

OPINION COLUMNS

Paul Kennedy: When ownership stays local, so does everything else




Paul Kennedy Contributed

By Paul Kennedy

June 18, 2026 at 8:00 AM

 Listen

 Comments

 Share

 Opinion

Imagine you work for a small Midwestern company that has been bought and sold seven times in 10 years. Each time, decisions about your company's future — your future — were made by someone farther away from you than before. Someone who had never met you or your coworkers. Someone who had never visited your community and might not even know where to find it on a map.

That's what DSG employees had experienced, and by 1991, a group of 34 were ready for a change. They pooled their life savings, borrowed \$7 million at an outrageous interest rate, and bought the company back. Not because it was the safe bet. Because they believed that when ownership stays close to home, so does everything that matters.

By the time I joined DSG eight years ago, I found more than just a business. I found a team of people who are deeply invested in building a future for themselves, their families, and their communities. Today, DSG is one of the largest employee-owned companies in Minnesota.

At employee-owned companies, employees are owners through an Employee Stock Ownership Plan (ESOP), a direct contribution program in which employees earn company stock over time. As the company grows, so does the value of their retirement savings through the shares they've earned.

This model changes the relationship between a company and the place it calls home. Employee-owners live in the communities they serve. They shop at the same stores. They send their kids to the same schools. They coach Little League. Behind the counter is not a distant corporation. It's a neighbor, someone with a real stake in both the business and the community.

That is what is missing from too many communities today. Not just jobs, but companies that actually care about the people they serve and the people they employ.

And that care is not one-sided. When a company invests in the people around it, those people invest back. You see it in how employee-owners show up every day. You see it in how long they stay.

The median tenure at ESOP companies is about [50 percent higher](https://www.ownershipconomy.org/research/2018-)(<https://www.ownershipconomy.org/research/2018->

[update/](#)) than at traditional firms, because the work feels more meaningful.

I have attended more retirement parties than I can count at DSG. The stories are remarkably consistent: people who joined as truck drivers or warehouse workers, grew with the company, and retired with an ESOP balance that changed their family's financial future in ways they never imagined. They can now put kids through college, buy their dream home, or retire earlier than they ever thought possible.

That is not a coincidence. It is a structure that rewards people for the long haul. And it fits a place like Minnesota perfectly.

With 257 ESOPs and over a million employee-owners, Minnesota ranks among the top states for employee ownership in the country. It is one of only two states with [over a million ESOP plan participants\(https://www.esop.org/maps/us-esop-heatmap.php\)](#) . That is not an accident. Midwestern values like hard work, humility, and taking care of your neighbor are the same values that make successful employee-owned companies run.

A [Rutgers study\(https://cleo.rutgers.edu/wp-content/uploads/2025/06/Birkhead-Reseach-Brief-FINAL.pdf\)](#) found that ESOPs are more likely to take root and thrive in communities built on trust, collective effort, and mutual investment. Minnesota has always been that kind of place.

While Minnesota is a shining example of employee ownership, we need more businesses like this across the country.

Too many business owners never hear about employee ownership as an option when planning their exit. That is a problem with access, not appetite.

Bipartisan legislation like the [Promotion and Expansion of Private Employee Ownership Act\(https://www.congress.gov/bill/119th-](#)


[congress/senate-bill/2461](#)) would change that by expanding technical assistance and making it easier for retiring owners to consider selling to their employees.

Sen. Tina Smith, Sen. Amy Klobuchar and Rep. Angie Craig have already signed on as cosponsors. The rest of Congress should follow their lead and help make employee ownership more accessible nationwide.

This year, DSG celebrates 30 years of employee ownership. Thirty years of decisions made locally. Thirty years of proving that when ownership stays close to home, everything that matters does too.

Those 34 employees bet on themselves and each other and won. It is time to give more workers the same chance.

Paul Kennedy is president and CEO of Dakota Supply Group, based in Plymouth, Minnesota. He wrote this column for Employee Owned S Corporations of America, or ESCA.

 Comments

[\(#conversations\)](#)

 Share

 Opinion

ADVERTISEMENT

 **MORE STORIES FOR YOU**



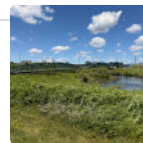
Deanna Hahn: A Kodak moment — minus the Kodak

<https://www.postbulletin.com/opinion/columns/deanna-hahn-a-kodak-moment-minus-the-kodak>



Tim Hornseth: My wife is a serial killer

<https://www.postbulletin.com/opinion/columns/tim-hornseth-my-wife-is-a-serial-killer>



Erik Noonan: What will it take to bridge other trail gaps in...

<https://www.postbulletin.com/opinion/columns/erik-noonan-what-will-it-take-to-bridge-other-trail-gaps-in-rochester>



Oscar-winning composer and Lake City native talks t...

<https://www.postbulletin.com/lifestyle/arts-and-entertainment/oscar-winning-composer-and-lake-city-native-talks-to-congress-about-ai>

0

LISTEN TO THIS ARTICLE

Loading Audio Player By Instaread, Please Wait...

0

CONVERSATION

