



YEAR IN REVIEW

*Employee-owners at
Maximum Fun*

EMBEDDING EMPLOYEE OWNERSHIP FOR COMMUNITY WEALTH BUILDING

{ Project Equity }



Joy Leila Cordova,
employee-owner at
Local Ocean Seafood

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This year marks a major milestone in Project Equity’s history—our **10 Year Anniversary**. It is a great pleasure to lead this remarkable and dedicated team during this momentous occasion. [Learn more about our journey over the past decade >](#)

Over the past year, we’ve focused on **collaboration for community wealth building**. Our engagements with partners, local government, industry groups and business organizations nationwide have amplified our impact and highlighted the importance of collective effort in developing community wealth. By joining forces, we are embedding employee ownership into the fabric of local and national economic strategies.

We innovated new pathways to **educate stakeholders** and fought hard to **advocate for policy changes**. Through initiatives like the [EO Equals campaign](#) and [service provider adoption](#), we have raised awareness about the benefits of employee ownership and helped business professionals become EO educated. Our efforts in this area are aimed at creating a ripple effect that engages

more business owners in considering this transformative model.

We launched research partnerships that are providing critical insights into the intersection of employee ownership and racial equity. These studies are not just academic exercises; they are blueprints for action, guiding us in our efforts to close the racial wealth gap and build intergenerational wealth in underserved communities.

This year has been marked by a steadfast commitment to **empowerment through inclusivity**. Each employee ownership transition is a transformation to a model where workers are not just employees but owners and decision-makers. This means that ensuring just and equitable transition processes where all workers are meaningfully engaged is crucial. We have incorporated language justice into

the design of our workshops and created entirely new post-transition THRIVE program approaches for Employee Ownership Trust (EOT) models.

I invite you to read more about these accomplishments in this report. If you’re inspired by the power of employee ownership, I hope that you will consider making a special gift to our [10 Year Anniversary Campaign](#) this year.

Thank you for being part of this transformative journey.

With gratitude,

Evan Edwards
CEO, Project Equity



At Project Equity, we envision a more equitable society where employee ownership is a preferred business model that strengthens small businesses, creates quality jobs and builds wealth for Black, Brown and low-income workers.

In service to our mission, we foster economic resiliency by demonstrating and replicating strategies that have meaningful impact for workers and that help to scale employee ownership nationally. Over the past year, we've focused on collaboration for community wealth building, stakeholder education, advocacy for policy change and empowerment through inclusivity.

We're excited to share national highlights of our work from April 2023 through March 2024 and to uplift stories of impact in the West, Central and South regions.



Our impact at a glance

April 2023 through March 2024

3,200

Stakeholders educated about employee ownership

167

Businesses advised on becoming employee-owned

37

Businesses provided with hands-on technical assistance


869

Workers at these 37 businesses

Position



Taylor Kidd, employee-owner at Resource Development Associates, Inc.



Alison Lingane, Co-founder, Chief Innovation and Investment Officer, Hilary Abell, Co-founder, Chief Policy and Impact Officer (right) and Evan Edwards, CEO (left)

RAISING NATIONAL AWARENESS FOR EMPLOYEE OWNERSHIP

Scaling employee ownership requires building broad awareness.

Project Equity leverages video and written stories, advertising, data visualizations, webinars, events, social media and earned media to inform and educate individuals around the country. In 2023, Project Equity was mentioned in the press 397 times, including two articles in *Forbes* authored by Project Equity CEO Evan Edwards. That represents a total potential audience of 480 million.

Media highlights from 2023

- [Reimagining Work Through A Shared Ownership Model](#), *Forbes*, September 12, 2023
- [How Project Equity is surfing the 'silver tsunami' to help turn employees into owners](#), *Impact Alpha*, February 17, 2023
- [LA County to Launch Free Employee Ownership Consultation and Assistance Services for Business Owners](#), *LA Post*, November 28, 2023

EMPLOYEE OWNERSHIP FOR MANUFACTURERS

In August 2023, Project Equity published *Employee Ownership for Manufacturers*, which highlights this underutilized strategy for creating resilient supply chains and quality jobs in the sector.

