

Employees to Own Business

North Country Business Products, with corporate headquarters in Bemidji, MN recently transferred to a system of 100 percent employee ownership.

Until 1995, half of the company's stock was owned by employees, the other half was owned by four independent shareholders. Now the Employee Stock Ownership plan enables employees to earn shares of company stock on an annual basis.

Employees from any of the 11 North Country Business Product branches are awarded stock after eligibility requirements have been met. They do not have to purchase the stock. If the company performs well, profit gets distributed to the employees in the form of increasing stock-value. The employees' commitment to providing exceptional customer service, as well as pride and ownership in their work is directly related to the success of the company, explained Dean Crotty, president of North Country Business Products.

Every year North Country Business Products stock will be evaluated by an independent outside party to set the share price.

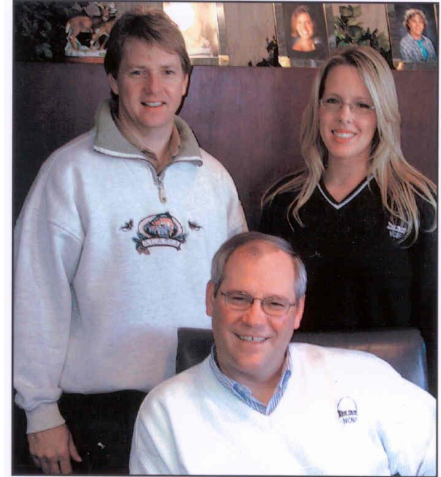
The company itself has been growing, explained Crotty. Since 1995, the value of the company has gone up two-and-a-half times.

The 150 total employees, 60 of whom are in Bemidji, vary in experience with the company. Some, like Crotty, have been with the company for 28 years and even longer. Others are newer employees.

"Not many companies in our industry have done what we've done (by switching to 100 percent ESOP)," he said.

An ESOP committee comprised of "employee owners" educates employees about the new employee-owned system.

The message to every employee is: "You have the ability to make a difference", said Crotty. By improving customer service, keeping down costs by increased efficiency and equipment-care, every employee affects the bottom line, he said.



Pioneer Photo by Kelly Custer

North Country Business Products, an 11-branch company, headquartered in Bemidji, MN, is now 100% Employee Owned! Seated is Dean Crotty, President of North Country Business Products; Wally Treat, Vice Chair of the ESOP Committee, is left; Kristi St. Marie, Chair of the ESOP Committee, is at right.