

ARBIZZI



COMPANY PROFILE



KIND OF PROCESS

Lack of successors

ALLOCATION

Corte Tegge (Reggio Emilia)

PREVIOUS ACTIVITY

Commerce of products and materials for industrial packaging and carries out exclusively commercial activities, focusing primarily on the choice of innovative and eco-sustainable products

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

26 June 2014

LEGAL FORM

Cooperative

TURNOVER

(Dec. 2018): 10,118,504.00 Euros

(Dec. 2019): 9,870,049.00 Euros

CONTACT PERSON

Simone Vallieri (Cooperative President)

Previous N°
of employees

18

N° of employees
at the constitution

2

Current N° of
employees

9

N° of worker members of the
cooperative at the constitution

16

Current N° of worker
members of the cooperative

14

www.arbizzi.it



BACKGROUND

Emilio Arbizzi founded Arbizzi srl in 1997. The company immediately became highly competitive and occupied an important position in the industrial packaging market. In 2014, with over 1,800 customers and an excellent balance sheet, the entrepreneur decided to retire from the business and, having no successors, proposed his employees should purchase the company. Therefore, right from the beginning of this business transfer to the workers, there was no crisis but rather the need for a generational change in order to generate a healthy and competitive company.

DESCRIPTION OF THE PROCESS AND EMPLOYEE INVOLVEMENT FORMULA

In 2014, in agreement with the owner, all 18 employees decided to take over the business and turn to Legacoop for assistance. 16 workers set up a cooperative while 2 become employees of the company, all maintaining their own classification and salary conditions. The initial capital of the cooperative of 590,000 Euros was raised by the working members, who invested 5,000 Euros each, by Emilio Arbizzi, who as a financing member (without any operational role in the cooperative) invested 120,000 Euros and by the funding provided by CFI (100,000 Euros) and Coopfond (290,000 Euros).



MECHANISMS USED TO IMPLEMENT THE PROCESS

The mechanisms used to implement the WBO followed the same pattern as the above-mentioned cases apart from a fundamental difference regarding the presence and active collaboration of the former owner, who also financially supported the project. The project foresaw that for 6 years the owner would retain a share of the employee severance pay (TFR) of the working members as a form of rent for the activity. After 6 years, which was a period of time that was estimated to be adequate for the new cooperative to reach an economic/financial equilibrium, the cooperative definitively purchased the company.

PRINCIPAL BARRIERS

There were no particular complications in the procedure.

FACTORS OF SUCCESS

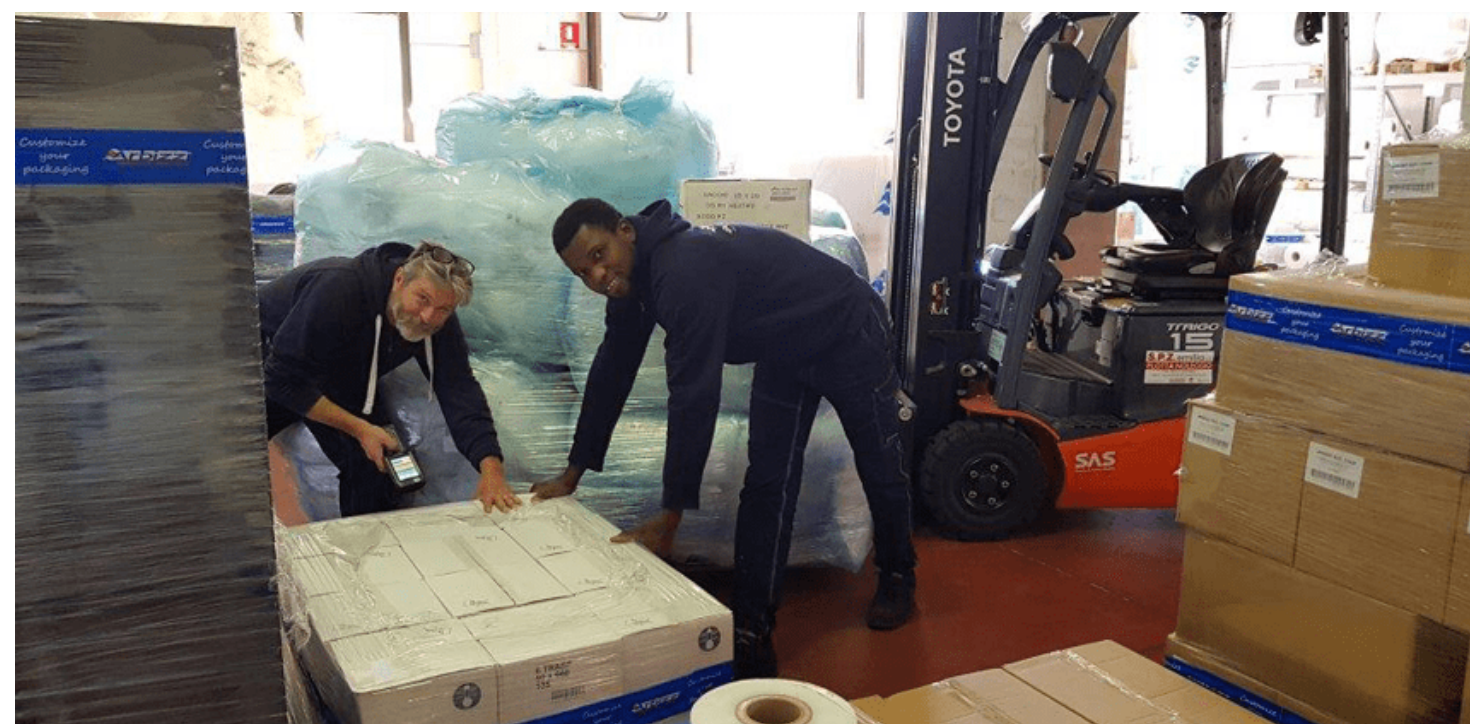
One of the main success factors in this case regarded the synergy between the various actors involved. In particular, the collaborative role of the former owner made it possible to organize a gradual and sustainable transfer of ownership to the workers. Moreover, thanks to the specific conditions surrounding the WBO, it was a very quick procedure, which meant that

Cooperativa Arbizzi could maintain its market share and links with the original clientele. Moreover, the fact that key figures of the original company remained in the cooperative made it possible to continue operations of fundamental importance. The workers who formed the cooperative had acquired skills and a high degree of operational autonomy in the years before the purchase, which contributed to the success of the business transfer.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

The Cooperative has maintained the position that the original company had on the market and has also set itself objectives for further development: the qualitative selection of customers, an increase in territorial operations, the continuous search for new products, innovation, training and updating of working members, the development of communication and corporate image. In the first few months of activity, the cooperative had already expanded its range of products, created the “Arbizzi Tech” brand and expanded its sales network.

After the first six months of activity, the cooperative’s turnover had reached 5 million Euros, with a profit of 237 thousand Euros. This positive trend in turnover



made it possible for all the member-workers to maintain the salary conditions they had in the original company.

TRANSFERABILITY

Even in cases where there is no legislative framework that favours cooperative development, the solution described here may, in any case, be adaptable to the regulatory system of any country, where there is full cooperation between entrepreneur and workers and the possibility of subsidised funding.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

Episode “Il posto giusto” of 22-01-2017:

<https://www.raipaly.it/video/2017/01/Eredit224-working-buyout-e6e11129-5df0-4865-86d8-d7f494ec85f2.html>

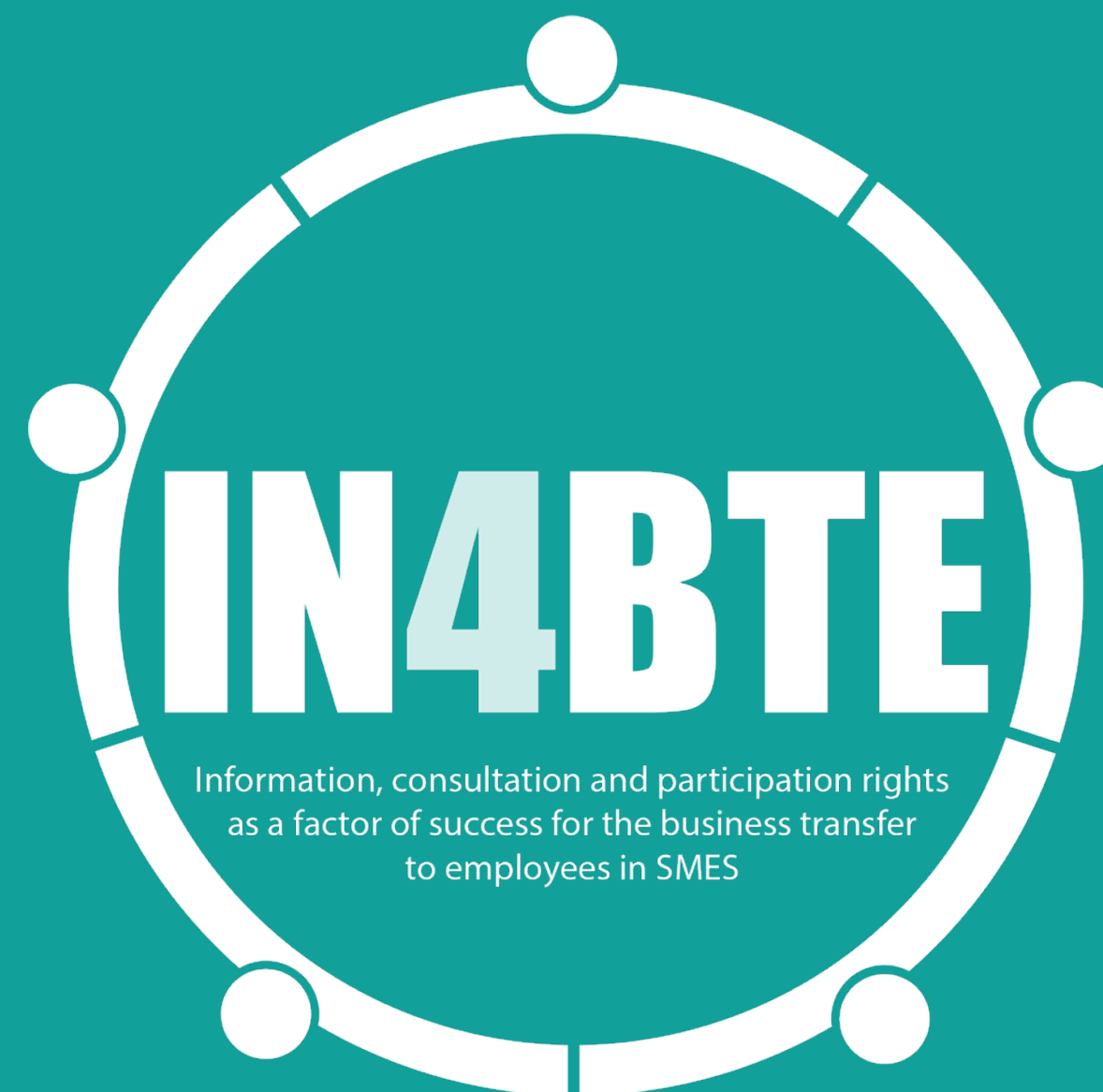
This case study was prepared by Vilma Rinolfi (CISL).





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CALCESTRUZZI ERICINA LIBERA



COMPANY PROFILE



KIND OF PROCESS

Confiscated from organised crime

ALLOCATION

Trapani

PREVIOUS ACTIVITY

Exclusively cement mix production

CURRENT ACTIVITY

Production of cement mix and homogenized recovery of building waste from C&D (construction and demolition).
Sector: construction.

DATE OF CONSTITUTION

2008

LEGAL FORM

Cooperative

TURNOVER

(Dec. 2019): 1,136,000.00 Euro

CONTACT PERSON

Giacomo Messina (cooperative president)

Previous N°
of employees

15

N° of employees
at the constitution

0

Current N° of
employees

4

N° of worker members of the
cooperative at the constitution

6

Current N° of worker
members of the cooperative

8

www.calcestruzziericina.it

BACKGROUND

In 1991, Calcestruzzi Ericina was purchased by the mafia boss, Vincenzo Virga, considered one of the most dangerous mafiosi of those years and the “entrepreneurial brain” of Bernardo Provenzano, one of the historical leaders of Cosa Nostra. In July 1996, the company was seized by the Judicial Authorities, which began to manage the business and so the old owner organized a heavy boycott, intimidating customers and blocking all the company’s orders. To prevent bankruptcy, the Prefect of Trapani, Fulvio Sodano, independently decided to involve the “healthy” entrepreneurial network on the territory, asking the entrepreneurs for a concrete commitment and to take a clear position against organized crime by unblocking the orders to the company seized from the mafia. The situation changed for the better in 2004, when Calcestruzzi Ericina won part of the official supply contracts for the construction of the docks of the port of Trapani, for the America’s Cup.



DESCRIPTION OF THE PROCESS AND EMPLOYEE INVOLVEMENT FORMULA

Also thanks to this large order, there was a project to relaunch the company with an investment of around 2,200,000 Euros, financed largely by IRFIS - financial intermediary with the Region of Sicily as sole shareholder - as part of the Regional Operational Programme Sicily 4.01.c, and a loan from Unipol Banca of 700,000 Euros. Local public institutions - the Prefecture of Trapani, law enforcement agencies, the Public Prosecutor’s Office, the State Property Agency, the Region of Sicily - the “Libera” Association, Anpar (an association representing companies that recycle inert waste), Legacoop and Legambiente actively collaborated in the relaunch. The company, therefore, reconverted its plants so that inert building waste could be treated. This was done by implanting the R.O.S.E. system (Recovery Homogenized Building Waste).

In the meantime, the various steps required to complete the confiscation went ahead and, at the second stage of confiscation, the company was placed under the management of the National Agency for the Administration and Destination of Seized and Confiscated Assets to Crime.

In 2008, 6 former employees set up the Calcestruzzi Ericina Libera Cooperative, with the support of the



two associations Libera and Legacoop. The initial share capital of the cooperative came from the members through the payment of part of their severance pay. The activity resumed on 1 June 2011, when the management of the company was entirely entrusted to the Cooperative, which rents the site from the above-mentioned Agency. The Cooperative will not be able to fully own the activity because the confiscated assets will remain the property of the State. It is the first confiscated company to be entrusted to a cooperative of former employees.

MECHANISMS USED TO IMPLEMENT THE PROCESS

The steps of this WBO are very different from the classic procedure. In this case, the workers had to wait for the judicial process of seizure and confiscation to be completed in order to be able to manage the activity (see par. 3.2.2).

The cooperative had no financial support from the classic WBO channels (CFI, Funds of Cooperative Associations, etc.). The corporate restructuring took place before the cooperative was established, during the Judicial Administration. Therefore, the company received the funding required for the conversion of the plant when it was still under confiscation and administered by the State.

PRINCIPAL BARRIERS

Organised crime represented the main barrier in this case together with the fact it is so deeply rooted in the territory, which means it was able to generate a dense network of intimidation and threats to block the company's activity.

The long judicial process, which often lasts up to ten years for the confiscation of the seized assets, represents another barrier, as does the management of the Judicial Authorities, which can put off clients, provoke a loss of competitiveness together with a gradual slowdown of production and the risk of bankruptcy due to a lack of market stability.