This topic is especially pertinent for the manufacturing industry given an increasingly fragile supply chain, a growing workforce shortage and a wave of retiring business owners. The paper shares the case study of Hummingbird Wholesale, a client referred to us by our partner the Oregon Manufacturing Extension Partnership (OMEP).

Project Equity presented findings from the whitepaper at the annual national Manufacturing Extension Partnership conference to raise awareness about employee ownership as an exit strategy for manufacturers. We continue to engage centers across the county.



Sam Merkel, employee-owner at Adams & Chittendam Scientific Glass



HEALTHCARE ANCHOR INSTITUTIONS

Advancing employee ownership is one way that anchor institutions can create better health and economic outcomes for local workers, small business owners and communities.

In pursuit of this aim, members of the Healthcare Anchor Network (HAN) partnered with Obran Cooperative and Project Equity to create the Business Resiliency through Employee Ownership (BREO) initiative following the successful completion of a pilot project with Kaiser Permanente. Project Equity hosted four webinars, educating 150 businesses that supply goods or services to participating health systems and corporations supporting supplier diversity.

We also presented at the National Minority Supplier Development Council Conference and the 2023 HAN Annual Convening alongside BREO partners to illustrate the potential for building supply chain resiliency and community wealth through employee ownership.






EO EQUALS

The Kendeda Fund’s “Big Bet” investment in employee ownership included a nationwide communications campaign called EO Equals.

For the last two years, this collaboration between Project Equity, Evergreen Cooperatives, Nexus Community Partners and the ICA Group, has leveraged social media, advertising and media placements to educate business owners about the benefits of employee ownership. During this time, these messages were viewed over 16 million times. The campaign has also generated many valuable insights into business owners’ motivations for exploring employee ownership, typical succession planning practices, the effectiveness of various media channels and partners, and the types of language and narratives that resonate with business owners.

Project Equity and Evergreen are carrying the campaign forward. We are in the process of reorganizing EO Equals to broaden and deepen its membership, creating a platform where all the players in the EO space can share their news and information and get access to messaging, videos, case studies and social media posts that will uplift the entire employee ownership field.





Oscar Morales Ruiz,
employee-owner at
Local Ocean Seafood

EO CATALYST FUND UPDATE

We launched the *Employee Ownership Catalyst Fund* timed with Labor Day in 2021, in partnership with Mission Driven Finance, to bring much-needed flexible capital into the employee ownership space and provide a wider range of onramps for businesses to progress toward transitions.

The EO Catalyst Fund has raised nearly \$6 million thus far, of which we were able to deploy over \$1 million to LMI workers and workers of color in 2023. This included transition financing, forgivable loans to help small businesses achieve greater financial stability and improved job quality, and financing a partial sale to an ESOP— a first for the fund and Project Equity. Since its formation, the EO Catalyst Fund has financed six transitions, encompassing both partial and 100% transitions across all three main forms of broad-based employee ownership (worker coops, EOTs and ESOPs).

Every loan from the EO Catalyst Fund is an employee ownership success story in the making. To learn more about the fund and how you can be a part of its success, contact Alison Lingane at alison@project-equity.org.

DEVELOPING THRIVE FOR EOTS

We are seeing increasing interest from selling owners in converting their businesses to Employee Ownership Trusts (EOTs) – trusts that holds some or all of the shares of a company on behalf of the employees.

Forming an EOT ensures employees have a share in profits, a voice in governance and that the mission of the business—and its jobs—can be preserved for generations to come. With our deep knowledge in the employee ownership space, Project Equity is uniquely positioned to guide businesses through the EOT transition process.

We have leveraged our experience with designing and implementing our two-year, post-transition Thrive program for worker cooperatives to provide supportive, hands-on guidance for EOTs. This includes creating both governance and management evaluation infrastructure and developing key performance indicators (KPIs) specific to employee ownership reporting.





