



Fact Sheet: The ESOP Association

Founded in 1978, The ESOP Association is the national association of companies with employee stock ownership plans (ESOPs) and service providers with a professional commitment to employee ownership through ESOPs.

The Association is the leading voice in America for employee ownership through ESOPs, and devotes considerable time to creating and maintaining favorable ESOP legislation. In addition, The ESOP Association is a prime source for educational materials necessary for successful implementation and administration of an ESOP.

- The ESOP Association represents over 1,400 ESOP companies. Total membership is over 2,500.
- Approximately 99% of ESOP Association members are private, closely-held companies.
- ESOPs exist in large and small companies – 72% of Association members have less than 250 employees.
- While ESOPs are prevalent in a broad range of industries, approximately 22% of Association members are in manufacturing, followed closely by construction (13%) and engineering (9%).
- Average annual sales revenue for ESOP Association members range is approximately \$20 - \$50 million.
- Approximately 65% of ESOP Association members report that their ESOPs have been in place for 10 years or more.
- 82% of Association members have companies that are more than 50% owned by the ESOP.
- 71% of Association members report that their ESOP is currently or was previously leveraged.
- 90% of Association members offer a supplemental benefit plan in addition to the ESOP including, 401(k) plans, pension plans, and profit sharing plans.
- Research indicates that ESOP implementation results in more information sharing, increased communications, and involvement in decision making for employee owners.
- 78% of Association members advertise the fact they are employee owned.
- 84% of ESOP Association members report that motivation and productivity increased as a result of the ESOP.
- ESOP Association members report the average contribution the company makes to the ESOP each year, as a percentage of covered compensation, is 13%.
- The average account balance among ESOP Association members is \$195,222.65.

Information on this sheet was obtained from the “2010 Company Survey,” conducted among ESOP Association members in 2010.