

New Employee Ownership Trend Gains Momentum in the US

Following the growth of employee ownership in the UK – founders and leaders from across the country representing over 1,000 employees convened to support EOTs

FRISCO, TEXAS, UNITED STATES, April 4, 2024 /EINPresswire.com/ -- In a groundbreaking event, Stewards Circle 2024, the first-ever organized assembly of Employee Ownership Trust (EOT) founders and leaders in the United States took place. Business leaders from across the country representing over 1,000 employees convened to support a growing trend: business owners choosing employee ownership buyouts over Wall Street sales for their exit strategy.



Stewards Circle 2024

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What became clear at the event is the dual nature of EOTs: both as an exit strategy and as a competitive advantage – from boosting talent retention and recruiting to increasing profits.”

Zoe Schlag, Co-founder and Managing Partner of Common Trust

EOTs were front and center in the wake of the "silver tsunami" - a term referring to the wave of baby boomer business owners who own 40% of all small businesses in the US and are looking to retire and transition their business to new ownership. Entrepreneurs and founders presented their conversion to an EOT as an innovative, simplified, and cost-effective option for transferring ownership to employees. Synonymously known as perpetual purpose trusts, they are rapidly becoming one of the fastest-growing forms of employee ownership in the U.S., recently highlighted by Patagonia's adoption of a perpetual purpose trust.

One of the most striking aspects of the Stewards Circle

2024 was the diversity of industries represented. From high-tech firms to auto repair shops, the event illustrated the broad potential of employee ownership to transform businesses across the spectrum. Noteworthy contributions came from Rick Plympton, CEO of Optimax, who projected

billions of dollars in community wealth generation through their manufacturing EOT in New York; Miren Oca, founder of Ocaquatics Swim School and the newest EOT in the country, shared how her firm has empowered her staff and positively impacted communities in Florida; Kevin Clegg, founder of [Clegg Auto](#) in Utah, highlighted how profits nearly doubled after becoming employee owned along with record high levels of customer satisfaction. The event's co-host Brad Herrmann and Hai Nguyen co-founders of [Text-Em-All](#), a SaaS-based mass messaging platform also transitioned to 100% employee ownership in October 2023.

Zoe Schlag, Co-founder and Managing Partner of [Common Trust](#), shared her insights on the future of business ownership and employee engagement. "Over the next decade, a projected three in five small businesses will seek a sale. And as business owners increasingly consider EOT buyouts to unlock liquidity, what became evident from our discussions in Frisco is the dual nature of EOTs: first as an exit strategy, but also as a key competitive advantage. We heard numerous leaders discussing how their EOTs fostered greater talent retention, employee buy-in, increased profits, and resilience against macroeconomic challenges."

Turning the Tide in Business Ownership and Succession. The event also signaled a shift in the landscape of business ownership in America. While EOTs represent a relatively new trend here in the United States, they have grown to 1 in every 20 private sales in the UK in just an 8 year period. The Stewards Circle 2024 stands as a testament to the potential of employee ownership trusts to reshape the future of work, businesses, and communities across the nation.

About Common Trust:

Common Trust is the industry leader in business succession and exit transitions to Employee Ownership and Perpetual Purpose Trusts. As the leading provider and implementer of EOTs – Common Trust has mobilized over \$100 million in capital, overseen over \$250 million in transacted asset value, and most importantly has helped transition over 1,000 employees into becoming owners.

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