CT3 EDUCATION

“I truly believe in the employee ownership concept and the benefits it can provide. It can create long-term wealth; creating generational wealth for those who traditionally might not gain that opportunity is exciting.”

- Greg Pace, Financial Advisor and ESOP Committee Member, CT3 Education

CT3 Education offers professional development, teacher coaching, teacher training and classroom management strategies for teachers of underserved communities. As part of their commitment to equity-based practices that deconstruct systems, the owner consulted with Project Equity about divesting ownership to her majority BIPOC employees.

We enacted a plan to achieve the appropriate benchmarks for an employee stock ownership plan (ESOP) and held sessions to engage employees early in the process for shared buy-in and understanding. We brought in Brian Khorsand, President at Khorsand ESOP Advisory (KEA), to lead the feasibility study with our support and helped to identify capital options for this 30% partial transition. In addition, we were able to use the ***Employee Ownership Catalyst Fund*** in its objective to provide flexible financing for various forms of employee ownership.



Employee-owners at
Resource Development
Associates, Inc.



RESOURCE DEVELOPMENT ASSOCIATES, INC.

“The Employee Ownership Trust definitely made the company more appealing to me. I really liked the idea of working for a company that was focused not only on how to benefit our clients, but how to benefit our staff.”

- Charlene Taylor, employee-owner at Resource Development Associates, Inc.

Project Equity supported Resource Development Associates, Inc.—a mission-driven consulting firm based in Oakland—with their transition to an Employee Ownership Trust (EOT), a type of perpetual purpose trust that can incorporate democratic governance qualities found in worker-owned cooperatives. Following a conversation with former CEO Patricia Marrone Bennett, PhD on succession planning, our client services team assisted with a feasibility analysis and transition support, including securing a loan from the Employee Ownership Catalyst Fund.

In the new business structure, employees serve on both governing bodies - the Trust Stewardship Committee and the corporate board. Employees are also participating in our two-year, post-transition THRIVE program to further define a profit sharing program and implement EOT-related policies within the company.



MAXIMUM FUN

“Maximum Fun has always operated under the principle that doing what is right is more important than doing what is most profitable, and that the company should grow responsibly, for the long term.”

– Jesse Thorn, Founder and selling owner

On June 30, 2023, [Maximum Fun](#)—a podcast network that is home to over 70 shows – officially converted to a worker-owned cooperative. Maximum Fun has always operated under the principle that the company should grow responsibly, for the long term. Now, the worker-owners are entrusted with upholding these values. And, in an industry riddled with the challenges of private equity swooping in, Maximum Fun’s team own their work and control their future. Project Equity guided them through their transition and helped secure capital through loan financing with [Accelerate Employee Ownership](#).

Watch the [Maximum Fun video](#) >



Employee-owners at Maximum Fun



Kieron Slaughter, Chief Strategist, Economic Innovation for the City of Berkeley's Office of Economic Development

EAST BAY ENGAGEMENT

Project Equity renewed our contract with the City of Berkeley—our longest-running government partnership. Their revolving loan fund has been integral in financing multiple employee ownership transitions.

We recently worked with Berkeley to make small, but impactful changes to their business licensing requirements, making it easier for local businesses to become employee-owned. Changes like these show the City's commitment to permanently embedding employee ownership in Berkeley's economy. We have also partnered with Berkeley to engage other East Bay cities and agencies to evaluate a groundbreaking regional approach to advancing employee ownership as a means to preserve local businesses.

Meanwhile, other cities in the East Bay are driving forward employee ownership initiatives as well. As a result of our continued engagement with the City of Oakland and testimonials from employee-owned businesses, Oakland passed a resolution in support of the development of worker cooperatives, approving a report containing recommendations to promote the growth of cooperatives through a host of different strategies.



LA COUNTY PARTNERSHIP

Los Angeles County, in recently launching the *Employee Ownership LA County* initiative, has joined the Cities of Chicago, IL and Tucson, AZ in utilizing ARPA funds to support employee ownership transitions.

