



2017 WIESOP Newsletter

Letter from the President

We leapt into ownership with ESOPs in 2016!

What a great year for our chapter! Members and guests enjoyed four events in our state, and we had another record-breaking attendance year. Thank you to our generous sponsors and dedicated chapter committee members for making this a very successful year.



We started 2016 with the annual Spring Conference held at the Sheraton Hotel Madison. This was a record breaking year with attendance at 105. The event featured two tracks for attendees to choose from: Communications/Culture and Technical. What a great way to start out the year with ESOP education and networking.

Our theme in 2016 was "Leap into Ownership with ESOPs" which worked perfectly for our summer event at Lambeau Field Stadium in Green Bay. Attendees participated in morning roundtable meetings for

CEOs, CFOs, HR professionals and ESOP committees, then toured either the Packer's stadium or hall of fame.

Our On-Site event was held at Ruekert & Mielke, Inc. in Waukesha. Thirty-one attendees learned the story of Ruekert & Mielke and received a tour of their beautiful facilities. The group participated in a discussion about educating employee-owners about ESOPs and shared ideas for keeping employee-owners engaged. Thank you to Ruekert & Mielke for sharing your space and story with us.

Wisconsin was honored to once again host the annual Midwest ESOP Regional Conference, which was held in Milwaukee at the historic Pfister Hotel. Attendance was another record-breaker with over 550 attendees who chose from five different educational tracks held over two days. Way to represent our ESOP pride, Wisconsin!

Discover the World of ESOPs: 2017!

The chapter committee has already starting planning the 2017 WI chapter events. We will start off the year with the chapter Spring Conference on March 16 at the Blue Harbor Resort in Sheboygan. We will continue our discovery theme for our summer event on June 6 at Discovery World in Milwaukee. The committee is also working on a few on-site company events for members. Do not forget about the Midwest ESOP Regional Conference, which will be held at the Hilton Downtown in Omaha, NE on September 7 and 8. More information on these events will be sent out soon via email. You can also visit our chapter website at www.wiesop.org. If you are also interested in attending the ESOP Association's national events, you can view that information online at www.esopassociation.org.



**Discover the
World of ESOPs**
2017

Thank you again to our chapter committee members, our member companies and of course, our very generous sponsors that made 2016 a great leap for ESOPs. We very much appreciate your continued support for the chapter in 2017!

Kimber Simos

President, The Wisconsin Chapter of The ESOP Association
Hatco Corporation



Government Relations Annual Recap

Legislative Updates

H.R. 2096 – Promotion and Expansion of Private Employee Ownership Act of 2015

Introduced in April 2015, H.R. 2096 provides for the following:

- Encourage owners of S corporations to sell their stock to an ESOP
- Provide additional technical assistance for companies that may be interested in forming an S corporation ESOP
- Protect small businesses that become ESOPs from losing their SBA certification
- Acknowledge the importance of preserving the S corporation ESOP structure in the Internal Revenue Code

There are currently 94 co-sponsors to this bill. Representative Ron Kind was an original co-sponsor and Representatives Gwen Moore, Glenn Grothman, Reid Ribble and Mark Pocan have signed on as well.

S. 1212 – Promotion and Expansion of Private Employee Ownership Act of 2015

Senator Ben Cardin (D-MD) introduced S. 1212, the “Promotion and Expansion of Private Employee Ownership Act” in May 2015 during the ESOP Association’s visit to Washington. The above House bill is the companion bill to this legislation.

There are currently 34 sponsors to this legislation and Senator Tammy Baldwin signed on May 11, 2015.

Wisconsin ESOP Capitol Hill Visits

During the national ESOP Association Annual Conference in Washington D.C., members of our Wisconsin Chapter visited Capitol Hill to meet with members of Congress and their staff. During these visits we achieved our main objectives:

- Educate about ESOPs and the benefits of employee ownership
- Discuss the current pro-ESOP legislation that encourages the creation of ESOPs (S. 1212, noting and H.R. 2096)
- Strengthen our relationship and rapport with congressional leaders so that they know us and our cause
- Reinforce our position with congressional members and their key advisors to make our voices heard (particularly in the case where tax law is drafted that negatively impacts ESOPs)

This was our eighth annual organized effort as a chapter, and we made a total of three visits. We were able to meet with staff members of Senators Tammy Baldwin and Ron Johnson as well as Congressmen Jim Sensenbrenner.



