

Ohio's Employee-Owned Network News

ComDoc Employee-Owners Celebrate 50th Anniversary with Community Service

The 475 employee owners of ComDoc, a copier/fax/printer sales and service firm headquartered in Green, OH celebrated 50 years in business during 2005 with a celebration-through-service in the communities that ComDoc serves. "This was a year-long endeavor to increase our understanding of others, in the U.S. and globally," explained Andrea Capuano, HR Director. "We rose to the challenges of 2005 and stand stronger because of our efforts to help so many."

A group of ComDoc employee-owners in Akron made beds at an area homeless shelter, and ComDoc employees in New York served meals at the Syracuse Rescue Mission. Others organized fund-raising for local foodbanks, tsunami relief, Katrina relief, holiday gifts for GIs overseas and their families at home, children's health and literacy, Life Banc, and other charities and social service programs, including a high school leadership program. Other associates organized employee education programs on wellness issues, family caregiving, and photography. One big fund-raiser was sales of ComDoc's *Cookin' That Can't Be Copied* cookbook.

The celebration culminated with a "Trip Down Memory Lane" party at company headquarters in October, with similar customer appreciation events in all other locations. ComDoc's corporate employee-owners, depicting the dress of the 50s, 60s, 70s, 80s and 90s, offered food and entertainment to welcome families and guests.

ComDoc has grown over the past 50 years from four employees to almost 500. Walter Griffith and his wife Eleanor started the business in 1955, selling thermo fax units from a small office and warehouse location in Akron. Additional offices and product lines were added over the years. The ESOP was established in 1985 when Griffith handed leadership of the com-

pany to a new management team. Griffith's son-in-law Riley Lochridge became Chairman and CEO in 1987.

Today ComDoc is a principal supplier of Ricoh office products and the largest independent Ricoh dealer in North America with 10 sales offices and three distribution centers in Ohio, West Virginia, Pennsylvania and New York. Sales have grown from \$12 million in 1983 to more than \$100 million in 2005. Share price has grown from \$8.26 in 1984 to \$163 in 2004. Over the next few years, the percentage of ESOP ownership is anticipated to grow beyond the current 42%.

"We benefit from our ESOP," explained Capuano. "The biggest benefit is our culture. There's no hierarchy and people appreciate this."



Highlights from ComDoc's 50th Anniversary celebration: (above) ComDoc's "Pink Ladies" include (clockwise from left) Carolyn Payerle, Andrea Capuano, Judi Adam, and Joyce Swords; (far right) Walt and Eleanor Griffith, founders of ComDoc in 1955, enjoy the "Trip Down Memory Lane" 50th Anniversary celebration which included classic cycles of the 1950s through today; (right) ComDoc's 50th anniversary logo.



Employee Involvement Hard-Wired at Paul J. Ford and Company

Since the ESOP was established in 1994, employee involvement has been carefully designed and built by the Board of Directors at Paul J. Ford & Company, a 36% employee-owned structural engineering design firm headquartered in Columbus. The firm has 55 owner-employees specializing in commercial, institutional, and industrial buildings, including hospitals and communications structures. It recently hosted an ESOP Communication Forum highlighting its communication processes.

The Board created a six-member Advisory Council nine years ago to mentor younger employees into leadership at the firm; to provide an informal network for employees' questions and input; and to involve employees in business decisions.

Members of the Advisory Council are selected from the firm's engineers with at least three years of service and non-engineering employees with at least four years of service. They serve 3-year terms.

A strategic planning committee that includes members of the Board and the Advisory Council was launched five years ago. The council also oversees the Investment Committee, which is responsible for ESOP administration and includes three company officers and three employees serving three-year terms. The Board recently chartered a new communications



committee, called the KSOP Committee, which the Council will also oversee.

The KSOP Committee members, with the plan trustee as an advisor, will provide information about the combined 401(k) and ESOP, explain why the firm has an ESOP, orient new employees to the ESOP, keep all employees informed of changes, respond to employees' questions, organize workshops, and promote committee members' and employees' learning at local and national ESOP meetings. Members, who must be 100% vested in the ESOP, will meet twice yearly. One committee member serves as the liaison to the Advisory Council.

Employees are kept informed through all-company quarterly meetings held after board meetings, with reports on the financials and how the company is doing. Recently the firm brought all employees from Florida and Georgia to Columbus for two days of business meetings.

As Jim Shaffer, VP of Administration, explained, "We credit our company's success to our quality engineering and design work, completing projects on time, and the entrepreneurial spirit of our employee owners. The company's owner-engineers began thinking about eventual ownership transition in 1994. Although their retirement was more than 20 years away, they were concerned about preserving the character of the organization. They concluded that the best way to do that was to create the buyer in ourselves, and to give us the ability to acquire stock by contributing a substantial portion of annual profit to the ESOP. Over the years, the firm's average contribution to the ESOP has been about 10% of salary. That has enabled our ESOP to steadily grow its share of company stock, which will reach just over 50% in April 2006."

The ESOP Fiduciary Hat Rack

Barbara J. Steele, Vice President and Manager, Louisville Trust Company, Louisville, KY, urged attendees at a recent



(top) Ken Cover, Paul J. Ford and Company Advisory Council member, shows a component of the firm's custom-designed "evergreen" communications towers; (above) Barbara Steele, Vice President and Manager, Louisville Trust Company, Louisville, KY asks participants at the November ESOP Administration & Fiduciary Forum in Cincinnati the question: "How many hats are you wearing?"

ESOP Administration and Fiduciary Forum in Cincinnati to be mindful of which fiduciary "hat" they are wearing when they perform their responsibilities. The Fiduciary Hat Rack may include hats for member of the board of directors, employer, plan administrator, ESOP participant, investment advisor, investment manager, or ESOP trustee.

Presenters at the session, along with Steele, included Stephen D. Smith of Krieg DeVault LLP on current legal issues for ESOP fiduciaries, and Richard

Schlueter of ComStock Valuation Advisors on the ESOP valuator's perspectives on current issues. **OAW**