The *Employee Ownership in Los Angeles County* initiative is a business succession and recovery service aimed at preserving legacy small businesses and creating opportunities for shared ownership, wealth generation and economic mobility for workers and owners alike in Los Angeles County.

With the LA County Department of Economic Opportunity, Project Equity is raising awareness and providing technical assistance to small businesses. We are also building capacity among county staff to provide employee ownership consultations to business owners. This partnership is a tremendous opportunity to create long-term impact and employee ownership opportunities in the county with the highest number of Latine workers and 5th highest number of Black workers in the U.S.



Evan Edwards, CEO, speaking at the LA County Employee Ownership Conference

*Blanca Trujillo, worker-owner
at Promotoras Activas SF, poses
with her daughter*

WORKFORCE DEVELOPMENT BOARD ENGAGEMENT

Project Equity frequently engages with workforce development boards as part of our efforts to embed employee ownership within local ecosystems and infrastructure. Following our presentation at the 2023 Annual Conference of the California Workforce Association, the Alameda County Workforce Development Board officially contracted Project Equity to provide employee ownership education, technical assistance, and layoff aversion strategies to support resiliency and job retention for businesses in Alameda County. Additionally, NOVAWorks - the workforce development board for San Mateo County and northern Santa Clara County cities - hosted Project Equity on a panel for attendees of the California Labor Federation's Building Workforce Partnerships conference.

TUCSON

Project Equity completed its **ARPA-funded partnership** with the City of Tucson in November 2023. In this collaboration, Project Equity conducted a data analysis of businesses in Tucson to assess potential fit for employee ownership and built awareness of opportunities through marketing, press releases, local storytelling, events, mailers, a landing page on the City's website, and one-on-one technical assistance to interested business owners. We are proud to have reached our goal to help three Tucson businesses complete employee ownership feasibility assessments, and delighted to share that one of these businesses has already signed on to begin a transition to employee ownership.

LATINE COMMUNITIES ENGAGEMENT

Through collaborations in priority communities across California, we have expanded our outreach and impact with Latine workers. These include Fresno, Monterey, Riverside and San Bernardino Counties (~50% of all workers across each county are Latine) and San Joaquin County (~40%). Over the past year, we have presented on employee ownership to the Central Valley Immigrant Integration Collaborative in collaboration with partners in Fresno County. We also hosted a roundtable for local leaders in partnership with Supervisorial District 4 in Monterey County, and held an event for business owners in Riverside and San Bernardino Counties with the MicroEnterprise Collaborative of Inland Southern California.





BIRMINGHAM ENGAGEMENT

As part of our Black Employee Ownership Initiative, Project Equity's CEO Evan Edwards and Director of Regional Engagement Sarah McBroom engaged in conversations in Birmingham, AL during the 2023 Small Business Week.

Evan Edwards spoke at an event coordinated by the Birmingham Business Alliance and hosted at the Negro Southern League Museum that highlighted the importance of retaining legacy businesses. The City of Birmingham's Office of Business Diversity and Opportunity featured Sarah McBroom on a *Small Business Big Opportunity* webinar.

In addition to the City of Birmingham and Birmingham Business Alliance, Project Equity is collaborating with the newly formed Alabama Center for Employee Ownership and Regions Bank's Birmingham Black-Owned Business Initiative.



Dorothy George, Small Business Relationship Coordinator for the City of Birmingham's Office of Business Diversity and Opportunity, photographed at Project Equity's Employee Ownership Equity Summit

Dr. Cynthia Hewitt, PhD,
Morehouse College



RESEARCH PARTNERSHIP WITH MOREHOUSE AND UC RIVERSIDE

Last year, Project Equity partnered with Morehouse College in Atlanta, GA to produce two groundbreaking studies that explored how employee ownership for Black workers can close the racial wealth gap.

Building upon these studies, we have launched a two-year research project in collaboration with Morehouse College and the University of California at Riverside to further investigate hypotheses related to increasing Black income and wealth through employee ownership.