Midwest ESOP Conference

During the Midwest ESOP Conference in Milwaukee this past September, we were fortunate to have two pro-ESOP legislators extend their support to a group of almost 550 attendees. Representative Ron Kind was gracious in writing a letter expressing his ardent support of ESOPs throughout his district and the rest of the country. At the state level, Governor Walker has proclaimed October as Employee Ownership month for several years and many of us have had the opportunity to hear Lt. Governor Rebecca Kleefisch voice her support of employee ownership as well. While the Lt. Gov. could not be in attendance at this year's event, she did have a video prepared that echoed Representative Kind's sentiments relating to employee ownership. Thank you to Mary Stenvig of Realityworks and Sherri McDermott of Sentry Equipment for getting that support from our elected officials.

Employee Ownership Month

Governor Scott Walker recognized October 2016 as Wisconsin's Employee Ownership Month. The proclamation states that employee ownership helps Americans share in our nation's growth and prosperity by enabling citizens to accumulate capital stock in the business at which they are employed; that employee ownership has become an incentive for Americans to make the best of their talents and energies at their places of work, strengthening the potential of Wisconsin's businesses; that employee ownership helps create and retain jobs in our state; and that employee-owned firms benefit both companies and employees.

Wisconsin Federal Election Results

At the federal level, Wisconsin returns seven incumbent congressional representatives and one newcomer. Mike Gallagher from the 8th Congressional District fills the seat vacated by ESOP supporter Reid Ribble. We certainly can't wait to meet the new congressman and hopefully get him to support ESOPs as many of his new colleagues have. Additionally, we will keep working on those that have yet to sign onto the pro-ESOP legislation. We will certainly focus on getting appointments with their offices during our trip to Washington D.C. in May.

Wisconsin House of Representative Members effective January 3, 2017

District	Representative	Met on ESOPs	ESOP Supporter
1st	Paul Ryan (R)	Yes	Yes
2nd	Mark Pocan (D)	No	Yes
3rd	Ron Kind (D)	Yes	Yes
4th	Gwenn Moore (D)	Yes	Yes
5th	F. James Sensenbrenner (R)	Yes	Hopeful
6th	Glenn Grothman (R)	Yes	Yes
7th	Sean Duffy (R)	Yes	Hopeful
8th	Mike Gallagher (R)	No	?



The Wisconsin Chapter of The **ESOP** Association

Serving the Entire ESOP Community

Senator Johnson was up for re-election this year and defeated longtime Senator Russ Feingold who was trying to recapture a Senate seat. Wisconsin ESOP chapter members have previously met with both of these Senators and, while Senator Baldwin has committed to ESOP support, Senator Johnson is still in the 'hopeful' category.

District	Representative	Met on ESOPs	ESOP Supporter
Senate	Senator Ron Johnson (R)	Yes	Hopeful
Senate	Senator Tammy Baldwin (D)	Yes	Yes

Conclusion

Our visits continue to be productive as we raise awareness and garner support. We need to constantly remind our representatives in Washington how great employee ownership is for their constituents, keeping this issue on the top of their minds as debate continues about tax law changes and deficit reduction measures. It is up to all of us to advocate for the issues that impact the ESOP community, and we must make a commitment to create opportunities to talk about the benefits of ESOPs with our congressional leaders.

We encourage ESOP companies - that means **YOU** - to communicate with your congressional representatives. Make a point to tell your company and your ESOP story - they don't know how great an ESOP is until they hear from you!

It is from legislators and their staff that we hear the **#1 way to gain their support** is to meet them in your local district. Whether it is an **invitation to your company or to visit them** at their town hall meetings or at other local functions. You can visit your individual representative's website; many have section that lists a mobile calendar or when they will be in the local area. The Wisconsin chapter website has many tools to assist you, including a **Quick Guide for Congressional Visit, a current legislation listing, and other resources here on this website.**

Please **let us know your plans for congressional visits** or communications, and **if you've already made contacts** this year already, **let us know** that too! Your Wisconsin chapter government relations committee will be following up with you soon. In the meantime, feel free to contact us.

Feel free to contact any of the Wisconsin chapter government relations committee member should you need assistance with congressional visits or communications.

Craig Olinger, Chair
Enterprise Services, Inc.
colinger@esi-enterprise.com
262.646.6490

Kimber Simos
Hatco Corporation
ksimos@hatcocorp.com
414.615.2253

Paul Karch
Husch Blackwell, LLP
paul.karch@huschblackwell.com
608.234.6055



2016 Chapter Activities Recap

2016 Spring Conference - "Leap into Ownership with ESOP"

March 3 at Sheraton Madison Hotel in Madison, WI

What a great start to 2016! We entertained 105 individuals. In addition to our WI chapter ESOP companies, we had six ESOP companies participate that are looking at joining our WI chapter. This was a great way to show them what we are all about: learning and networking experiences.