This aspect helps generate what could be considered the biggest barrier in this type of case, i.e. a widespread culture in areas of high mafia infiltration that makes the companies managed by the mafia perceived as the only ones that guarantee work.

Added to this is the sensation that when the State confiscates and manages a company, it risks going bankrupt with the consequential loss of jobs.

Furthermore, the deep-rooted nature of the organized crime, its enormous financial resources and, often, the absence of the State means that people often do not trust anything that is public and legal, and opt for the local mafia as the only interlocutor to turn to in order

to find work. Despite the fact organized crime only exploits companies to launder huge amounts of dirty money, these businesses, however, often guarantee the only source of employment in territorial areas with a high rate of unemployment and undeclared and precarious work.

A further obstacle in these cases regards the 'cost of legality', i.e. the difficulty in competing legally in a market where the widespread use of undeclared work by many companies makes it possible for them to reduce supply prices.

FACTORS OF SUCCESS

The local social dialogue and the synergy between the various actors who are entrusted with the control of the territory have played a fundamental role in the success of the project. Also of great importance is the responsible involvement of the "healthy" part of entrepreneurship and, in general, of the local economic network.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

The Cooperative uses the R.O.S.E. system, which is a state-of-the-art plant in the recycling of waste materials from construction and renovation. There are only 17 such systems operating in Italy, and the Cooperative manages the only one in the South. Thanks to its commitment to environmental protection and its role in the fight against organized crime, the cooperative has become a cultural reference point for the social and productive network of the territory. For example, it hosts students and is a centre that combats the widespread illegality in the construction industry.

In 2014, the Cooperative contributed to the Workshop entitled “Recycling from Construction and Demolition: how can the market be developed for this sustainable source of aggregates?”, organized in Brussels by the Industry and Enterprise Department of the European Commission. The Cooperative also collaborated with the Central Technical Service of the Public Works Council regarding the new Guidelines for the evaluation of the characteristics of in-situ concrete.



TRANSFERABILITY

Although this is a very particular case and very characteristic of the Italian socio-economic fabric, it is unfortunately also possible in other countries that a company could be seized from organized crime and could risk closure. In these cases, not only are there specific laws for a WBO, but there is also a legislative apparatus which regulates the seizure and confiscation of assets. This apparatus, even if very specific to some territories of Italy, with the necessary adjustments, could be transferable to other countries.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://www.youtube.com/watch?v=7ap2JviHIYY>

<https://www.youtube.com/watch?v=PILOlnFdXQI>

<https://www.youtube.com/watch?v=Jq3TTwFyvk4>

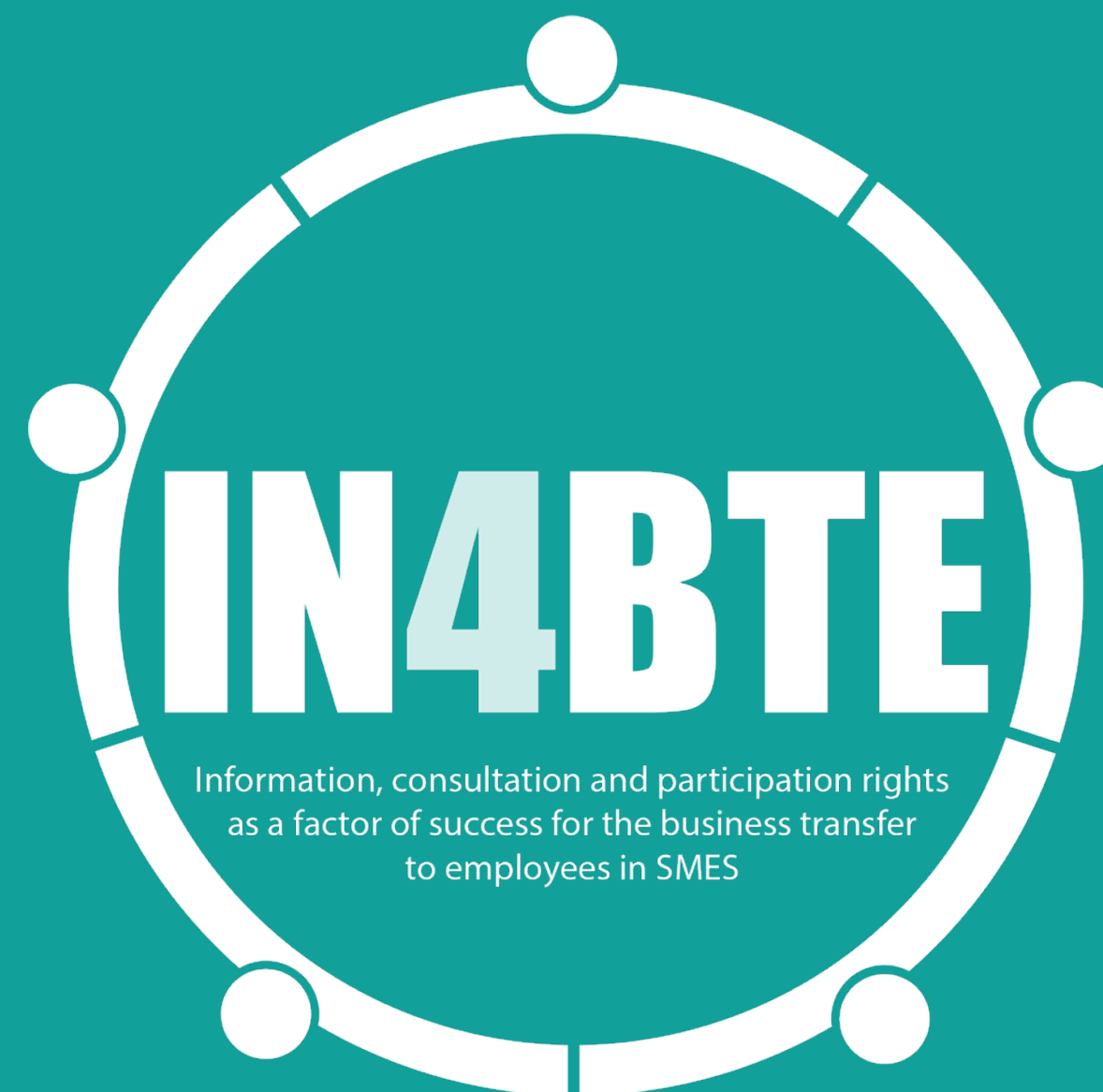
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C W M N I D A



COMPANY PROFILE



KIND OF PROCESS

Succession

ALLOCATION

Caernarfon, UK

PREVIOUS ACTIVITY

Television Production Company

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

December 2018

LEGAL FORM

Private Limited Company

TURNOVER

(Dec. 2019): £ 5million

CONTACT PERSON

Dylan Huws

Previous N°
of employees

50

N° of employees
at the constitution

50

Current N° of
employees

50

N° of worker members of the
cooperative at the constitution

0

Current N° of worker
members of the cooperative

0

cwmnida.cymru



BACKGROUND

As proud contributors to the Welsh economy and culture, it is fitting that award-winning TV company Cwmni Da – which means good company in English – chose to become employee owned. The Caernarfon based business was founded in 1996, it employs 50 people and has a £5 million turnover. Its expertise is in making factual, drama, children's and entertainment programmes, mainly in the Welsh language.

Speaking about the company's transition to employee ownership, Managing Director Dylan Huws explains that he wanted the company to remain in the hands of the staff who had helped make it a success

EMPLOYEE INVOLVEMENT FORMULA

For Cwmni Da, employee ownership is a process of culture change, which needs to be managed on an ongoing basis. That process involves engaging staff, education and mentoring and empowering people to make decisions. Dylan Huws says that he now shares more company information than ever before and that the team are now getting a better understanding of how the business works.

DESCRIPTION OF THE PROCESS

First the company was valued, funds were then raised from the banks to buy the shares, and then 100 per

cent of the shares were transferred into an Employee Ownership Trust. The shareholding is now held in the Trust on behalf of the workforce.

The Wales Co-operative Centre was the company's first point of contact and project managed the process from beginning to end. Geldards Solicitors in Cardiff handled both the legal aspects and the tax advice.

MECHANISMS USED TO IMPLEMENT THE PROCESS

An Employee Ownership Trust was created as a mechanism to transfer ownership from the owner Dylan Huws to the employees. The Trust is overseen by a Corporate Trustee which has a board which includes a solicitor, an accountant, Dylan as the Managing Director, and a staff member. The Trust looks after the interests of the employees and decides each year how much to re-invest and how much it can afford to pay out to staff.

PRINCIPAL BARRIERS

Founder owner Dylan Huws says: "The only barrier we maybe experienced was that people still think of employee ownership as rather left field, but it needs to be seen as a mainstream option. It is good for outgoing owners because you don't get taxed when you sell your shares to the trust, but your business does have to be robust enough to be able to raise the finance."

FACTORS OF SUCCESS

Dylan says: "You need a good team, expert external advisors and you need to have good communication in place from the beginning. I really explored the concept in depth before bringing people in to help, but in hindsight having a timetable which was understandable to everyone might have been beneficial."

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Transferring ownership through an Employee Ownership Trust does involve setting up a new entity, but there are tax advantages for both outgoing and incoming shareholders.

Dylan Huws believes: "Overall it's also worthwhile leaving something behind you which is rooted in the local area. We work in both the Welsh and English languages and feel a connection to the audiences we serve, so it feels important for the business to continue to be rooted here in the local community. Everyone has a stake in the future and that's important.

"In recent years, consolidation in the independent television production sector has seen several Welsh companies being sold to larger entities, and this means more often than not that ownership is no longer in Welsh hands.

TRANSFERABILITY

The company is now owned by the Employee Ownership Trust. Ownership can be transferred if the Trust sells its shares to another party but this can only be done if a 60 per cent majority of employees agree.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://wales.coop/cwmni-da-staff-trust-to-takeover-tv-company/>

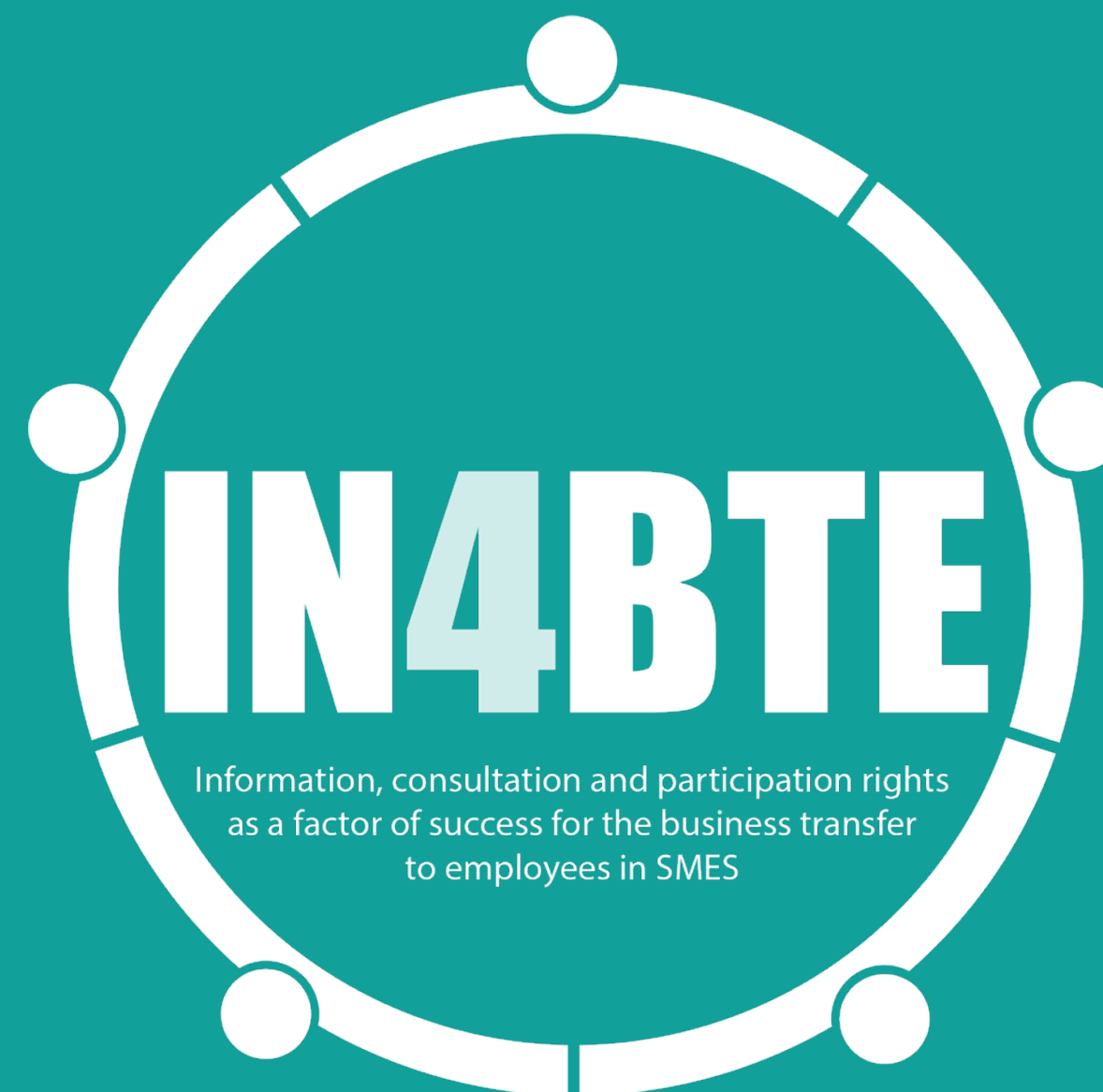
This case study was prepared by Paul Cantrill and Ceri-Anne Fidler (Wales Co-operative Centre).





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GETALDUS



COMPANY PROFILE



KIND OF PROCESS

Getaldus JSC Skopje underwent a process of succession

DATE OF CONSTITUTION

17 March 1983

LEGAL FORM

Joint stock company

TURNOVER

(Dec. 2019): 44.430.913 mkd

CONTACT PERSON

Aleksandar Pavleski

ALLOCATION

The company functioned as a workers organization within Getaldus from Zagreb (Croatia), that functioned in then Yugoslavia. After the country fell apart, the employees became shareholders of the Macedonian company, and Getaluds JSC Skopje started to function as a joint stock company.

PREVIOUS ACTIVITY

Manufacture, repair and supply of all kinds of diopter glasses for correction of vision, contact lenses and sunglasses from different manufacturers.

CURRENT ACTIVITY

Manufacture, repairmen, supply and sales of all kinds of diopter glasses for correction of vision, contact lenses and sunglasses from different manufacturers. Within the same company, since 1996, private health care ordination, a specialist ophthalmology office has been operating, providing complete customer service.

| | | | | | |
|-------------------------------------------------------------|-----|-------------------------------------------------|-----|-------------------------|----|
| Previous N° of employees | 30 | N° of employees at the constitution | N/A | Current N° of employees | 40 |
| N° of worker members of the cooperative at the constitution | N/A | Current N° of worker members of the cooperative | N/A | | |

getaluds.mk

BACKGROUND

Eye Optics Getaldus JSC Skopje is a manufacturer and supplier of all kinds of prescription glasses, sunglasses and contact lenses of domestic and world famous manufacturers. It was founded in 1957 as a work organization, part of Getaluds from Zagreb, as one of 23 work organizations that functioned as part of former Yugoslavia.