This unprecedented quantitative and qualitative research—funded by the Robert Wood Johnson Foundation and the Workrise Network—will explore the impact of employee ownership on Black workers and the potential challenges for Black business owners and Black workforces in pursuing employee ownership models. We will use this study to inform policy recommendations that make employee ownership models more accessible to Black business owners and those with large Black workforces. Our aim in growing business ownership in Black communities is to build long-term pathways to intergenerational wealth and prosperity.





SOUTHEAST ENGAGEMENT

“Ultimately, our mission is rooted in a deep concern for the well-being of the Southern communities we serve,” said Nijil Jones, founder and worker-owner of Pecan Milk Co-op. “We are dedicated to making a positive impact and ensuring that the economic and social benefits of our work remain within the communities we call home.”

Project Equity’s [2023 Employee Ownership Equity Summit](#) has inspired government, business and community representatives from the Southeast region.

Communities in Atlanta, GA, Austin, TX, Birmingham, AL and Miami, FL continue to meet and share ideas and resources to advance employee ownership initiatives in their regions.



*Antonio Little (“Chef Sunni”),
employee-owner at Pecan Milk
Co-op, an Atlanta-based
worker cooperative*



IMPROVE GROUP

In partnership with Nexus Community Partners, Project Equity assisted The Improve Group—a Saint Paul-based consultancy that helps mission-driven organizations achieve meaningful, sustained impact—with their transition to a worker cooperative.

Because Project Equity has a commitment to bring employee ownership to scale as a normalized part of the business ecosystem, a large part of our work focuses on enabling other organizations to provide transition support. By training staff at Nexus Community Partners, we empowered them with the skills and resources to collaborate on this transition, working closely to achieve an optimal balance of control, benefit, and risk for the business and securing loan capital through the Shared Capital Cooperative.



Project
Equity

*Leah Goldstein Moses,
employee-owner
at The Improve Group*



CHICAGO PARTNERSHIP

In 2023, Project Equity joined 17 other organizations as part of the City of Chicago’s historic \$15M Community Wealth Building Program that seeks to catalyze a sustainable economic recovery and advance economic and racial equity.

Over the last year, Project Equity has built relationships with business-serving firms and organizations in Chicago—partnering with them on educational events, such as a live webinar with the Illinois Small Business Development Center, as well as on technical assistance for local small businesses. As a result, two Chicago businesses have already begun employee ownership feasibility assessments with Project Equity.



CHICAGO EPI EVENT / SERVICE PROVIDER ADOPTION INITIATIVE

In August 2023, Project Equity's CEO Evan Edwards and Senior Vice President, Head of Programs Stacey Smith presented *Employee Ownership as an Exit Option* for the Exit Planning Institute's Chicago affiliate as part of our service provider adoption initiative.

Launched in 2023, this initiative aims to raise awareness of employee ownership as a succession planning strategy, provide educational resources and develop industry certifications for business advisors. Our [ExitPro 101](#) course is offered on-demand and is accredited for continuing education credits by the Certified Financial Planner Board and Exit Planning Institute's Certified Exit Planning Advisor program.

We will expand our offerings for business advisors over the coming year with an 8-module certificate bundle hosted on various learning platforms. We aim to accelerate business advisor awareness and adoption of employee ownership nationwide with our comprehensive training.

Stacey Smith, Senior Vice President, Head of Programs at Project Equity





*Evan Edwards, Chief Executive Officer,
Project Equity and Melvin Carter,
Mayor of Saint Paul, Minnesota*



SAINT PAUL PARTNERSHIP

In November 2023, Project Equity launched a formal partnership with the City of Saint Paul to conduct a data analysis on the business retention risk posed by the impending retirement of owners of small, legacy businesses in the area.

We will use the findings from this study to raise awareness of the opportunity for employee ownership as a strategy to retain local businesses and build wealth for low-income workers and workers of color. This will include hosting a series of educational events and a regional convening. We will also conduct a local policy feasibility assessment to determine the viability of new policies and programs to embed employee ownership infrastructure in city government.