The opening session "mixer" was led by Dan Marcue of The ESOP Association, Kimber Simos of Hatco Corporation and Rhonda Leader of Sentry Equipment Corp. This interactive session proved to be a great ice-breaker and definitely got the crowd moving.

The morning breakout sessions were filled with more learning and activities. Craig Olinger, Mark Krieger and Mark Hanson shared a session on Understanding Financials. We learned not only what they share and teach at their individual companies, but also had an audience that had very valuable input to this session. Parallel to this session was Tim Stewart's presentation on "No More IRS Determination Letters! What is the Practical Effect on ESOP Companies"? Tim's audience participated in a skit as they learned how to navigate this topic.

New for the spring conference as a breakout session was an ESOP Communication Fair. This was set up in booth style and hosted by companies such as: Sentry Equipment Corp, Hatco, Priority Sign, Dakota Supply Group and Realityworks, Inc. The companies that hosted have found success in communicating within their companies, achieving the AACE Award or running for Employee Owner of the Year. Attendees could meander the fair asking questions on the material displayed or other general questions.

Vicki Graft and Brian Anderson presented on a hot topic from the Vegas meeting: Distributions-Lessons Learned. This topic was a success both in Vegas and in Madison, WI. Attendees of this session took away a lot of great information.

The afternoon did not slow down. Kellee Kroll of Principal Financial Group presented a workshop on ESOP committees. If you attended Kellee's session you would understand the workshop verbiage. She related topics from forming successful committees that have structure and a strategy for communicating, etc. back to her personal hobby of refinishing furniture.

Mickey Maier had a panel-style presentation on the topic of professional fiduciary services. Best practices were discussed including how an ESOP trustee deals with unsolicited and solicited offers, and the many issues faced by the board of directors. There were many great takeaways from this session as well.

The day closed with a "Where do we go from here?" roundtable and networking opportunities hosted by a menagerie of expert ESOP companies and our usual raffle and prize event.

A special thank you to our conference sponsors: Blue Ridge ESOP Associates, DeWitt Ross & Stevens, ESI – Enterprise Services, Inc., ESOP Partners, Principal Financial Group, Whyte Hirschboeck Dudek S.C. and Crowe Horwath.

This was a great conference and start to 2016. Thank you to all who participated!



2016 Roundtables & Social

June 7 at the Green Bay Packers' Lambeau Field Stadium

Members received a welcome and introduction from Wisconsin ESOP Chapter President, Kimber Simos of Hatco Corporation, followed by updates from those leading the programming, membership and government relations committees. The event was attended by 80 people from 30 different companies across the state of Wisconsin.

Lynnette Fritz welcomed three new companies to the WI ESOP Association as a result of an OwnersEdge, Inc. acquisition that was completed in April 2016. Those three new companies included BAYCOM, TourGuide Solutions and BAYCOM Cellular.



Individuals attending were encouraged to wear their team spirit apparel (yes, we did allow apparel from teams other than the Packers), but as expected there was more green and gold than any other color.

Lambeau Field Stadium provided an excellent venue for our meetings. The morning was filled with interactive roundtables for the following targeted groups: CEO, CFO, HR, ESOP Committees. Thanks to Victor Aspengren of Prairie Capital Advisors, Mary Stenvig of Realityworks, Lynnette Fritz of

OwnersEdge, Inc., and Christy Nukuna and Megan Herbert of Hatco for facilitating the roundtables.

A football challenge was enjoyed by the attendees during the morning and lunch hour, with proceeds donated to the Employee Ownership Foundation. Thanks to the generosity of the ESOP member companies and professional members who donated.

The roundtables were followed by a tailgate lunch buffet in the Lambeau Field Atrium along with tours of the legendary Lambeau Field or a tour of the Packer Hall of Fame Museum. Special thanks was given to Alan Ruffel of TourGuide Solutions (one of the newly acquired affiliate companies of OwnersEdge, Inc.). Alan volunteered to share headsets during the tours with the ESOP members to both introduce TourGuide as one of the new companies in the WI ESOP Association, and to enhance the overall tour experience for the group.



