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For More Information:

Amy Gwiazdowski

202-293-2971

amy@esopassociation.org

Employee Ownership Proves to be “Good” Business Decision

Washington, DC (August 19, 2004) – Recently released results from the Employee Ownership Foundation’s 13th Annual ESOP Economic Performance Survey prove that the decision to become employee-owned means better company performance and greater wealth creation for employee owners.

As has been the case in all 12 prior surveys, a very high percentage of companies, 88%, declared that creating employee ownership through an ESOP (employee stockownership plan) was “a good decision that has helped the company.”

“Time and time again, the results demonstrate creating employee-owned companies through ESOPs is good business,” said Foundation President, J. Michael Keeling. “Creating more ownership by employees should be national policy.”

In addition, the EPS asked companies to indicate their performance in 2003, relative to 2002:

- 65% of respondents indicated a better performance in 2003
- 12% indicated a nearly identical performance
- 23% indicated a worse performance
- 70% indicated that revenue increased
- 30% indicated revenue did not increase
- 64% indicated that profitability increased
- 36% indicated that profitability did not increase

The 2004 EPS was distributed to The ESOP Association’s approximately 1,300 company members in June 2004. The results are based on approximately 375 responses.

The Employee Ownership Foundation (www.employeeownershipfoundation.org) is The ESOP Association’s affiliated 501 (c)(3) organization dedicated to promoting employee ownership. Founded in 1978, The ESOP Association (www.esopassociation.org) is the national trade association for companies with employee stock ownership plans and the leading voice for employee ownership in America.

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