Getaldus AD Skopje, today is one of the largest companies on the Macedonian market that manufactures, repairs and markets all kinds of eyeglasses for vision correction, contact lenses and sunglasses of various manufacturers. The association has 14 specialized branches in Republic of North Macedonia, out of which 4 in Skopje and the remaining 10 in the following cities – Ohrid, Bitola, Kumanovo, Prilep, Shtip, Veles, Tetovo, Kavadarci, Strumica and Kocani.

The Company had a need to serve its customers in a better, more modernized way, so since April 1, 1996 it also founded the Private Healthcare Institution - specialist ophthalmology office Getaldus Skopje. This specialist ordination was founded with the aim of the clients of EYE OPTICS GETALDUS AD Skopje to provide them with a complete service, starting with an examination of the prescription of the vision in the ordination, that is equipped with contemporary



computer technology, as well as providing a doctor - specialist ophthalmologist or optometrist, as well as an eye specialist. Such a way of serving the customers is done in all 4 branches in Skopje, and the branches of the company of Skopje in Bitola, Prilep, Shtip and Kavadarci.

EMPLOYEE INVOLVEMENT FORMULA

In the beginning of 1990-ties, after the breakup of Yugoslavia, the company got separated from its parent organization (Getaldus Zagreb). With the Law on transformation of social capital, popular as Ante Markovic's Law (at that time, Ante Markovic was a prime minister of Yugoslavia) the company

is being transformed as a joint stock company and the employees became owners of the capital of the company.

The involvement of the employees was in accordance with this law. The concept was privatization through internal stocks. As part of this process, the employees of enterprises that were once state/publicly owned, had the opportunity to acquire shares through separation from personal income. In this way, 600 companies were transformed into joint stock companies or limited liability companies. Getaldus now functions as a joint stock company.

DESCRIPTION OF THE PROCESS

Key actors then at the company were the two bodies - worker's council and worker's assembly. Those bodies were responsible in the management of the company and the workers that were members, agreed to the process of buyout.

As Trajko Pavleski, one of the members of the Work council recalls, the country was falling apart, so the workers had two choices - to buy out the stocks, or to close the company. They decided to do the buyout. So, the bodies at that time and the founders of what the company is today, are responsible for the transformation of Getaldus into a joint stock company.



MECHANISMS USED TO IMPLEMENT THE PROCESS

The concept was privatization through internal stocks. Employees were offered an initial discount of 30% of the appraised value plus 1% for each year of work in the enterprise. Each employee could buy shares at a discount rate up to around 12.500 euros. Payment could be made without down payment in five-year instalments and with a grace period of two years.

PRINCIPAL BARRIERS

The placement of the company is predominantly country-oriented through retail sales. As a result of the long tradition and high quality of services Getaldus AD Skopje has built a brand on the Macedonian market, which guarantees quality.

The main barriers now are in terms of a non-regulated market, especially problems with the so-called “grey economy” and the inability of the state to regulate these segments of work. This problem appears as unfair competition, so the market for optics in the country is left to the poor quality and dubious products available on the markets, and not to the corresponding branch, which belongs in part to medicine.

A problem, which appears in the last decade and a

half is also the lack of skilled staff - ophthalmologists and optometrists, which are crucial for professional operation of the Company.

FACTORS OF SUCCESS

The most important factor of success is that the company has a very developed service to its employees –then, when it was part of a larger company, and now, when it operates in Macedonia only.

They are seeing the employees, especially from the founding group, their dedication as very important and crucial for the success of the company.

Important segment was also the foundation of the private specialized ordination Getaldus Skopje. The clients needed full service, so the company invested in office equipment, technology for a complete service - examination of the prescription of the vision in the ordination, and investments in appropriate personnel - specialist ophthalmologist, optometrist, eye specialist. Such a way of serving the customers is done in all 4 branches in Skopje, as well as in Bitola, Prilep, Shtip and Kavadarci.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Those employees who are shareholders in the company have significant participation with employment possibilities of members of their families. For example, if a shareholder is retiring, the company offers the opportunity - one member of his/hers family to have a priority in employment processes. This practice makes Getaldus lean toward family businesses, largely because of the values they hold in view of retaining the advantage of employment.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

Links to their pages on Facebook

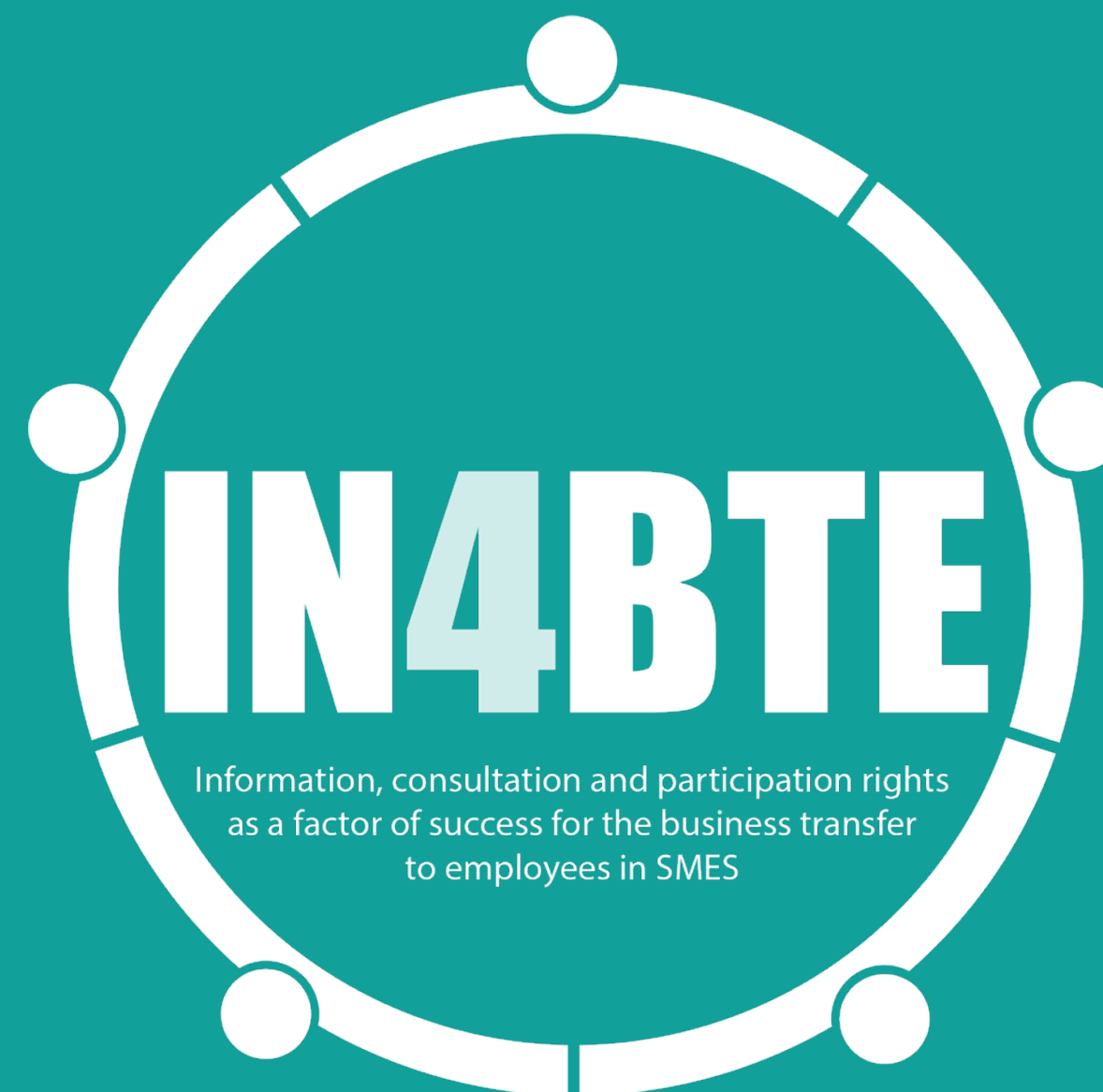
<https://www.facebook.com/optika.getaldus/>https://www.facebook.com/profile.php?id=100001844637580&__tn__=CH-R&eid=ARBz8H4SaA440af5XJJZgQQX11PwXTSOTbmpIFUDjhAF_4ru-WXD1ptCZ9vcons5v555FOrqmK6kHdCuE&hc_ref=ARQ95hhaCL7vd-O-cODqW7gkhRqm116FqUDU743O25uAt6C04nTL9oNcfprpNpSMz9I&fref=nf

This case study was prepared by Maja Ravanska (Public).



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ITEC



COMPANY PROFILE



KIND OF PROCESS

Succession

ALLOCATION

Cardiff, UK (operational throughout Wales and England)

PREVIOUS ACTIVITY

Training programmes and apprenticeships

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

February 2019

LEGAL FORM

Private Limited Company

TURNOVER

(Dec. 2019): £13million

CONTACT PERSON

Steve Doyle

Previous N°
of employees (2007)

35

N° of employees
at the constitution

140

Current N° of
employees

150

N° of worker members of the
cooperative at the constitution

0

Current N° of worker
members of the cooperative

0

itecskills.co.uk



BACKGROUND

Itec Training Solutions (Holdings) Ltd is a Cardiff-based training business which was formed in 2007. By February 2019, when it became employee owned, it had a £13 million turnover, more than 140 staff and a solid track record of delivering training programmes and apprenticeships to Welsh Government and other clients across the border in England.

Speaking about the company's decision to become employee owned, Co-founder and Chairman Steve Doyle said: "Three years ago, we had an approach to buy the business, and we were looking for an exit strategy, but we walked away because it didn't feel right. Someone then told me about employee ownership and the more I explored it, the more it made sense. We didn't want to lose the culture and identity that we had established. We wanted to maintain the family feel we had created, while growing from 35 staff in 2007 to 140 staff 10 years later. We felt that culture was key to our success".

EMPLOYEE INVOLVEMENT FORMULA

Only a few employees were involved in the process pre-transition, as the change was commercially sensitive, and for the sake of Itec's clients it was important that it had to be business as usual. Ninety per cent of the group turnover came from Welsh

Government, so the founders really didn't want to destabilise things.

The two members of the employee team who were aware of the plans from near the beginning are now the Finance and HR Directors, who are also both trustees. The founders sold 100 per cent of their shares into the trust, and there has been a lot of work in the last 12 months to help the team understand what this means and the impact that they can have on the business.

DESCRIPTION OF THE PROCESS

The founders of Itec were advised by lawyers Fieldfisher in London, who are experts in this area. They also sought assistance from the Wales Co-operative Centre which is the leading agency supporting employee ownership in Wales.

MECHANISMS USED TO IMPLEMENT THE PROCESS

To enable ownership of Itec to pass from the current owners to the employees, a Trust was set up and the owners sold 100 percent of their shares into the Trust.

PRINCIPAL BARRIERS

Co-founder and Chairman Steve Doyle says: "It was a lot of work, and of course there were legal costs, but this was much the same as it would be when going

through any third-party sale. The biggest barrier was a lack of understanding about the process, particularly from an accounting point of view, as it is not a simple concept. Another barrier was getting Welsh Government to support the move – as the company's biggest client, this was vital."

FACTORS OF SUCCESS

The owners had a lot of staff loyalty and this was important for the deal to go through. Even though staff were not familiar with concept of employee ownership, they trusted the owners and wanted to support the transition.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

The main benefit for staff is financial, and it gives them security going forward. There is always a danger with a third-party sale that there could be casualties. There is also the community benefit. Itec is a Welsh company and the founders wanted to maintain that Welshness so that all of the profits would go back into Wales. Thanks to the transition, the former owners have now stepped back to working part-time. Steve Doyle says he has two excellent people who have effectively replaced him in heading up finance and HR, and he hopes in five to six years to be stepping back entirely.

He adds: “There were tax benefits for me when I sold my shares, but that wasn’t the main driver for me. 100 per cent of the shares went into the trust, but 25 per cent have been reserved to give as share options for senior members of the business.”

TRANSFERABILITY

The company is now owned by the Employee Trust. Ownership can be transferred if the Trust sells its shares to another party but this can usually only be done if a majority of employees agree.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://wales.coop/itec-training-solutions-ltd-put-theory-into-practice-to-become-wales-biggest-employee-owned-training-provider/>

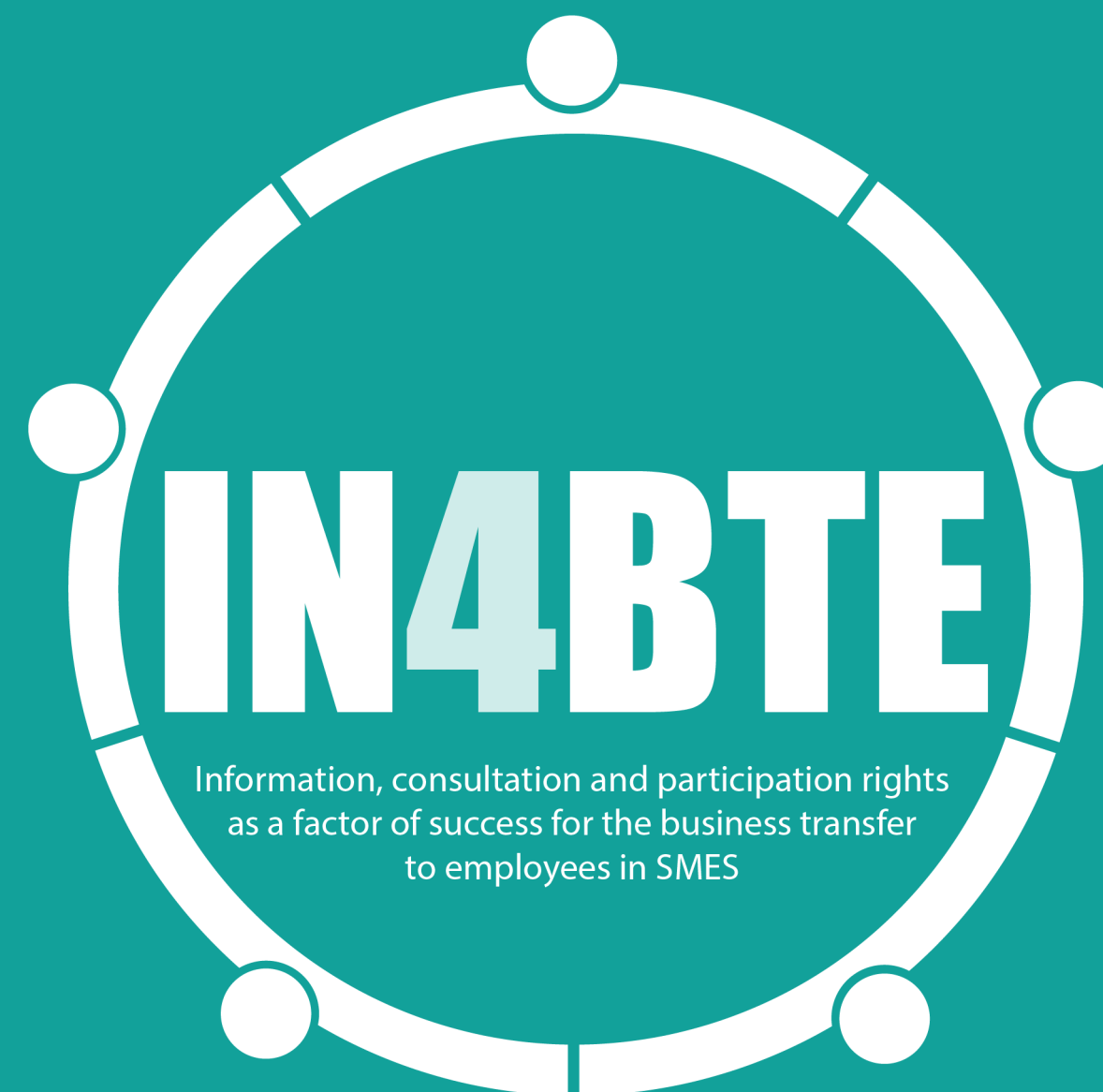
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ITERATEC



