ESCA

EMPLOYEE-OWNED S CORPORATIONS OF AMERICA

Rhode Island

★**Employee-owners at ESCA Companies in Rhode Island:** 370+

★**Companies with locations in Rhode Island (10):** Consigli • EA Engineering, Inc. • Ferrellgas • Houchens • Jasper Engines & Transmissions • Lewis Tree Service • Parksite, Inc. • SCS Engineers • Sonalysts • Web Industries, Inc.

★ESCA companies located in Rhode Island cover a broad range of industries from architecture and planning to utilities and energy to outsourcing and manufacturing.

★ESCA is the only organization that speaks exclusively for the interests of over 170 S Corporation ESOP Companies with approximately 205,000 employee-owners across the nation.

Facts about S ESOPs…

- ✓ While nearly 46% of working Americans do not have access to an employer-sponsored retirement savings plan, ***all S corporation ESOP participants do have a plan***, and that plan is ***wholly funded by their companies.***
- ✓ More than 55% of Americans over the age of 55 have no retirement savings. Meanwhile, S ESOPs are powerful savings vehicles:
  - Retirement ***account balances are meaningfully higher*** than the average 401(k).
  - ***Distributions to participants totaled nearly $38 billion*** from 2002-2014.
  - Today, workers are seeing ***$14 billion in new savings*** each year.
- ✓ By increasing capital ownership, **ESOPs reduce wealth inequality** and do not have the effect of trading employee ownership for wages.
- ✓ S ESOPs in particular lead to **greater firm longevity and higher wages, wage growth, job stability, retirement plan contributions, employment, and sales**.
- ✓ From 2002-2012, ***S ESOPs outperformed the S&P 500 by 62% percent*** in terms of total return per participant and ***net assets in S ESOP accounts increased over 300%.***
- ✓ S ESOPs have strikingly fewer loan defaults than other businesses**: on average, an unusually low 0.2 percent annually**.
- ✓ On net, ***employment among S ESOP firms increased over 60%*** from 2001-2011 as compared to zero job growth in the private sector, and S ESOP companies weathered the economic storms better than their non-ESOP counterparts in ***job creation and preservation***.
- ✓ Every year S ESOPs' higher productivity, profitability, job stability and job growth generate a collective ***$19 billion in economic value that otherwise would not exist.***