OUR 2023 COLLABORATORS & SUPPORTERS

Thank you for working with us to drive the employee ownership movement to scale

INSTITUTIONAL SUPPORT

Alameda County Workforce Development Board
BMO
The California Wellness Foundation
City of Berkeley
City of Chicago
City of Tucson
CTBC Bank
eBay Foundation
Elbaz Family Foundation
The James Irvine Foundation
JPMorgan Chase & Co.
Kaiser Permanente
The Kendeda Fund
Los Angeles County
MetLife Foundation
Mission Economic Development Agency
North Coast Small Business Development Center
New World Foundation
PixelSpoke
Prudential Foundation
Robert Wood Johnson Foundation
Saint Paul Minnesota Foundation
The San Francisco Foundation
Social Entrepreneurs for Economic Development (SEED)
Target Foundation
Truist Foundation
U.S. Bank
Wells Fargo Foundation
Whatcom Community Foundation
W.K. Kellogg Foundation
Y&H Soda Foundation

INDIVIDUAL SUPPORT

Hilary Abell
John Abrams
David Antoni
Amy Brakeman
Peter Brantley
Amanda Calder
Timothy Carlson
Cynthia Chavez
Anna Forrester and Mitchell Young
Russell Hackmann
Lisa Harrington
Jordan Klein
Eric Leenson
Alison Lingane
Shane Thomas McCarthy
Chris Meade
Donna Mickleson
Nathan Miller
Michael Perez
Dave Policano
George Quaye
Derek Shiels
Stacey Smith
Steve Storkan
Alissa Wilson

PARTNERS

A Slice of New York
Atlanta Wealth Building Initiative
Birmingham Business Alliance
BLab Portland
Bread Bakers Guild of America
California Center for Cooperative Development

California Hispanic Chamber
California Labor Federation
California Workforce Association
Capital Impact Partners
Catalyst Miami
Center for Community Based Enterprise
Central Valley Immigrant Integration Collaborative
Certified Employee-Owned
Certified Financial Planner Board
Chicago Community Loan Fund
City of Birmingham
City of Saint Paul
Co-op Cincy
Connecticut Center for Employee Ownership
Cooperative Development Institute
Cooperative Fund of New England
CSG Partners
Democracy at Work Institute
Employee Ownership Expansion Network
Evergreen Cooperatives
Exit Planning Institute
Financial Planning Association
Florida Center for Employee Ownership
Georgia Center for Employee Ownership
Healthcare Anchor Network
ICA Group
Illinois Center for Employee Ownership
Inland Empire Community Collaborative
International Business Innovation Association
Iowa Center for Employee Ownership
Kaiser Permanente
Local First Arizona
Manufacturing Extension Partnership
Marin County Small Business Development Center
Miami Workers' Center
Michigan Center for Employee Ownership

Minnesota Center for Employee Ownership
Mission Driven Finance
Mission Economic Development Agency
Missouri Center for Employee Ownership
Morehouse College
Mounterey County
myCPE
National Association of Personal Financial Advisors
National Minority Supplier Development Council
National Sustainable Agriculture Coalition
Net Impact, Chicago Booth School of Business
Nexus Community Partners
North Carolina Employee Ownership Center
Northern California Small Business Development Center
Northwest Cooperative Development Center
Obran Cooperative
Opportunity Finance Network
Ownership America
Pennsylvania Center for Employee Ownership
Philanthropy California
REDF
Regions Bank Black Owned-Business Initiative
SEIU United Healthcare Workers West
Shared Capital Cooperative
Small Business Majority
Small Business University
Sustainable Economies Law Center
Tennessee Center for Employee Ownership
Texas Center for Employee Ownership
The ICA Group
The Unique CPA podcast
U.S. Federation of Worker Cooperatives
UC Riverside School of Public Policy
University of Arkansas Family Enterprise Center
Village Micro Fund
Wisconsin Center for Employee
WISE Los Angeles
Women's Business Enterprise Council
Worker-Owned Recovery California Coalition



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{ Project Equity }