COMPANY PROFILE

iteratec

KIND OF PROCESS

Gradual company succession by employees, employee buyout

ALLOCATION

München, also Frankfurt, Hamburg, Stuttgart, Düsseldorf,
Wien, Wrocław

PREVIOUS ACTIVITY

Development and implementation of individual software
solutions

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

1st July 1996 (GmbH)

13 December 2018 (co-operative)

LEGAL FORM

2 legal forms: co-operative with employees as
member owning part of GmbH limited society

TURNOVER

(Dec. 2019): £51 Mio €

CONTACT PERSON

Klaus Eberhardt, Mark Goerke

Previous N°
of employees (2007)

N/A

N° of employees
at the constitution

N/A

Current N° of
employees

365

N° of employee partners
at the constitution

215

Current N° of
employee partners

N/A

www.iteratec.de



BACKGROUND

The reason for this is the idea and initial impetus of the two shareholders of the GmbH (founded in 1996), Klaus Eberhardt and Mark Goerke, to secure the democratic corporate culture with the employees as the people at the centre, also in the case of company succession in the future.

There have been and still are several offers from investors to take over the company. However, the owners categorically reject this, as the employees as people are at the centre of the company, both professionally and personally. This was and is the strength of iteratec GmbH. The founders were looking for an organisational model that would continue to safeguard this core of the company philosophy. The company's founders thought more than 10 years ahead (when they will no longer be running the company themselves and will be preparing their retirement) and suggested to the employees that they found a cooperative in which they are members as long as they have an employment relationship with the company.

This is a dual model: the GmbH as the operating company and the cooperative as the owner of the company - the owners are the employees.

The cooperative gradually buys the shares of the GmbH. It currently holds 49% of the shares in the GmbH. In

2027, it should then hold 100 % of the shares. The general assembly of the cooperative will then be the sole shareholder of the GmbH and will also appoint the managing directors of the GmbH (2-tier system).

The name iteratec is derived from the term "iterati" (iteratec stands for iterative software technologies): the employees (= software developers) start with a central requirement at the customer's site, which they continuously adapt on the way to a complex solution. They are constantly trying out new things and have the necessary scope for decision-making.

They accompany - from the first product vision to continuous operation - and empower organisations through training and agile working. The results are successful software solutions, future-proof infrastructures and innovative business models. Clients are large companies such as the automotive industry and Deutsche Bahn, but also small and new companies.

EMPLOYEE INVOLVEMENT FORMULA

The elements:

- participative work of the teams on one /each project;
- motivation through free organisation of working time;
- there are no core working hours. The employees themselves determine the organisation of working hours and places of work.

The membership and the perspective of the cooperative in the hands of the employees motivates the employees and gives them security for the development of the company for their own personal development.

Free space for creative processes and self-design: "Innovation Free Day": here, every iteratec employee has five days a year at their disposal to work on a topic of their own choosing or to join forces with colleagues on small projects.

The concept of servant leadership:

The hierarchical pyramid is upside down at iteratec GmbH: employees work in a self-organised manner and think entrepreneurially. The managing directors clear obstacles out of the way if necessary. All together are responsible for ensuring that the projects are successful.

DESCRIPTION OF THE PROCESS AND PRINCIPAL ACTORS INVOLVED IN THE PROCESS

"Do it as if it were your company," the two founders, owners and managing directors of iteratec, advise their employees in all matters.

First, the partners presented their idea to a small circle of the management. There was a good response to the idea of founding and building a cooperative.



The dual model: the cooperative takes over the company in two steps

The GmbH and the cooperative are two separate organisations. The cooperative exists parallel to the GmbH and will take over the company in two steps. First, the eG will acquire 49 percent of iteratec, and the corresponding profit share will be used to repay the Darelehn. After seven years, the remaining 51 percent will be transferred to the cooperative. As before, the GmbH will have its own managing directors. This is to ensure quick decisions and consistency for the customers. The owners determined the value of the company on the basis of industry-standard key figures, but then halved the purchase price again so that the eG could actually pay off the loan. Their waiver shows what the culture of their company is worth to them.

Learning and concept phase:

In 2018, 30 colleagues from all locations worked on the foundation and the development of the statutes. First, those willing to found a cooperative learned about the most important cornerstones and structures of a cooperative in a workshop with a lawyer and a representative of the cooperative auditing association: The General Assembly is the highest

decision-making body of the cooperative. All members can participate and each has one vote in democratic majority decisions. The General Assembly elects the Board of Directors, which runs the cooperative, and the Supervisory Board, which watches over the board. The purpose of the cooperative was soon clear: to secure the jobs of the employees and to challenge and promote the members. However, there were also specifics to be regulated, e.g., the election of four board members, including the two owners of the GmbH. This was mainly related to the expectations of the banks. They made it clear that the necessary trust for granting a loan depended on the previous sole proprietors continuing to run the company for the time being and also playing an appropriate role in the eG. In addition, there was an open list of names for the board of directors as well as for the supervisory board, in which everyone could enter suggestions. Michael Gebhart, who is responsible for his favourite topics of member communication and public relations, and Uwe Beßler, who is responsible for finances and controlling, were elected.

On 13.12.2018 the iteratec nurdemteam eG was founded with 215 founding members. Membership in iteratec nurdemteam eG is linked to employment at iteratec GmbH:

to become a member of the cooperative, one must be an employee of iteratec GmbH. When leaving the company, membership in the eG also expires at the end of the year. Each member can only purchase one share amounting to 3,500 euros. When they leave, the members receive their initial amount back - with a remarkable two percent (per annum dividend) minimum interest rate. It is not a financial investment, but an investment in the future. Membership is a form of co-determination.

Quote: "This makes us all owners - in everything we do. Whether we are solving complex challenges for our customers or exploring new technologies to advance ourselves: The success of the company is in our own hands. This motivates us every day to develop ourselves and our customers into digital champions."

MECHANISMS USED TO IMPLEMENT THE PROCESS

Cooperative education and counselling for employees, training of committee officers for the Board of Directors and the Supervisory Board:

"Among other things, the general assembly adopts the annual financial statements, decides on possible amendments to the articles of association and the business objectives or decides on motions from the members," says board member Michael Gebhart. The



Supervisory Board is to take up questions or concerns of the members and, if necessary, review the activities of the Executive Board in this regard. To ensure that the exchange of information works for everyone, all locations together as well as the service team and back office each provide one of the total of seven supervisory board members. Regular workshops (3-4 times a year) with staff to further develop the business.

Lean start-up method: projects that employees have developed in their own time are tested with potential customers.

PRINCIPAL BARRIERS

The financial weakness of the workforce to put up the price for the value of the business. (This is why the founders halved the assessed value to make the new cooperative creditworthy).

The capital gains tax to be paid on the sale to the cooperative amounting to approx. 30%. (A clear obstacle in Germany for business succession by employees).

FACTORS OF SUCCESS

1. the firm will of the company founders to hand over the company to the employees as the core and heart of the company.

2. the long-term strategy of handing over the company to the employees - informing and motivating them to found a cooperative together. 51 percent of the shares are still held by the founders. The employees do not suddenly bear the entrepreneurial risk alone. The cooperative is given the freedom to learn what ownership means, it is accompanied and supported by the founders.
3. the "other" personnel policy of iteratec GmbH: employees are not hired according to skills, but according to their potential. Highly motivated employees are hired who like to learn quickly. Iteratec GmbH has a very high competence density in terms of personnel. Quote: "We need the best people. Professionally and humanly." The focus is on empowerment of the individual employee and team empowerment. The focus is on the quality of the work, not on the amount of turnover. Highest competence in small teams makes iteratec excellent, powerful and efficient. A concept that works: to date, not a single project out of 314 projects has failed, meanwhile an additional 1000 projects is expected. This is only possible thanks to the mix of empathy and technological competence.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Security for the future:

High security for the employees that the participative corporate culture with the high degree of independence and personal responsibility will be continued. - "Now on a new rung of the ladder" by taking responsibility for the entire company. flexible innovative company.

Side effect:

The high quality of work and products is maintained. Turnover and profit increase as a means to an end.

More opportunities through the dual model (two companies):

The cooperative will also make it possible to found a new company in the future if the iteratec business should no longer be viable (at present, the opposite is more likely to happen. Iteratec is very successful).

social@iteratec:

With their problem-solving skills, expertise in coaching agile methods and project management, the employees also bear a social responsibility towards society. That is why they support non-profit organisations with our competencies. Under the



motto: social@iteratec.

“With our mission social@iteratec, we dedicate ourselves not only to social projects but also to projects with a cultural and ecological focus. We are convinced that all of this is what makes our society.”

TRANSFERABILITY

Possibility of business succession by the employees with mental and financial support from the founders. Education and motivation process for employees to found their own cooperative.

Example of long-term strategy for business succession as well as a dual model.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

Prüfungsverband der kleinen und mittelständischen Genossenschaften, Erläuterung zum Modell der Unternehmensnachfolge Iteratec nurdemteam eG vom 25.01.2021

Statute of the iteratec nurdemteam eG vom 03.09.2020

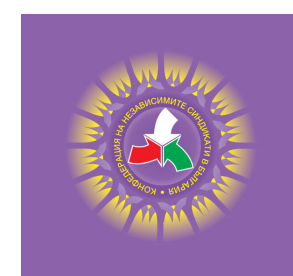
Bürger, Wolfgang/Greppmair, Roland: Das Genossenschaftsmodell- vom Mitarbeiter zum Unternehmer, in: FAZ/Zukunft Mittelstand, 13.10.2020

<https://newmanagement.haufe.de/organisation/firmenuebergabe-von-der-gmbh-zur-genossenschaft>
12.01.2021

<https://www.iteratec.com/de/>

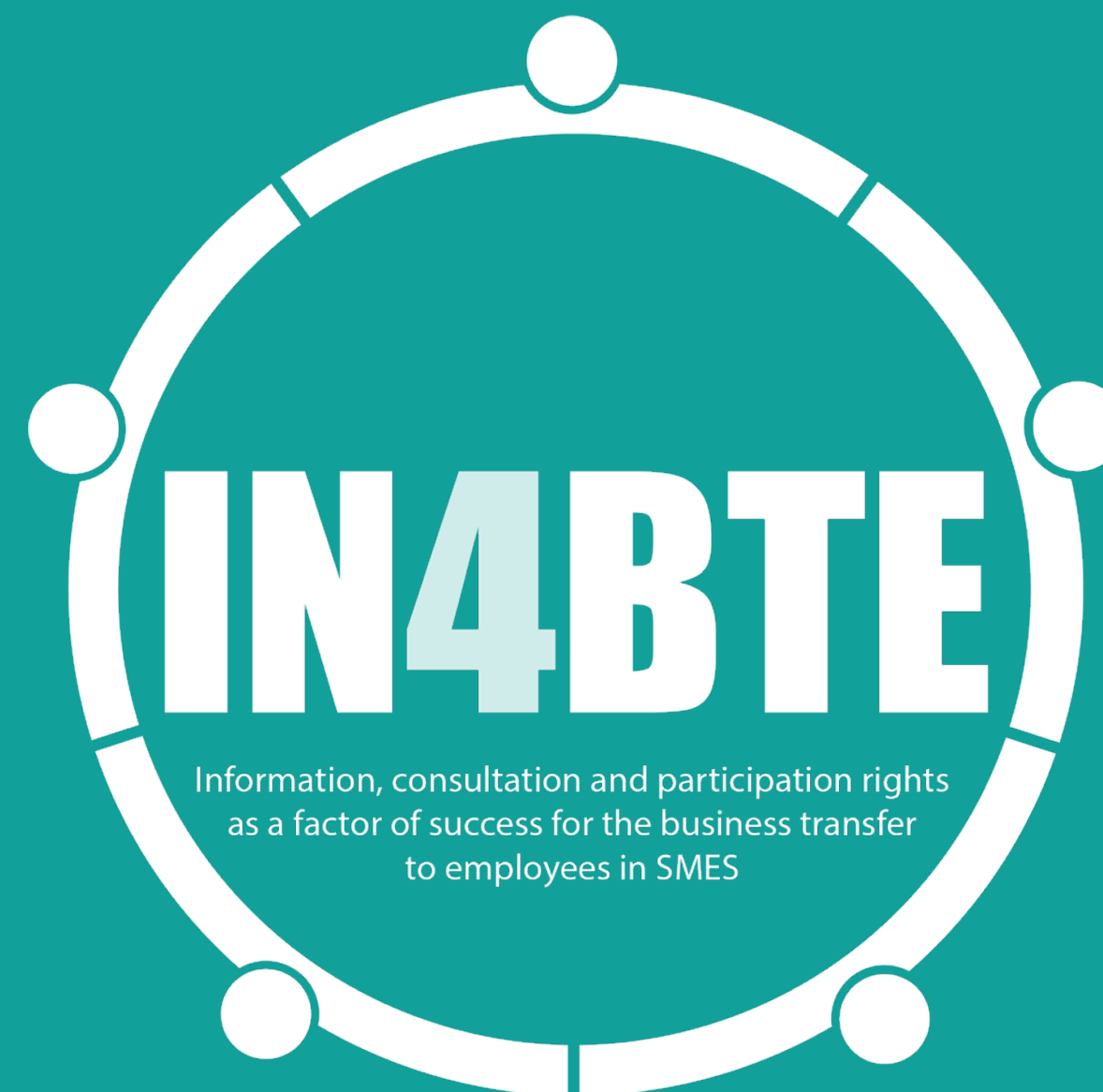
<https://www.iteratec-nurdemteam.org>

This case study was prepared by Hans-Gerd Nottenbohm and Sonia Menzel (innova eG).



