

Steps to an employee ownership transition (a general guide)

- 1) **Start early** – Be prepared so you don't have to suddenly close your business
- 2) **Evaluate options** – Including selling to family members, management, an outside purchaser (such as a supplier, customer, competitor, investor), or employees via ESOP or cooperative
- 3) **Create a timeline for your transition** – Ensure your company's financials and other systems are in order
- 4) **Identify and train successors** – Be ready to transfer customer and vendor relationships to your employees to ensure a smooth transition
- 5) **Plan for tax exposure** – Talk to an accountant and be sure you're prepared
- 6) **Get legal advice** – Any transition needs to be legally sound
- 7) **Create a retirement plan** – For you and for your employees



What type of employee ownership might be best for you?

