ESOPs are Good Business

Survey Reveals Overwhelmingly Positive Results

Recently released results from the Employee Ownership Foundation's 15th Annual ESOP Economic Performance Survey prove that the decision to become employee-owned means better company performance and greater wealth creation for employee owners.

In 2006, 91% of respondents declared that creating employee ownership through an ESOP (employee stock ownership plan) was "a good business decision that has helped the company." This is the highest response in the 15 years the survey has been conducted. In addition, 72% of companies that responded to the survey also indicated they outperformed three major stock indices including the Dow Jones Industrial Average, the NASDAQ Composite, and the S&P 500. Approximately 10% stated they outperformed at least one index, and 9% said they performed worse than all three indices.

"It's hard to argue with these results," said J. Michael Keeling, President of the Employee Ownership Foundation. "These numbers prove what we in the ESOP community have been saying for more than 15 years – employee ownership creates better companies. It's time for our national leaders to start promoting policies to encourage more companies to become employee owned through an ESOP. It is time to have policies to create a fair and equitable society."

The 2006 Economic Performance Survey was distributed to The ESOP Association's approximately 1,400 members in June 2006. The results are based on 426 responses. The over 30% response rate validates the survey results for these 1,400 companies.

For additional information, please visit the Employee Ownership Foundation website at www.employeeownershipfoundation.org. The Employee Ownership Foundation is The ESOP Association's affiliated 501 (c)(3) organization dedicated to promoting employee ownership.

For more information, please call The ESOP Association at 202/293-2971 or email media@esopassociation.org.

Did you know...

- 68% of survey respondents indicated that the ESOP improved the overall productivity of the company's employees
- 54% of companies responded yes when asked if their company had created an employee participation program since establishing the ESOP
- 78% indicated a better performance in 2005

Source: Information obtained from the 2006 Economic Performance Survey conducted by the Employee Ownership Foundation

On the calendar...

September 20, 2006

8th Annual Repurchase
Obligation Seminar
Chicago, IL

November 9 & 10, 2006

16th Annual Las Vegas Conference
& Trade Show
Caesars Palace
Las Vegas, NV

For more information,
meetings@esopassociation.org.