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KIMU BAT



COMPANY PROFILE



KIND OF PROCESS

Restructuration

ALLOCATION

Azpeitia Gipuzkoa Spain

PREVIOUS ACTIVITY

N/A

CURRENT ACTIVITY

Landscaping, gardening, training, innovation, research and development of activities associated with the environment

DATE OF CONSTITUTION

18 June 2014

LEGAL FORM

Limited Liability Labour Society

TURNOVER

(Dec. 2019): 1.700.000€

CONTACT PERSON

Iker Goikoetxea Arana

Previous N°
of employees

N/A

N° of employees
at the constitution

N/A

Current N° of
employees

23

N° of employee partners
at the constitution

N/A

Current N° of employee partners (all
employees with indefinite term contracts)

14

www.kimubat.eus

BACKGROUND

KIMU BAT, S.L. was owned by two partners and was undergoing economic difficulties in December 2013 as a result of a drop in maintenance investment by local public departments as well as a decrease in construction work.

Moreover, the owners were nearing their retirement age and no family succession plan was in place. Therefore, the continuity of the business, which required overall organisational and economic restructuring, was in question. For the first time in years, the owners could not agree on how to proceed. In these circumstances, the workforce delegate representing the Basque Country Workers' Union LAB and the owners agreed to contact the ASLE Business Association to study the possibility of setting up a Social Economy company to prevent the company from closing.

EMPLOYEE INVOLVEMENT FORMULA

K1 EKOPAISAIA SLL is a Labour Society established in 2014 by 10 worker-partners who hold a share capital of €182,000.

It was founded as a new social economy project for a Labour Society with majority holdings by its employees with indefinite term contracts, regulated solely in Spain.

La empresa Kimu Bat ha sido galardonada con uno de los premios '10 bitxiak'



Reparto de premios llevado a cabo en la Cámara de Comercio.

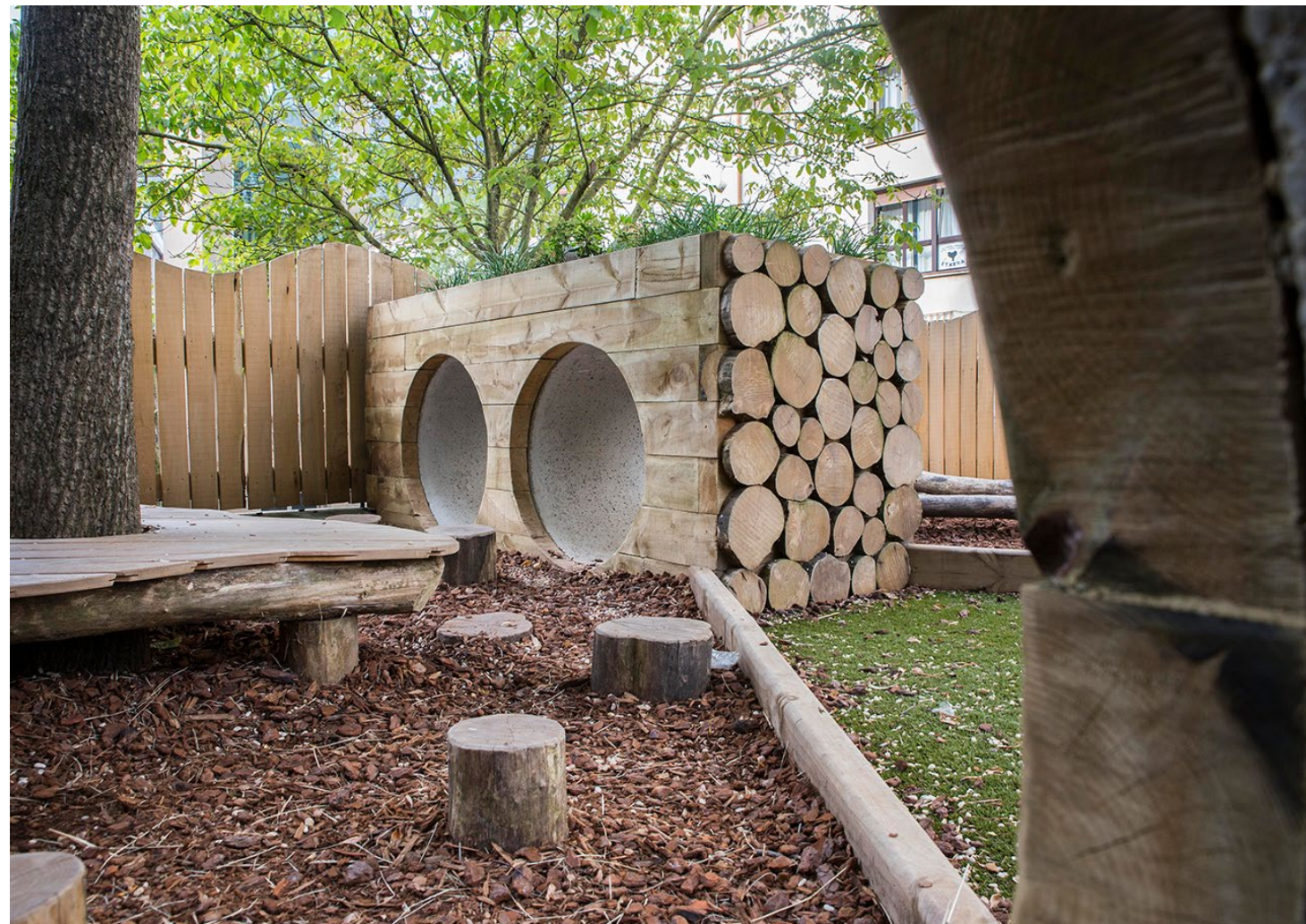
In this case, 100% of the capital is held by the company's employees with indefinite term contracts.

DESCRIPTION OF THE PROCESS

1. Feasibility Plan. 2. Termination of work contracts and payment of compensations. 3. Capitalisation of unemployment benefits to set up the Labour Society. Personal loans were also taken out through the Kutxabank financial institution. Average contribution per shareholder of €6,000. 4. Lease contract of the company premises for a period of 15 years. 5. Purchase of the installations, machinery and necessary stock from the previous owners.

The workforce has increased due to growth in business activity and the Company has a clear policy in place stating that all employees with an indefinite term contract acquire the status of shareholder, as it is understood that a company in which the share capital is held by the workers is more cohesive and committed.

Thus, all the employees with an indefinite term contract have taken on participation. These amount to 19 individuals who have contributed €17,500 each, amounting to a share capital of €332,500.



MECHANISMS USED TO IMPLEMENT THE PROCESS

A) Economic

1. Single payment capitalisation
2. Personal loan financing by financial institutions.
3. Non-repayable grants from the Basque Government to establish a Labour Society.
4. Grant from the Michelin Foundation (€20,000 non-repayable grant)
5. Fiscal: deduction in Personal Income Taxes for contribution to share capital of each shareholder

B) Technical

1. Setting up a Surveillance Body consisting of the workers' representatives and the owners.
2. Drawing up Internal Operation Regulations to bolster the new governance model.
3. Approval of the Company Contract that established the rules for the entry/exit of shareholders and distribution of profits.



PRINCIPAL BARRIERS

- Year one: lack of sufficient resources and economic difficulties.
- A lack of participative culture.
- Absence of economic training to understand the business.
- Management of personal diversity with regard to age, gender, personalities, etc.

FACTORS OF SUCCESS

- Leadership of the workers' representative.
- Support from the Local Development Agency and the ASLE to develop the process.
- Permanent and transparent dialogue between the workers' representative and the owners to reach agreements for the transfer.
- Development of a culture based on values and the participation of all the people involved to encourage the feeling of belonging.
- Training of all the individuals in economic matters and matters related to innovation.



MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Company

Business continuity

Improving turnover, income, workforce

Employees

Maintaining employment

Capacity for self-development

Increased training, professional development, motivation, satisfaction

Society

Generation of direct and indirect economic opportunities

Involvement with society through the Karabeleko Project. Pursuing employment opportunities for persons with mental illnesses, along with the participation of other nearby organisations. Strengthening of its commitment with the environment and research along these lines for new business opportunities.



TRANSFERABILITY

- clear leadership of the workers' representative
- support of specialised agents during the process
- application of economic-financial and technical mechanisms
- training in the management of all individuals

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

Case study by Deusto University:

Navarro, I. Narvaiza, L and Aragón, C. (2017) Kimu bat, Deusto Business School – University of Deusto, San Sebastián.

Press Links:

<https://gipuzkoadigital.com/kimu-bat/>

<https://kimubat.eus/es/kimubat-garden/noticias/kimu-bat-obtiene-el-certificado-de-oro-bikain>

<https://kimubat.eus/es/kimubat-garden/noticias/kimu-bat-presenta-varios-proyectos-medioambientales-y-educativos-en-su-25>

Social media Links:

<https://www.instagram.com/kimubat/>

<https://www.youtube.com/channel/UChATO-jPW-RmCE4rkbKcnkA/featured>

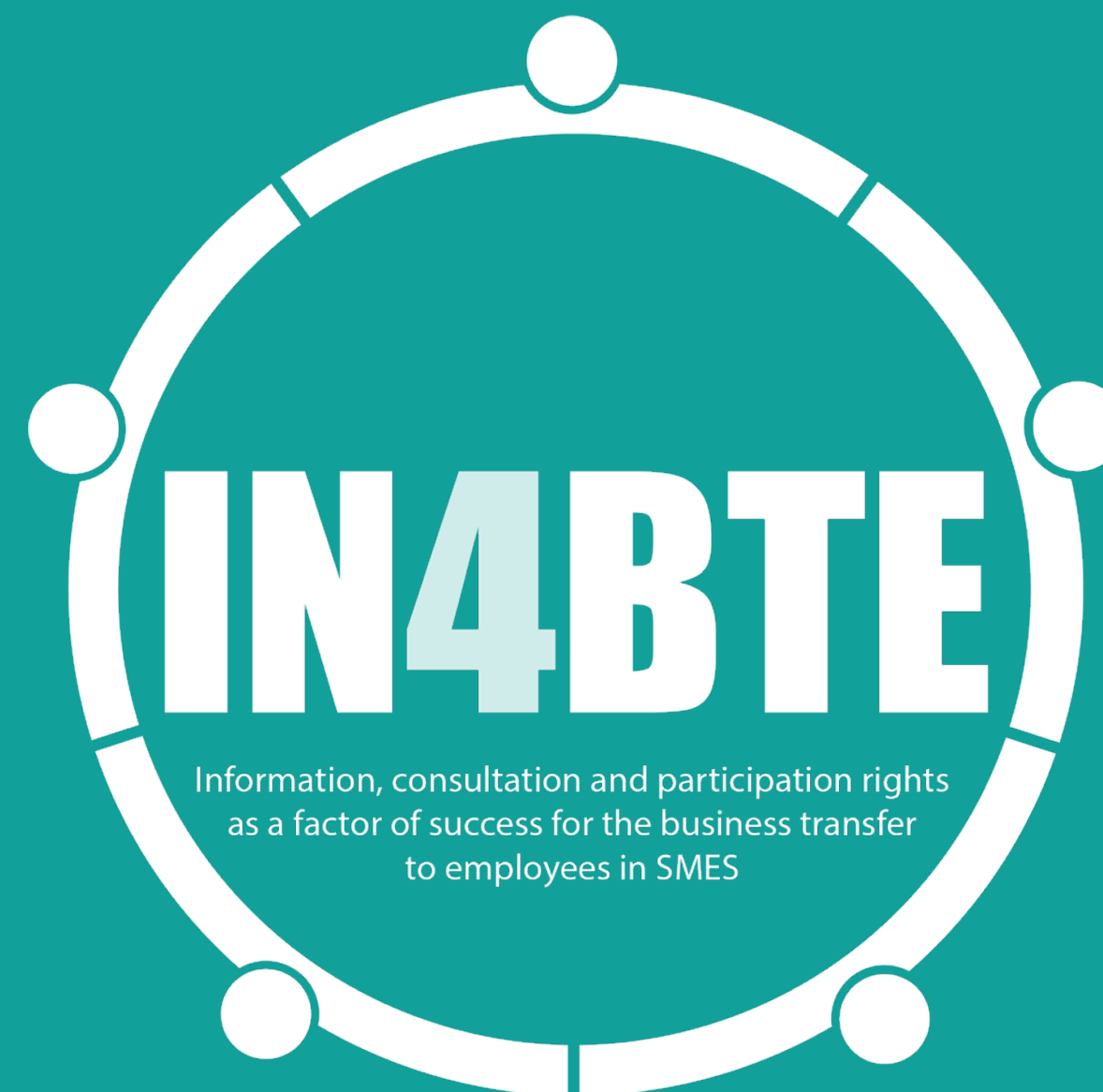
<https://www.facebook.com/Kimubat>

This case study was prepared by Anabel Yoldi and Jone Nolte (ASLE).



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METALHER, S.L.L



COMPANY PROFILE



KIND OF PROCESS

Succession

ALLOCATION

Hernani Gipuzkoa Spain

PREVIOUS ACTIVITY

Metallurgy

CURRENT ACTIVITY

Construction and assembly of metal structures

DATE OF CONSTITUTION

1985

LEGAL FORM

Limited Liability Labour Society

TURNOVER

(Dec. 2019): £51 Mio €

CONTACT PERSON

Juan Mari García Carrera

Previous N°
of employees

15

N° of employees
at the constitution

15

Current N° of
employees

16

N° of employee partners
at the constitution

9

Current N° of
employee partners

9

metalhersl.com



BACKGROUND

In 2017, METALHER, S.L., owned by two partners (one retired and the other near retirement) made a strong investment to open a new line of business consisting in the manufacture of hydraulic tanks from drawings and from in-house designs. New qualified staff were hired for this purpose.

However, the retirement of the active partner was approaching. Given the situation, several alternatives were proposed to avoid closing: to sell the business to the competition, to sell the premises and settle the business or to sell the business to the workers.

The most attractive option was to sell the business to the workers. Therefore, after making their proposal, they contacted the ASLE Business Association for advice regarding the business succession process.

EMPLOYEE INVOLVEMENT FORMULA

METALHER S.L.L. became a Limited Liability Labour Society on 31 March 2020 as a new social economy project and specifically as a Labour Society; a commercial company with majority participation of its employees with indefinite term contracts. Nine of the company's workers acquired 100% of the company.



DESCRIPTION OF THE PROCESS

1. Design of an Economic-Financial Plan for succession.
2. Capitalisation of unemployment benefits and personal loans for the transformation.
3. Formal transformation into a Labour Society
4. Additional search for financing to purchase the shares of the outgoing partners.
5. Corresponding purchase contract.
6. Loan granted to the company.
7. Company loan to the workers.
8. Purchase of shares by the workers from the two owners.

The key agents that collaborated in the successful outcome of the process were as follows: ASLE Business Association, Gipuzkoa Chamber of Commerce and the Hernani Development Agency (Gipuzkoa) BETERRI-BURUNTZA, pertaining to the City Council. This was supported by the Provincial Council of Gipuzkoa, which subsidised the process.

MECHANISMS USED TO IMPLEMENT THE PROCESS

A) Economic

1. Purchase price: €950,000. The funds came from:
 - a. Single payment capitalisation. 5 individuals (average of €20,000 per person)
 - b. Personal loan financing by financial institutions. Company loan to each worker partner. The company had previously obtained a loan from LUZARO (financial institution) with a guarantee from ELKARGI (Mutual Guarantee Society) with a specific line of risk coverage from the Provincial Council of Gipuzkoa.
2. Non-repayable grants from the Basque Government to establish a Labour Society.
3. Support from the Michelin Foundation.
4. Fiscal: deduction in Personal Income Taxes for contribution to share capital of each shareholder and exoneration of capital gains declaration by the seller who remained in active employment at the time of the transfer.

