



*An invitation: Working together to retain businesses
and invigorate local economies through employee
ownership*

*... An opportunity for IBA Leaders to become
transformation catalysts...*

INTRODUCTION

Coherence Collaborative

- *Deep listening for clarity & connection*
- *One minute guided meditation*



THE SILVER TSUNAMI - CHALLENGE & OPPORTUNITY

Local Business Retention & Expansion through Employee Ownership



- **Baby-boomers** own over 50% of all businesses with employees in the US
- **6 in 10 companies** will close or be sold in the next decade
- **48% of business owners** *don't have an exit plan*



THE SILVER TSUNAMI - CHALLENGE & OPPORTUNITY

- *Selling a business isn't easy - only **1 in 5** businesses that go to market are sold*
- *Most owners are unprepared, few understand their options*
- *Consequences of being unprepared:*
 - *For owners - No plan, no exit*
 - *For employees and families - **33%** of jobs are at risk*
 - *For local economies - Many businesses could close their doors or be bought and relocated by out-of-town buyers*

IBA leaders are a key to the solution



BREAKOUT SESSION - 1

- *Share what's coming up for you, at the grassroots?*
- *What are your experiences with sale or closure of businesses, your own or others', good and bad?*



INFINITY POINT CDFI

A Not-for-Profit Community Development Financial Institution (CDFI)

Focus: Converting companies to Next-Generation Employee Ownership

We provide owners & their companies with:

- *Bridge Financing*
- *Professional Services*
- *Employee Stock Ownership Plan (ESOP)-focused fund*



INFINITY POINT CDFI

WE ARE PARTNERING WITH COMMUNITY & BUSINESS LEADERS

- *A key part of the solution*
- *Help create important change*
- *Enjoy new income and leadership opportunities*
- *Expand IBA offerings and networks*



FUND, ACCELERATOR & PLATFORM



The Impact Fund & Accelerator enables retiring legacy owners to **pass the torch** to hundreds of next-generation companies and many thousands of grassroots worker-owners

1

Assists **legacy businesses owners** in passing the torch

Successful business owners receive bridge capital and services to accelerate company transformation. Legacy businesses are preserved and upgraded with next-generation best practices

2

To create **next-generation worker-owned enterprises at scale**

Hi-engagement ownership cultures, aligned around business mission and organizational success, supercharge business performance and develop entrepreneurial leaders who think and act like owners

3

Creating a platform to transform **communities and regional economies**

Regional networks of high-engagement worker-owned companies create a platform for marketplace innovation, upskill workforces, support entrepreneurial cultures, and expand ownership opportunities to widening circles of workers, customers and citizens

HIGH-ENGAGEMENT WORKER-OWNERSHIP: A FIVE-WAY WIN-WIN SOLUTION



[WANT TO LEARN MORE?](#)





BUSINESS OWNER WANTS & NEEDS

- 1. Get a good price for the business*
- 2. Reduce taxes*
- 3. Control the process & terms of sale*
- 4. Protect & reward employees who helped build the business*
- 5. Preserve their business legacy*



INFINITY POINT CDFI

What Options do Owners Have for Selling their Business?

- 1. Shut down and sell the assets*
- 2. Transfer to family*
- 3. Sell to a third party (Competitor or Private Equity)*
- 4. Sell to their employees*



WHAT IS **THE BEST WAY TO SELL A BUSINESS ?**

	<i>Receive market value?</i>	<i>Special Tax benefits?</i>	<i>Control terms and process?</i>	<i>Protect employees?</i>	<i>Preserve legacy?</i>
<i>Close the Business</i>	<i>No</i>	<i>No</i>	<i>N/A</i>	<i>No</i>	<i>No</i>
<i>Family Transfer</i>	<i>Unlikely</i>	<i>No</i>	<i>Maybe</i>	<i>Maybe</i>	<i>Low success rate (10%)</i>
<i>Sale to Third Party - Competitor or Private Equity</i>	<i>Possibly</i>	<i>No</i>	<i>Unlikely</i>	<i>Unlikely</i>	<i>No</i>
<i>Employee Ownership</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>



INFINITY POINT CDFI

Employee Ownership is an All-Way Win-Win

Owners

- Sell for market value
- Eliminate or Defer cap gain taxes
- Control the terms
- Reward employees
- Preserve legacy

Companies

- Align workforce
- Operate tax free
- Perform better
- More resilient
- Double employee retention
- More socially responsible

Employees

- 33% higher income
- 2X job security
- 92% higher net worth
- *Learn to think & act like owners!*

Communities & Local Economies

- Retain companies & jobs for the long term
- Foster entrepreneurial cultures
- Create more engaged citizens



AMIBA – Next Steps

AMIBA National Campaign:

- *Business Succession Planning & EO Conversions*

Support to IBA Leaders:

- *Tools and resources on the website*
- *Direct links to resource-providers, including income & career opportunities*
- *Work with you to organize online convenings with business owners in local geographies*

***Our country is at a crossroads.
Who is inspired by this opportunity?***



BREAKOUT SESSION - 2

How Can a Campaign for Employee Ownership Conversions ...

- *Expand and strengthen IBA networks and offerings?*
- *Create opportunities for community and business leaders?*
- *Be a win-win for AMIBA, IBA Leaders and all involved?*



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