Group with the Chapter of the Year Award

A special thank you to our conference sponsors:

Blue Ridge ESOP Associates, ESI – Enterprise Services, Inc., ESOP Partners, Prairie Capital Advisors, Inc., Principal Financial Group and Whyte Hirschboeck Dudek S.C.



2016 Midwest ESOP Conference

September 8-9 at the Pfister Hotel, Milwaukee, WI

This year more than 550 current and prospective members of the Illinois, Iowa-Nebraska, Minnesota-Dakotas and Wisconsin Chapters gathered at the Pfister in downtown Milwaukee for the eighth annual Midwest ESOP Conference in September.

The keynote speaker was Mark Hanson, CFO of Western Building Products, a 100% employee-owned company. Western is a mature ESOP in its fourth decade of employee ownership. Mark captured the attention of the audience with his excellent story-telling and humor. He shared various techniques on how Western continues to prove the value of ownership to its current and potential employees.



Kessler Diamonds Group

During the conference, those in attendance enjoyed a variety of concurrent breakout sessions which included topics in the following five tracks: Technical, ESOP Essentials, Communication, Topics of Interest and Best of the Best. Participants also were able to take advantage of the ESOP Midwest mobile app to track their sessions, the speakers, presentations and other events during the conference.

Attendees were able to participate in a silent auction to benefit the Employee Ownership Foundation. Thursday's sessions ended with a social reception, allowing excellent networking opportunities for those attending the conference.

The conference concluded with lunch on Friday with an ESOP update from J. Michael Keeling, President of The ESOP Association. Representative Ron Kind, a member of the House Committee on Ways and Means, also spoke to the audience during lunch. Representative Kind has been a long-time supporter and co-sponsor of ESOP legislation, and frequently visits ESOP companies and employees in his 3rd congressional district.

A special thank you to BMO Harris Bank (Platinum Sponsor), Bremer Institutional Trust and ESOP Partners (Gold Sponsors) along with the numerous other sponsors who were able to make this event possible.



2016 ESOPs On-Site Event

November 4 at Ruekert & Mielke, Inc.

Ruekert & Mielke, a Pewaukee-based ESOP company and civil engineering firm that has been in existence since 1995, and who recently became 100% employee-owned in 2015, hosted an ESOP On-Site in the fall of 2016.

Twenty individuals attended the On-Site, representing eleven different companies.

CFO Ken Williams facilitated the morning session, which began with introductions of those in attendance along with the Ruekert & Mielke story.

The main topic for the On-Site was Employee Communication & Engagement. In addition to Ken's thoughts on this topic, attendees were encouraged to share how they educate and communicate about their ESOP to their employees and keep them engaged throughout the year. Everyone was also invited to bring handouts and other electronic materials to share with the group.

The event concluded with a Q&A session and tour of Ruekert & Mielke's Pewaukee headquarters.

Thanks to Ken and Ruekert & Mielke for hosting this event!

Featured Member Website

Share Your ESOP Story!

The WI chapter of the ESOP association invites you to share your Company's ESOP story via our featured member web page.

What is all the excitement about?

Our featured member web page offers all chapter members an open invitation to share their ESOP story, fostering collaboration amongst our members around effective ways to approach ESOP communication programs to promote your ESOP and the benefit of employee ownership to your employees.

- Great networking opportunity for your Company and your ESOP
- SEO (Search Engine Optimization) – an active link to your company website will be shared, which provides another opportunity to increase your company's SEO
- Feedback on website submissions has been very positive
- Don't go it alone! Your WI ESOP chapter will provide assistance in writing the article on your behalf

Contact us TODAY to share your ESOP story!

Sarah Trovato - WI Chapter Membership Committee - 920.659.7360



The Wisconsin Chapter of The **ESOP** Association
Serving the Entire ESOP Community

Welcome to the 2016 new corporate members!
This brings our total to:

48 ESOP Companies

59 Professional Members

107 WIESOP Members

**3 new members in 2016: PDQ Food Stores, Tormach, Inc.,
Vehicle Security Innovators**



**New members under Owner's Edge, Inc.: Baycom, Baycom
Cellular, TourGuide Solutions**



**A HUGE
THANK YOU
to our
2016 Sponsors**





2017 Wisconsin ESOP Chapter Officers & Executive Committee Members

President

Kimber Simos
Hatco Corporation
PO Box 340500
Milwaukee, WI 53234
414-671-6350 - phone
ksimos@hatcocorp.com

Immediate Past President

Sherri McDermott
Sentry Equipment
966 Blue Ribbon Circle N.
Oconomowoc, WI 53066
262-567-7256, ext. 153 - phone
262-567-4523 - fax
Sherri.McDermott@sentry-equip.com

