

For Immediate Release:

August 22, 2007

For More Information:

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amy@esopassociation.org**89% of Companies State ESOPs are Good Business***Survey Reveals Positive Results for ESOP Companies*

August 22, 2007 (Washington, DC) – Recently released results from the Employee Ownership Foundation’s 16th 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 2007, 89% of survey respondents reported that creating employee ownership through an ESOP (employee stock ownership plan) was “a good business decision that has helped the company.” In addition, 72% of companies reported that performance increased over the prior year and 68% indicated that the ESOP affected the overall productivity of the employees.

“These numbers prove what we in the ESOP community have been saying for more than 30 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,” said J. Michael Keeling, President of the Employee Ownership Foundation. “It is time for the cynics who question the power of employee ownership to be quiet.”

In addition, the survey asked companies to indicate their performance in 2006 relative to 2005:

- 72% indicated a better performance; 19% indicated a worse performance; 9% indicated a nearly identical performance as previous year
- 82% indicated that revenue increased; 18% indicated that revenue did not increase

- 72% indicated profitability did increase; 28% indicated that profitability did not increase
- 68% of survey respondents indicated that the ESOP improved the overall productivity of the company's employees
- 47% of companies that responded indicated that they have created an employee participation program since establishing the ESOP

The 2007 Economic Performance Survey was distributed to The ESOP Association's approximately 1,400 members in June 2007. The results are based on 414 responses.

For additional information about the survey, please visit the Employee Ownership Foundation website at www.employeeownershipfoundation.org or The ESOP Association's website at www.esopassociation.org.

The Employee Ownership Foundation is The ESOP Association's affiliated 501 (c)(3) organization dedicated to promoting employee ownership.

Founded in 1978, The ESOP Association represents over 1,400 ESOP companies who believe that employee ownership will improve American competitiveness, increase productivity through greater employee participation and strengthen our free enterprise economy.

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The Employee Ownership Foundation Economic Performance Survey Summary 2000 - 2007

<u>QUESTION</u>	<u>2000</u> (535 Responses)	<u>2001</u> (321 Responses)	<u>2002</u> (200 Responses)	<u>2003</u> (350 Responses)	<u>2004</u> (375 responses)	<u>2005</u> (400 responses)	<u>2006</u> (426 responses)	<u>2007</u> (414 responses)
How did your company perform relative to the prior year?	66% Better than prior year	65% Better than prior year	50% Better than prior year	56% Better than prior year	65% Better than prior year	74% Better than prior year	78% Better than prior year	72% Better than prior year
How has the ESOP affected overall productivity of employees?	59% Improved productivity	65% Improved productivity	60% Improved productivity	58% Improved productivity	63% Improved productivity	60.6% Improved productivity	68% Improved productivity	68% Improved productivity
Did revenue increase over prior year?	74% Yes	75% Yes	58% Yes	60% Yes	70% Yes	84% Yes	85% Yes	82% Yes
Did profitability increase over prior year?	67% Yes	63% Yes	47% Yes	59% Yes	64% Yes	74% Yes	77% Yes	72% Yes
Has your company established any employee communications programs?	47% Yes	52% Yes	52% Yes	49% Yes	49% Yes	51% Yes	54% Yes	47% Yes
Overall, how do you rate your company's decision to establish an ESOP?	85% Good decision	87% Good decision	87% Good decision	88% Good decision	88% Good decision	87.5% Good decision	91% Good decision	89% Good decision
How did your company perform relative to the major stock indices?	N/A	N/A	71% Better than all three indices	81% Better than all three indices	16% Better than all three indices	51% Better than all three indices	72% Better than all three indices	41% Better than all three indices