



### What is Certified Employee-Owned® (Certified EO)?

Certified EO is a certification program for employee-owned companies that is building a voice for employee ownership in America. Our mission is to make EO part of the national consciousness as well as a unique differentiator for our members. Our certification mark helps connect consumers, businesses, and employees with companies that have significant and broad-based employee ownership.

### Why is promoting employee ownership important?

- Employee ownership connects employees with the value they create at work
- Employee-owned companies create wealth for working people
- Employee ownership represents a massive expansion of free enterprise
  - Makes everyone a capital-owner
- Employee-owned companies are rooted in local communities and strengthen local economies
- Despite these benefits and our economic troubles, not much attention is given to EO companies today
  - It's very difficult to find EO companies – ownership isn't easy to observe and there's no central database for significant employee ownership
  - Many Americans don't know EO is an option, but they like the idea a lot

### What does it mean to be a Member?

Certified EO Members meet rigorous standards of significant and broad-based employee ownership:

1. *Ownership* - the company must be at least 30% owned by an ownership program
  - a. Additional certification for Majority EO (at least 51%) and 100% EO
2. *Access* - reasonable access to the program must be open to all employees
3. *Concentration* - ownership in the program cannot be too concentrated

### Certified EO Facts

- 22 Founding Members
- Fewer than 0.5% of US companies qualify for Certified EO
- Mark influential with consumers and prospective employees
  - 35% of Americans more likely to buy a Certified EO product
  - 29% of Americans more likely to apply to a job at a Certified EO company

### EO Facts

- Over 5,000 employee-owned companies in America
- Combined revenues greater than \$200B
- Roughly 1.5 million employees work at companies with at least 30% employee ownership



|                                                                                                                                                              |             |             |             |             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|
| <p>You are considering <b>buying a product</b> when you see this logo on the package.</p> <p>How does this affect how likely you are to buy the product?</p> |             |             |             |             |
| More likely to buy                                                                                                                                           | 40%         | 40%         | 35%         | 32%         |
| No change                                                                                                                                                    | 47%         | 46%         | 52%         | 53%         |
| Less likely to buy                                                                                                                                           | 13%         | 14%         | 13%         | 15%         |
| <b>Net effect</b>                                                                                                                                            | <b>+27%</b> | <b>+26%</b> | <b>+22%</b> | <b>+17%</b> |

### A Public Benefit Corporation

Certified EO is run by Ownership Alliance, a public benefit corporation that exists to promote fair and just forms of ownership of economic organizations. We support all forms of employee ownership including, but not limited to, employee stock ownership plans (ESOPs), worker cooperatives, perpetual trusts, and direct share ownership.

### Our History

Certified EO was founded in the spring of 2016. Thomas Dudley and Kramer Sharp came up with the idea to start a certification program for employee-owned companies after Dudley became interested in public opinion on EO as part of his PhD at the Stanford Graduate School of Business. The two struggled to reconcile strong support for employee ownership among Americans with the difficulty of finding local EO companies. They decided to make it easy for consumers, employees, and businesses to connect with employee-owned companies.

The first year was spent developing the program, setting the standards, and building relationships within the employee ownership community. Currently Certified EO is recruiting best-in-class employee-owned companies to be the Founding Members of the program. As of May 2017, Certified EO has 22 Founding Members that operate in a number of industries and range in size from three employee-owners to over 15,000.

### Team



**Thomas Dudley**

*Co-Founder*

Thomas is a Ph.D. student in Organizational Behavior at the Stanford Graduate School of Business. His research focuses on employee ownership and civil society. Prior to Stanford, he worked as an Associate Consultant in the San Francisco office of Bain & Company. Thomas graduated from the University of Virginia with a B.S. in Physics and a B.A. in Mathematics.



### **Kramer Sharp**

#### *Co-Founder*

Kramer has over 10 years experience in web development and software engineering. Past projects include building the web presence for Architect as Developer and creating Rhetr, an online knowledge-sharing platform. Kramer graduated from the University of Virginia with an M.S. in Management of IT, a B.A. in Computer Science, and a B.A. in Economics.

## Advisors



### **Camille Kerr**

Camille is the Associate Director of the [ICA Group](#), and serves on the board of Prospera. She is a lawyer, business consultant, speaker, writer, and advocate for all forms of employee ownership.



### **Christopher Michael, Esq.**

Christopher is the General Counsel of the [ICA Group](#) and directs ICA's policy work. He founded both the New York City and New York State business associations for employee-owned firms.



### **Corey Rosen**

Corey is the senior staff member and founder of the [National Center for Employee Ownership \(NCEO\)](#). He is the author of over 100 articles and numerous books on employee ownership.



### **Halisi Vinson**

Halisi is the Executive Director of the [Rocky Mountain Employee Ownership Center](#). She does business development, marketing, and consulting for businesses, non-profits, and faith-based organizations.



### **Martin Staubus**

Martin is the Executive Director of the [Beyster Institute](#) at UC San Diego's Rady School of Management. He has advised hundreds of companies on the creation of employee ownership programs.



### **Melissa Hoover**

Melissa Hoover is the founding Executive Director of the [Democracy at Work Institute](#). She helped start and grow the [United States Federation of Worker Cooperatives](#).



### **Richard Freeman**

Richard holds the Herbert Ascherman Chair in Economics at [Harvard University](#). He has made major contributions the field of labor economics, including a multitude of studies on employee ownership.

## Inquires

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