B. Technical

1. Setting up a Surveillance Body consisting of the workers' representatives and the owners.
2. Drawing up Internal Operation Regulations to bolster the new governance model.



3. Approval of the Company Contract that established the rules for the entry/exit of shareholders and distribution of profits.

PRINCIPAL BARRIERS

- Management of the difference of opinion of the two transferring partners.
- Accumulated positive earnings that increased the transfer price.
- A lack of participatory culture.
- Absence of economic training to understand the business.
- Management of personal diversity with regard to age, gender, personalities, etc.
- Management of the lack of entrepreneurial spirit of the partners.

FACTORS OF SUCCESS

- Leadership of a person who entered the project with good knowledge of the business and a participatory business culture.
- Support from the Local Development Agency and the ASLE to develop the process.
- Economic turnover of the business.
- Commitment by financial institutions

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Company

Business continuity. Project localization.
Improving turnover, income, workforce.
Commitment of the employees.

Employees

Maintaining employment.
Capacity for self-development.
Increased training, professional development,
motivation, satisfaction.
Promotion of a social company where the workers
develop their future and the project by acquiring share
capital.

Society

Preventing relocation of the company and allowing
uninterrupted collaboration with local suppliers.
Strengthening of its commitment to continue
engaging new markets and lines for new business
opportunities.



TRANSFERABILITY

- clear leadership of the person with Managing Director responsibilities in the new project
 - commitment to a participatory company, both as regards management and capital.
 - support of specialised agents during the process
 - application of economic-financial and technical mechanisms
- training in the management of all individuals

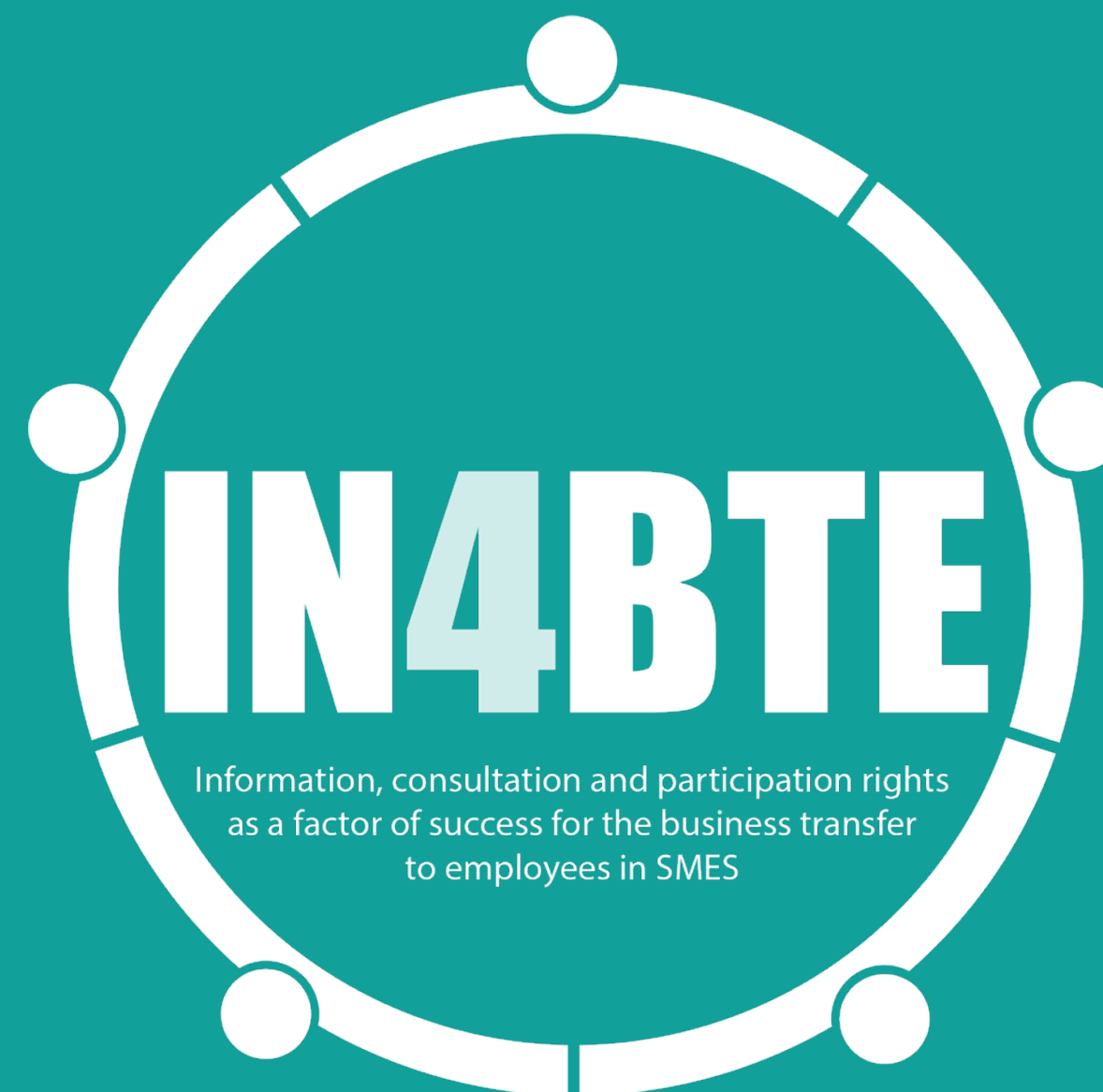
The case study was prepared by Anabel Yoldi and Jone Nolte (ASLE).





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NIVA - 93



COMPANY PROFILE



KIND OF PROCESS

Arises in the process of restructuring of relations and property in agriculture in Bulgaria - the liquidation of agricultural farms and agro-industrial complexes existing during the time of socialism.

ALLOCATION

Professor Ishirkovo Village, Silistra Region (North-East Bulgaria)

PREVIOUS ACTIVITY

Agriculture, arboriculture and other agricultural production in the legal form of the economic unit existing during socialism.

CURRENT ACTIVITY

Production and sale of crops (wheat, maize, sunflower), seed production, cultivation of perennial crops (apricots, plums, peaches, cherries), essential oil crops, beekeeping, trade on local, national and international markets

DATE OF CONSTITUTION

9 January 1993

LEGAL FORM

Agricultural cooperative

TURNOVER

(Dec. 2019): N/A

CONTACT PERSON

Velika Stoilkova

Number of employees at the time of establishment (cooperative members)

29 full-time employees, with 184 founders

Number of employees now

130 jobs - 30 in trade and the remaining 100 in agriculture

Number of partners at the time of establishment

184 founders, owners of land, inventory and share capital and 396 members

EMPLOYEE INVOLVEMENT FORMULA

Expansion of arable land to over 7400 acres of absolutely fertile land and subject of activity: production of 12 types of crops and seed production, including for international markets.

DESCRIPTION OF THE PROCESS

Creation of an initiative committee, which organizes and holds a Constituent Assembly for the establishment of the “Niva-93” Agricultural Cooperative with 184 founders - owners of land, inventory, and share capital of EUR 6,610.

MECHANISMS USED TO IMPLEMENT THE PROCESS

Organizing of production through a new type of relationship - bringing together poor and small landowners and other assets (machines, animals, inventory, capital, etc.) that were previously employed in the same industry. They unite in accordance with the Cooperatives Act on the principle: 1 share - 1 vote in the management.

PRINCIPAL BARRIERS

Complex political and economic situation in the country, hyperinflation above 3000% and 5 bank failures within 1 week in 1997, followed by denomination and introduction of currency board, years of bad climate, lack of markets and low purchase prices.



FACTORS OF SUCCESS

Trade union organization, social program, bold investment, job creation; work on European projects, high-performance equipment and continuous development, incl. assisting fellows - agronomists and economists; membership in the Association of Agricultural Cooperatives; Bulgaria's EU membership.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

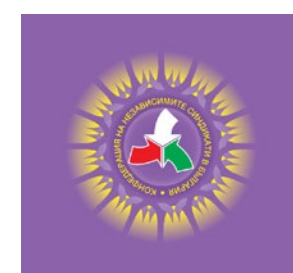
Restores a structure and production to which people have been attached, prevents depopulation of settlements, creates employment for the residents of the territory, satisfies the needs of the market with 12 types of crops and other products, develops serious social and cultural educational activity in the area.

TRANSFERABILITY

The Cooperatives Act enables the creation of production structures in almost all sectors of production and services while empowering all involved on the principle of 1 share - 1 vote in management.

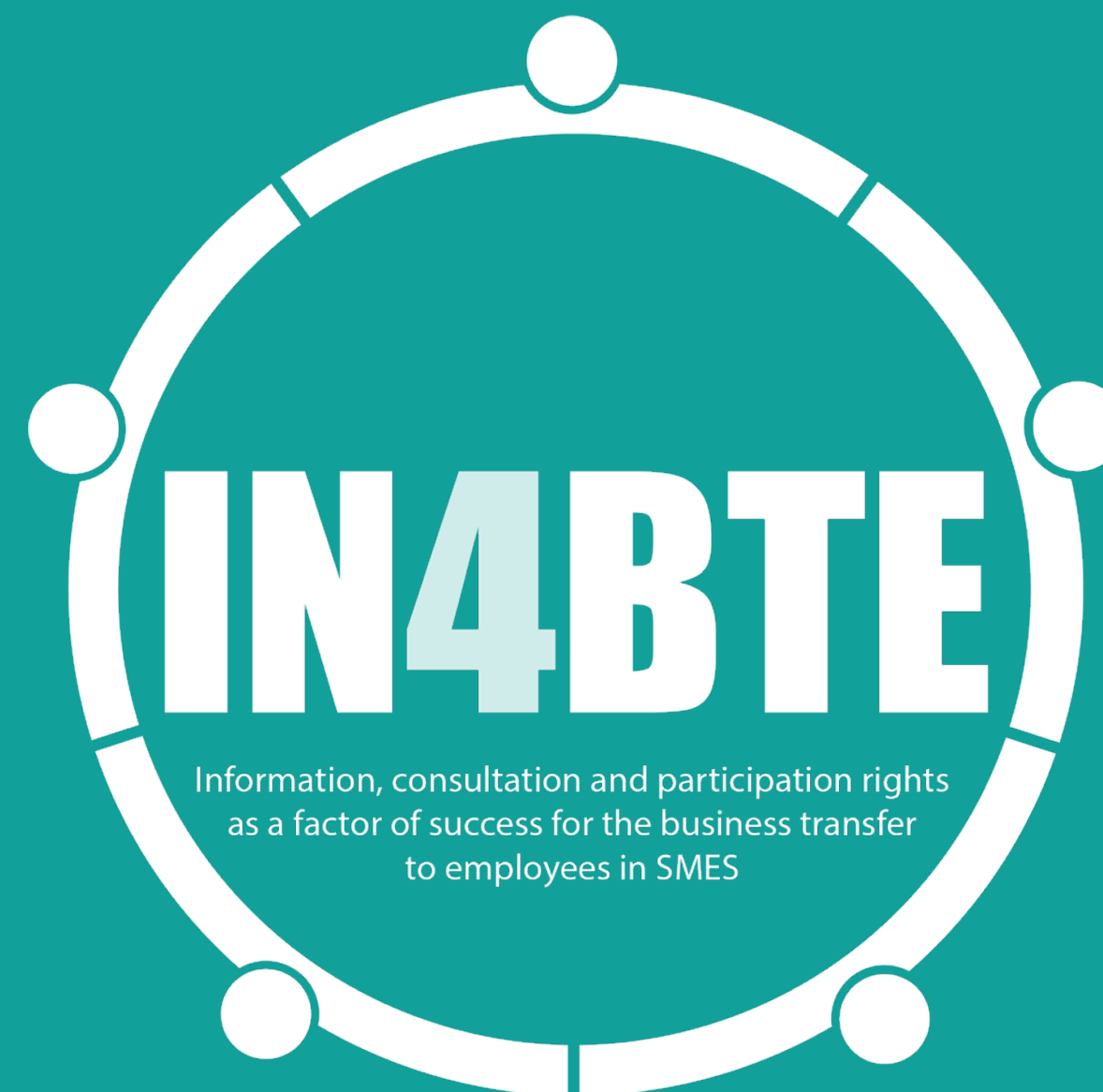
This case study was prepared by Svetla Vasileva (CITUB) and translated from Bulgarian to English by Yuliya Simeonova (CITUB).





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PIRINOLI



COMPANY PROFILE



CARTIERA **PIRINOLI**
S.C.

KIND OF PROCESS

Restructuring/closure

ALLOCATION

Roccavione (Cuneo)

PREVIOUS ACTIVITY

Paper mill - specialized in the production of coated cardboard for recycled fibre cartons, which is only used for food packaging.

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

March 2015

LEGAL FORM

Cooperative

TURNOVER

(Dec. 2019): 36,700,000.00 Euros

CONTACT PERSON

Silvano Carletto (cooperative president)

Previous N°
of employees

154

N° of employees
at the constitution

—

Current N° of
employees

14

N° of worker members of the
cooperative at the constitution

70

Current N° of worker
members of the cooperative

74

www.pirinoli.it



BACKGROUND

The Pirinoli Paper Mill was founded by Gaspare Pirinoli in 1872. In 1937, the company was purchased by the Eva family and began to produce cardboard for printed containers, becoming one of the leaders in the sector at national and later at European level. In 1962 and 1994, two more technologically more advanced continuous production lines with higher production capacity were installed. At the beginning of the year 2000, Cartiera Pirinoli was among the top ten European producers of coated cardboard for recycled fibre containers, with a production of over 100,000 tons per year. In the years that followed, cost increases and changing market conditions provoked a serious financial crisis. In 2006, there was an attempt to relaunch the company, when Pkarton S.p.A - a company set up ad hoc by entrepreneurs and experts in the sector - took over the company and launched a new industrial plan. However, the situation worsened, also due to the economic crisis that started in 2008. On 21 June 2012, Pkarton S.p.A. declared bankruptcy, the production lines were halted and the 160 workers were made redundant.



DESCRIPTION OF THE PROCESS AND EMPLOYEE INVOLVEMENT FORMULA

Once the attempt to find new investors had failed, in 2013, 74 workers - who in the meantime had started to manage the factory - decided to take over the company. With the support of Legacoop di Cuneo, they started legal procedures for the transfer of the company which also saw the involvement of the Piedmont Region, with specific financial laws in support of cooperation, and the trade unions Cisl and Cgil, Cooperazione Finanza Impresa and Coopfond as financiers.

After a positive assessment of the future possibilities of the company and the drafting of an Industrial Plan, in March 2015, Cartiera Pirinoli Società Cooperativa was founded with 74 partners-workers. On 16 April of the same year, the cooperative bought the machinery through an auction and rented the production site's sheds. In August-September 2015, the cooperative resumed production, reconnecting with historical customers and reactivating one of the two production lines that had been operational before bankruptcy. The initial capital of the cooperative was 2,400,000 Euros: 1,200,000 Euros from the members-workers, 600,000 Euros from Coopfond and 600,000 Euros from CFI.

