

**JERRY GILBERT
of
ABACUS DESIGN ASSOCIATES LTD**

**“THE ROAD TO BECOMING
AN EMPLOYEE OWNED
BUSINESS”**

An owner’s personal journey

BACKGROUND

- The business operation

THE BUSINESS OPERATION

- Structural Design



Abacus Design Associates Ltd is wholly owned by Abacus Design Associates Employees' Trust for the benefit of its employees and clients

THE BUSINESS OPERATION

- Civil Engineering Design



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BACKGROUND

- The business operation
- Our aims / mission statement

OUR AIMS / MISSION STATEMENT

The objectives of Abacus Design are:

- To achieve complete customer satisfaction by providing a quality service at reasonable cost
- To profitably undertake a wide range of varied and interesting projects
- To provide our staff with a safe, enjoyable, progressive and fulfilling working environment
- To operate in an ethical, polite and environmentally friendly manner

BACKGROUND

- The business operation
- Our aims / mission statement
- Ownership succession

OWNERSHIP SUCCESSION

- Directors / shareholders
- Sold shares in 2005 and bought back in 2007
- In Autumn 2009, I still owned 95%
- Senior staff not in position to buy shares

MY OBJECTIVES

- Gradual retirement:
- Employees to be future owners of the business:
- Fair sale price:
- Reward and attract staff:

OPTIONS FOR OWNERSHIP TRANSFER

- Selling to senior staff
- Selling to a larger external organisation
- Merger with another practice
- Wind the business down near my proposed retirement date

THE CHOSEN ROUTE

EMPLOYEE OWNERSHIP

- I received a fair price for the business
- The business remains independent.
- All staff gain a significant incentive to work effectively
- By the business profits being shared out between all staff, each employee is rewarded directly,
- Staff recruitment (and retention) becomes easier
- Enlightened clients see the new status as a very stable business model
- The “shared-goals” approach helps to encourage all employees to maximise profitability

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EMPLOYEE OWNERSHIP OF

ABACUS DESIGN ASSOCIATES LTD

- NUTS AND BOLTS

- General
- Employee Trust
- Management structure of Abacus Design
- The form of Employee Ownership
- Timing of the “sale” and personal tax

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HOW IS IT SO FAR?

- 3 months into new ownership regime
- Difficult trading conditions
- “Open” policy has helped staff accept difficult decisions