Vice President - Programs

Tim Stewart
DeWitt Ross & Stevens SC
13935 Bishops Drive, Suite 300
Brookfield, WI 53005-6605
262-754-2869 - phone
tls@dewittross.com

Vice President - Programs

Karina Van Doren
IEWC
5001 S Towne Dr
New Berlin, WI 53151-7956
262-957-1111
kvandoren@iewc.com

Vice President - Government Relations

Paul Karch - Government Relations
Husch Blackwell LLP
PO Box 1379
Madison, WI 53709-1379
608-234-6055 - phone
Paul.Karch@huschblackwell.com

Vice President - Membership

Mary Stenvig
RealityWorks
2709 Mondovi Road
Eau Claire, WI 54701
715-858-7161 - phone
mary.stenvig@realityworks.com

Vice President - Membership

Sarah Trovato
ESOP Partners
PO Box 1773
Appleton, WI 54912-1773
920-659-6002 - phone
866-337-1095 - fax
strovato@esoppartners.com

Chapter Administrator

Alicia Diekow
21228 Olson Circle NW
Elk River, MN 55330
320-309-8512 - phone
adiechow@esopexec.org

Executive Committee Members

Jackie Bartanen - Programs
BAYCOM, Inc.
2040 Radisson Street
Green Bay, WI 54302
920-544-4346 - phone
jbartanen@baycominc.com

Lynnette Fritz - Programs

OwnersEdge, Inc.
3325 Gateway Rd
Brookfield, WI 53045
262-506-3184 - phone
lfritz@ownersedgeinc.com

TJ Genz - Government Relations

ESI
355 Austin Circle
Delafield, WI 53018
262-646-6490 - phone
tjgenz@esi-enterprise.com

Amy Kozloski - Communications

Principal Financial Group
100 W. Lawrence Street, Suite 501
Appleton, WI 54911
920-882-4669 - phone
kozloski.amy.j@principal.com

Mark Krueger - Membership

Temperature Systems Inc.
PO Box 8030
Madison, WI 53708-8030
608-271-7500 - phone
mkrueger@tsihvac.com

Rhonda Leader - Programs

Sentry Equipment Corp.
966 Blue Ribbon Circle N.
Oconomowoc, WI 53066
262-567-7256 ext. 172 - phone
Rhonda.Leader@sentry-equip.com

Mickey Maier - Membership

Professional Fiduciary Services
1841 N. Riverwalk Way
Milwaukee, WI 53212-3991
262-627-0366 - phone
maier@professional-fiduciary.com

Christy Nukuna - Membership

Hatco Corporation
PO Box 340500
Milwaukee, WI 53234
414-615-2257 - phone
cnukuna@hatcocorp.com

Paul Karch - Government Relations

Husch Blackwell, LLP
33 East Main Street, Suite 300
Madison, WI 53701
608-234-6055 - phone
608-258-7138 - fax
paul.karch@huschblackwell.com

Renee Stadtmueller - Programs

Principal Financial Group
100 W. Lawrence Street, Suite 501
Appleton, WI 54911
920-882-4666 - phone
stadtmueller.renee@principal.com

Pamela Themar - Programs

Blue Ridge ESOP Associates
Appleton, WI
434-202-4942 - phone
pthemar@blueridgeesop.com



Wisconsin ESOP Chapter 2017 Events

Please visit www.esopassociation.org for a listing of national ESOP events.

March 16: Annual Spring Conference, Blue Harbor Lakeside Resort, Sheboygan

May 11-12: Annual ESOP Conference, Washington, DC

June 6: Roundtables and Networking Summer Event, Discovery World, Milwaukee

September 7-8: Midwest ESOP Regional Conference, Hilton Hotel, downtown Omaha, NE

November 9-10: ESOP Association Conference & Trade Show, Las Vegas

The programs page of the chapter website will publish program agendas and registration information as details become available: <http://www.wiesop.org/calendar.php>

You will also find links to Wisconsin chapter and national event details on The ESOP Association Calendar of Events page: <http://www.esopassociation.org/meet-learn/meetings/calendar-of-events>

Sponsor an event. Over 400 members attended chapter events in 2015. Sponsorship support allows us to keep registration fees affordable and greatly contributes to this growth and success. Select the following link to view the 2016 sponsorship opportunities Form: http://www.wiesop.org/user-files/2016_WI_Sponsorship_Form.pdf