MECHANISMS USED TO IMPLEMENT THE PROCESS

The mechanisms used are those described in paragraph 3.

PRINCIPAL BARRIERS

There were no particular complications because the WBO was set up quickly and with full synergy between the actors involved.

FACTORS OF SUCCESS

The main factors behind the success of the WBO were: the WBO was set up quickly, which meant the company did not lose market and customers; the cohesion of the group of workers, which also included key skills for the relaunch of activities; finally, the local social dialogue, which made it possible to actively involve the local public and private actors.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

During the first three years of activity, the working members, apart from investing their severance pay, also reduced their salary by 20% to meet financial needs. Initially, following an internal agreement, overtime payments were also paid as normal working hours. The plant occupies an area of 140,000 square metres, 25,000 of which are covered. The production



potential is over 100,000 tonnes per year. The cooperative is present not only on the Italian market, but also on all European markets. In November 2016, Cartiera Pirinoli S.C. obtained the Forestry Stewardship Council (F.S.C.) certification.

The cooperative has increased employment levels over the years, reaching, in December 2018, a total of 80 working members and 12 employees.

TRANSFERABILITY

Also in this case, the legislative apparatus played a key role in the implementation of the WBO, which facilitated access to finance and gave workers the right of first refusal in taking over their company in crisis.

In our opinion, the experience could be transferred provided it is supported by appropriate legislation.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://www.youtube.com/watch?v=JzeCBG5pTgo>

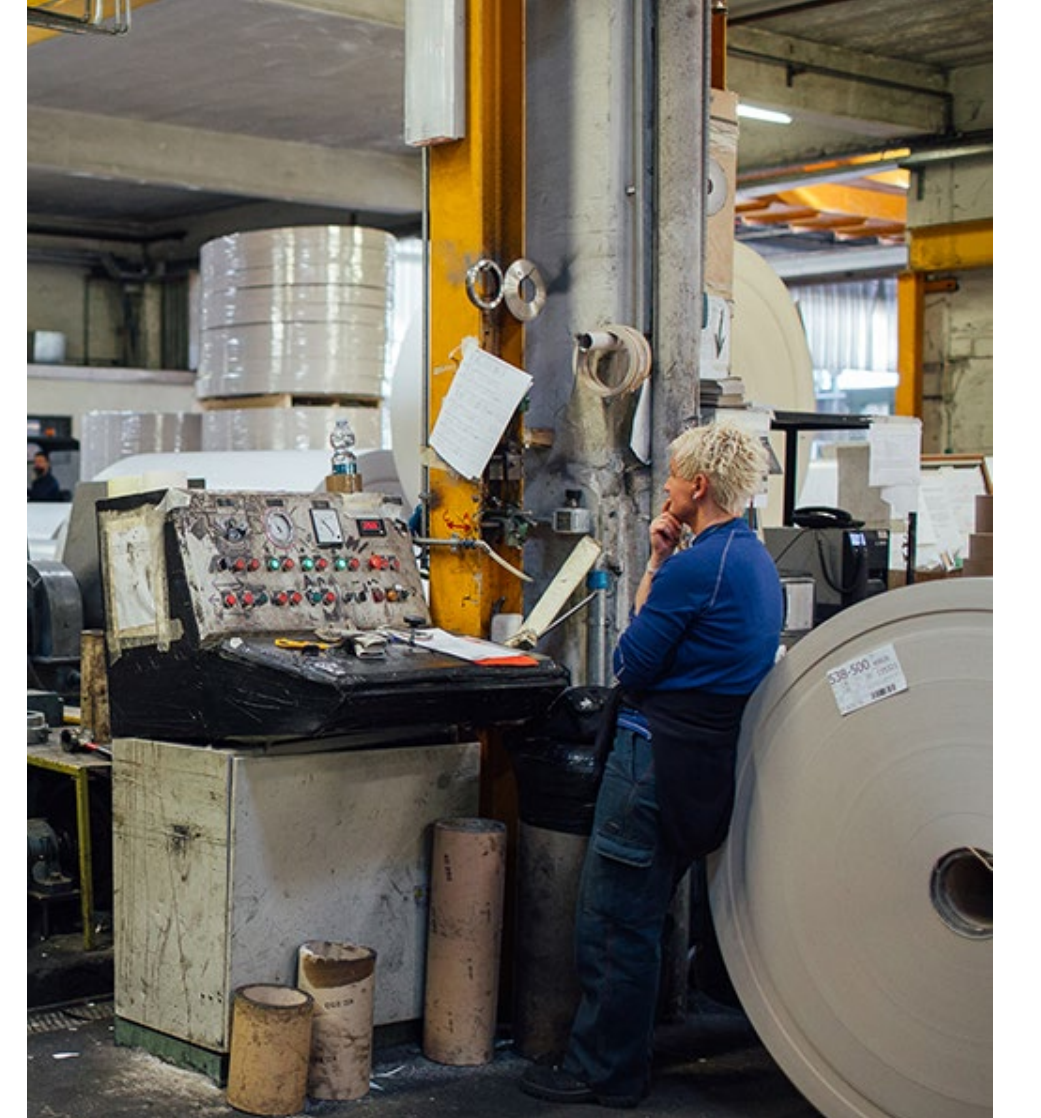
<https://www.youtube.com/watch?v=alqBJ4KOZYI>

https://www.youtube.com/watch?v=GHTj_dkP0Vo

https://www.youtube.com/watch?v=QT_qHxJPiWE

https://www.youtube.com/watch?v=4H_NIGiSMiE

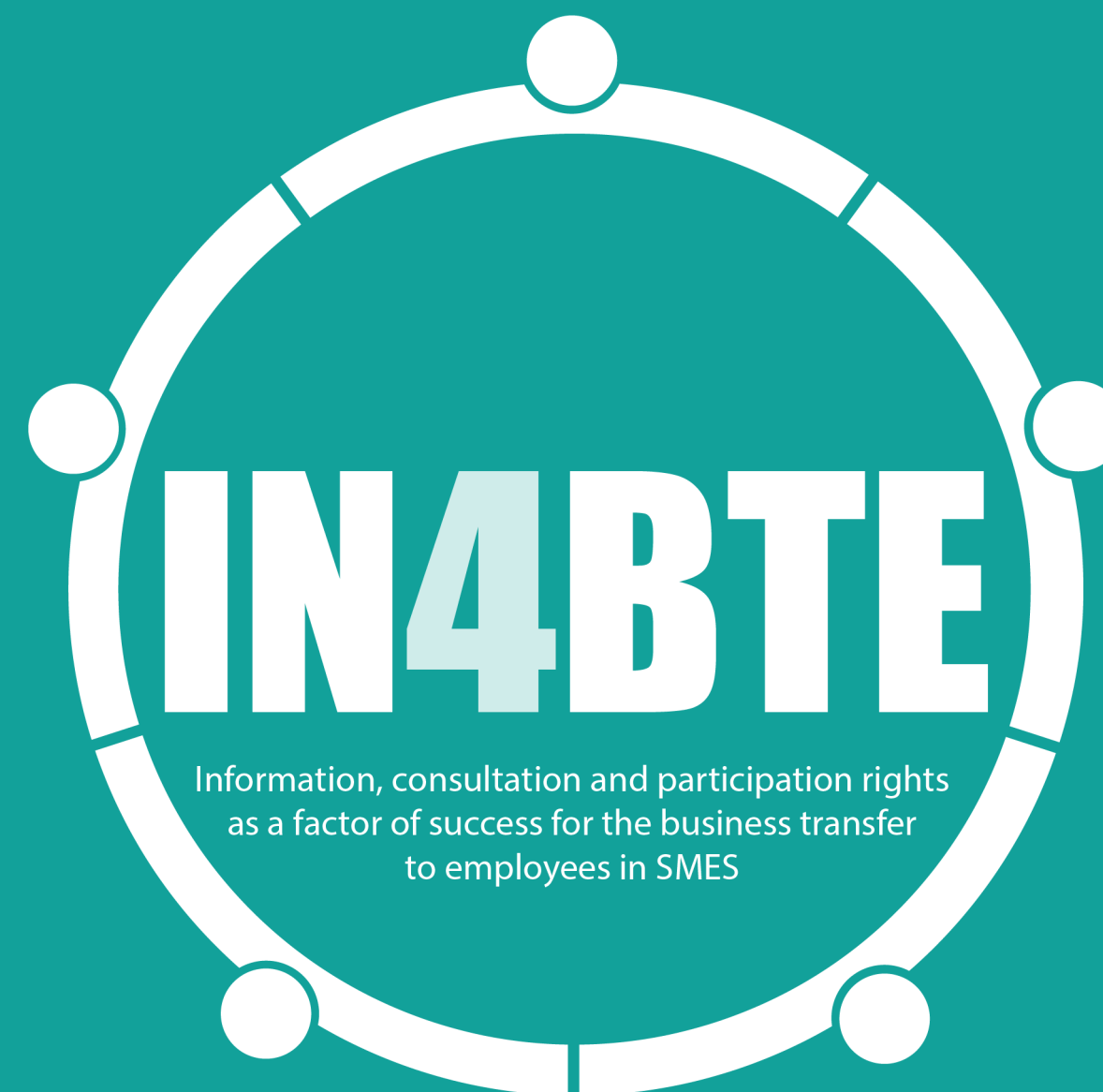
This case study was prepared by Francesco Lauria and Vilma Rinolfi (CISL).





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QUONEX ALSATEL



COMPANY PROFILE



KIND OF PROCESS

Take-over (after liquidation)

ALLOCATION

France

PREVIOUS ACTIVITY

Enterprise telecommunication solutions and unified communication

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

2018 (the company originally was founded in 1947)

LEGAL FORM

SCOP

TURNOVER

(Dec. 2019): 7M euros

(Dec. 2020): 7,4M euros

CONTACT PERSON

Enis Muslic

Previous N°
of employees

120

N° of employees
at the constitution

47

Current N° of
employees

66

N° of employee partners
at the constitution

37

Current N° of employee partners
(before constitution, finally 1)

4

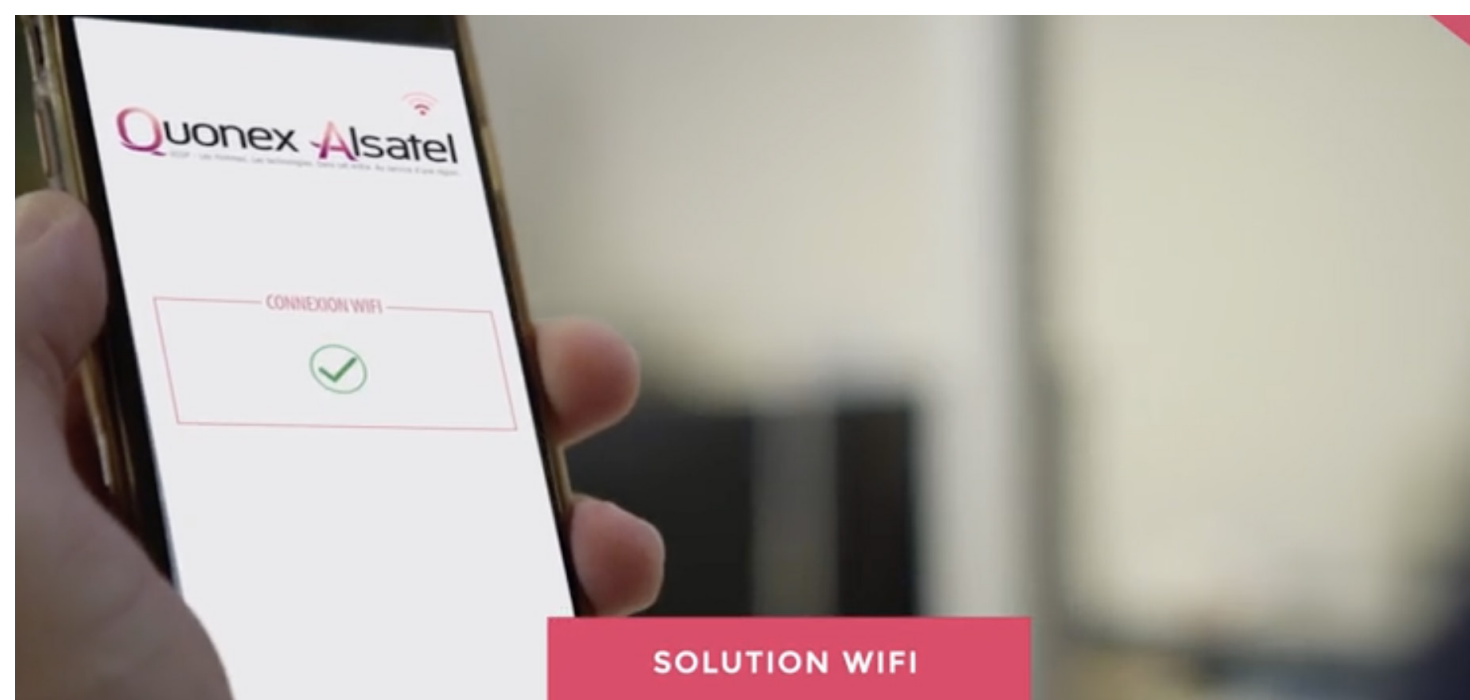
www.quonex.fr

BACKGROUND

In 1947, ALSATEL, Société Alsacienne et Lorraine de Télécommunications et d'Electronique was created. In 2007, the EIFFAGE Group acquired 100% of the shares of Alsatel and TTE Transel (founded in 1958). In May 2016, the holding company Quantum Capital Partners acquired 100% of the shares in Eiffage Energie Communications, Réseaux et Sécurité (name change to ALSATEL in 2011) and Sécurité and Eiffage Energie Réseaux et Télécom (name also changed in 2011), which become Quonex.

In December 2017, Quonex IDF was placed in judicial liquidation at the Bobigny court and all employees were dismissed. As a result, some assets (maintenance contracts) were bought back by Foliateam and ITC Ariane.

In May 2018, there was a redundancy plan at Quonex GE that included voluntary departures and conventional terminations (about 30 people). July 2018, Quonex Grand Est went into receivership, then in liquidation with proceedings on September 10, 2018. The employees took over the Voice & Data, Applications, Operator and Security activities in the form of a cooperative company which became Quonex Alsatel.



The telecommunications market:

- communication systems (voice)

Evolved towards:

- exchange of computer information (data, email, video, sound...)
- bringing people together and promoting exchanges (videoconferencing, cloud, unified communications)
- providing security for goods and people (access control, video protection, sick call...)
- gain in speed with continuity of service (cabling, internet access, mobility)

The cooperative present regionally and has a national coverage.

Quonex customers are:

- SMEs and ETIs (Intermediate-Sized Companies)
- hotel business
- community
- industry
- health
- building and public works

Fields of activity:

- voice and data
- applications
- security
- radio
- services

EMPLOYEE INVOLVEMENT FORMULA

The employees were not very familiar with the cooperative model since they were company workers. The need/willingness to take over the company led them to the SCOP model through the URSCOP. They thought about the cooperative model of sharing even before they knew this social model. The SCOP structure would bring the solution to take over the structure and solve many problems. During the process of creating a company in SCOP, the concern of transparency was very important. During the takeover, concessions had to be made, in particular on the abolition of the 13th month of salary as well as one week of holidays and to go from 6 to 5. This made it possible to reach a break-even point.

DESCRIPTION OF THE PROCESS

The reasons for the company liquidation:

- cost of oversized support services compared to operational services.
- investments made on a group projection -> requiring a time that the company did not have (over 3 years).
- high supervision and management fees in relation to the structure.
- costs borne mainly by Quonex Grand Est.



- overheads were too high.
- low financial participation of the investment fund Quantum Capital Partners.
- a strategy based on unrealized external growth.

When the company was liquidated, the dismissed employees made an offer to get a clear picture of the value of the company. They are prepared to put in 400,000 euros, while a large group wanted to put in 23,000 euros. While the latter withdrew its offer because the employees wanted to keep 51 employees instead of 27, the group increased its offer to 100,000 euros, which was nevertheless cheaper for the state. Quonex employees also improved it by participating in the 20,000 euros PES. The 420,000 euros offer was more expensive for the State, but it ensured that 47 employees were kept. The court then ruled in favour of the employees.

From a legal point of view, the employees let themselves be dismissed and the compensation was invested in the company. The capital of 850,000 euros were raised with various aids, including aid from the Grand-Est region (Bourse d'Emergence).



Arguments put forward for the takeover of the company by the employees included:

- accompanying letters from large companies.
- letters of commitment from 4 regional companies initially interested in taking over the company that finally joined the SCOP as associates and are no longer competitors but partners.

MECHANISMS USED TO IMPLEMENT THE PROCESS

The unions were not really involved in the takeover of the company. The works council had the support of lawyers who were able to help and direct them towards the URSCOP (regional union of SCOPs). There was also a financial support/assistance mechanism: creation aid ARCE, emergence grant and personal participation - redundancy bonus, SOCODEN (SCOP financial organization which lent 200,000 euros over 3 years without any compensation, giving them time to recover their funds, following the liquidation of Quonex, to invest in the Quonex Alsatel SCOP), France Active (200,000 euros loan over 3 years), and above all, AFICOOP (association for the financing of URSCOP cooperatives which made the 420,000 euros available on the day of judgment).

SWOT analysis of Quonex' WBOs - Source: Les Scoop presentation on Quonex

Strengths

| | OUR ASSETS | | | |
|------------------|---------------------------------------------|---|----------------------------------------------------------------|---|
| | ITEMS | | OUR STRENGTHS | |
| INTERNAL ORIGINS | Stable client base | + | Positive contribution to the sustainability of the cooperative | + |
| | Alsatel reputation | + | Acquired local and regional reputation | + |
| | Major customer support to the cooperative | + | Positive contribution to the sustainability of the cooperative | + |
| | Low technical turnover | + | Guarantee of follow-up and service quality | + |
| | Geographical proximity | + | Reactivity and customer satisfaction | + |
| | Pre-sales expertise | + | Guaranteed design of scalable solutions for customers | + |
| | Trained sales team | + | Continuity to support customers | + |
| | Confirmed and certified technical team | + | Guaranteed continuity of service | + |
| | Experienced managers in the field | + | Increased efficiency / maturity in decision making | + |
| | Several customer account penetration offers | + | Several gateways for business development | + |
| | Loyal and solid partners | + | Facilitates the development of the structure | + |
| | Loyal and strong partners | + | No operational disruption | + |

Weaknesses

| | OUR IDENTIFIED WEAKNESSES AND OUR ASSOCIATED ACTIONS | | | |
|------------------|------------------------------------------------------|---|------------------------------------------------------------------|---|
| | ITEMS | | ACTION PLAN | |
| INTERNAL ORIGINS | Competence INFRA / NETWORK SECURITY Mono-constructor | - | Local integrator partnership became extern partner | + |
| | Enterprise Resource Planning outdated | - | Study for evolution with external partners | + |
| | No Software as a service (SaaS) offer (OPEX) | - | Study in progress for the distribution of a major operator offer | + |
| | Multisite => national clients voices | - | Study and exchange in progress to finalize with a national actor | + |
| | Fragile recurring income | - | Study in progress for distribution of major operator offer | + |
| | Difficulty in recruitment / Expertise | - | Mutualized competences with external partners | + |
| | Restricted access to certain public markets | - | Possible opening via co-contracting with external partners | + |
| | Demotivation and demobilization of employees | - | The cooperative has gathered and involved motivated employees | + |

Opportunities

| | OUR ANSWERS TO MARKET OPPORTUNITIES | | | |
|------------------|--------------------------------------------------------------|---|--------------------------------------------------------------|---|
| | ITEMS | | OUR ASSETS | |
| EXTERNAL ORIGINS | Deployment of local shops | + | Cooperative skills sufficient to position itself | + |
| | WIFI – LAN network potential | + | Proven expertise and resources for this type of solution | + |
| | Dynamics linked to the permanent evolution of WiFi standards | + | Expertise and resources confirmed for this type of solutions | + |
| | Cloud solution acceleration | + | Existing offer | + |

Threats

| | EXTERNAL THREATS IDENTIFIED AND ASSOCIATED ACTION PLAN | | | |
|------------------|--------------------------------------------------------|---|------------------------------------------------------------|---|
| | ITEMS | | ACTION PLAN | |
| EXTERNAL ORIGINS | Deployment of SaaS solutions to come by operators | - | Study in progress for distribution of major operator offer | + |
| | Poaching by competitor | - | Code of conduct with external partners | + |



To synthesize:

- Availability by AFICOOP of 420,000 euros the day of the hearing.
- Loans:
 - a) SCOP financial organization: SOCODEN 200,000 euros.
 - b) Financial organization France Active 200,000 euros.
 - c) Bank Credit Cooperative 500,000 euros to reimburse the 420,000 euros.
- Capital formation 850,000 euros: redundancy payment, help for the creation of the company, and help from the Conseil Général Grand Est.

The genesis of the cooperative project was born from a common human ambition, the creation of a group (cohesion, mutual trust, etc.). The employees of the company have established it after an in-depth analysis of the SWOT grid which brings a total legitimacy to this project.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

A structure in the form of a co-operative has allowed employees to:

- highlight the company's assets,

- establish strong partnerships to correct the weaknesses,
- respond to market opportunities,
- set up associated action plans with business partners.

Further benefits:

- keeping the jobs in a remote area,
- the challenge of not offshoring - being able to compete with "bigger" companies,
- mastering one's own professional future.

TRANSFERABILITY

For the creation of a company, it is necessary to have a structure that has a soul, knowledge, a history and people as well as to have administrative support.

For creation, engineering, support:

- to have legal support,
- to give the possibility to act, to reassure the collaborators, to have financial support,
- to have support from an HR point of view to accompany the management team in order to regain control, organize, and carry a new model.

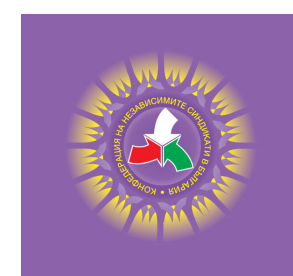
For succeeding, the most important thing is to have charismatic leaders who implement the project and who have a core source of legitimacy.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://www.quonex.fr/presentation>

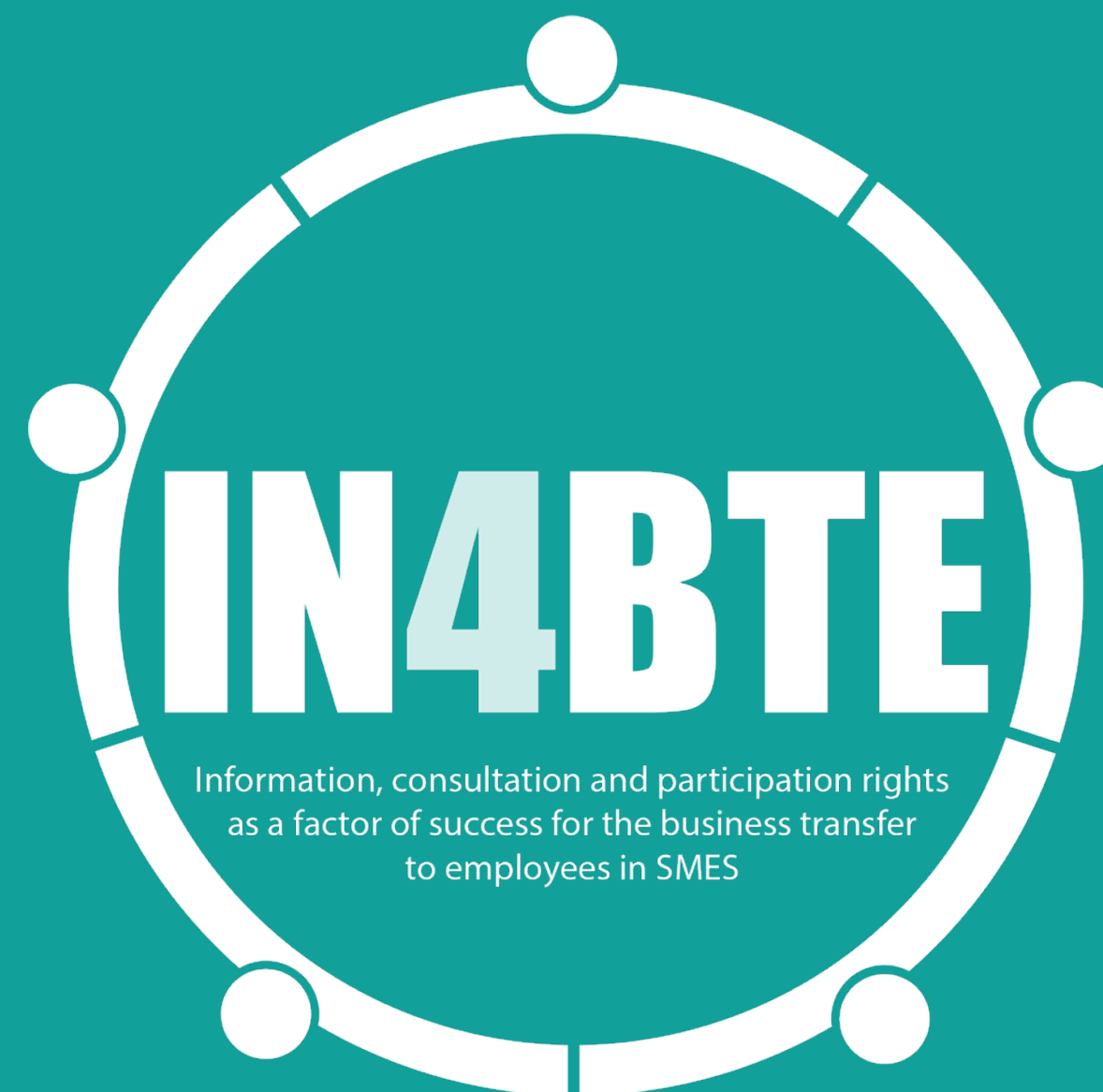
9 études de cas de Sociétés Cooperatives (e-book published by Les SCOP) <https://www.7switch.com/en/ebook/9782376871392>

The case study was prepared by Paul Hammoud and Luca Pastorelli and edited by Melinda Kelemen (Diesis Network).



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WBO ITALCABLES



COMPANY PROFILE



KIND OF PROCESS

Restructuring/closure

ALLOCATION

Industriale Area of Caivano (Napoli)

PREVIOUS ACTIVITY

Mechanical Engineering Factory (Steel). Produces steel strands and wires for large infrastructures (viaducts, bridges, industrial warehouses, railway sleepers for high speed lines in Italy and abroad, pipes for large pipelines, blades for wind power plants, etc.).

CURRENT ACTIVITY

Same

DATE OF CONSTITUTION

2015

LEGAL FORM

Cooperative

TURNOVER

(Dec. 2018): 24,000,000.00 Euros

(Dec. 2019): 24,000,000.00 Euros

CONTACT PERSON

Matteo Potenzieri (cooperative president)

Previous N°
of employees

65

N° of employees
at the constitution

0

Current N° of
employees

2

N° of worker members of the
cooperative at the constitution

51

Current N° of worker
members of the cooperative

53

www.wboitalcables.it

BACKGROUND

The Caivano plant, in the province of Naples, was built in the late seventies and early eighties by Redaelli Tecna, which is a historic steel wire rope manufacturing company. In June 2008, the company was taken over by Italcables Spa of Companhia Previdente, a Portuguese industrial company. In 2009, Italcables Spa had to deal with a serious liquidity crisis and, after the closure of two other plants in Italy, in 2012 it officially declared a crisis also for the Caivano plant. In 2013, despite the fact the plant had a turnover of 50 million Euros per year, an active market and a list of orders that had still to be processed, production was stopped and the 56 workers laid off.

DESCRIPTION OF THE PROCESS AND EMPLOYEE INVOLVEMENT FORMULA

The factory workers organized protests, and sat on the roof of the factory watching over the factory day and night, also because they feared the theft of machinery. After the first traumatic moment, 51 workers decided to try to take over their factory using a WBO. With the active involvement of the trade unionists of FIRST (The trade union federation for banks and insurance companies of CISL), the workers contacted the association of Legacoop cooperatives. Together they prepared the business plan and held continuous



meetings to verify the feasibility of their WBO. At the end of the evaluation phase and with the involvement of the financiers- CFI-Cooperazione Finanza Impresa, Banca Etica and Coopfond – in 2015, the 51 workers set up the WBO Italcables cooperative. The initial capital amounted to 1,939,100 Euros, consisting in part of the workers' contributions, which, amidst easily imaginable complications, paid 25,000 Euros each, taking advantage of the possibility offered by law to request a lump sum settlement of their mobility allowance. Some of them also used part of their severance pay or obtained help from family members to reach the figure required.

The 75 thousand square-metre plant was initially rented to the cooperative which, after 3 years, with the payment of a maxi instalment, became the owner, thanks also to the right of pre-emption granted by law to workers who want to take over their company in crisis.

In order to start production again in the factory, which had been closed for two years, the workers were personally involved in the maintenance and restoration of the machinery. In 2015, the factory reopened with the first truckload of material arriving on 28 August.

MECHANISMS USED TO IMPLEMENT THE PROCESS

The classic WBO mechanisms described in paragraph three were used.

PRINCIPAL BARRIERS

This case did not encounter any particular obstacles other than the reorganisation of roles within the cooperative.

FACTORS OF SUCCESS

The success of the WBO depended, first and foremost, on the short time between the company's declaration of crisis and the implementation of the project. The resumption of production was also favoured by the orders still pending from the original company.

Another main factor of success regarded the cohesion of the group and the fact that some key figures of the original company remained in the cooperative, which facilitates the immediate resumption of activities.

The role of the union representative as mediator helped overcome the doubts and tensions caused by the new work organisation.

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

Since it was set up, the cooperative has relaunched production and guaranteed constant and controlled



growth so employment and wage levels have been maintained. It has acquired an important sectoral position abroad and, in fact, exports its products all over the world.

TRANSFERABILITY

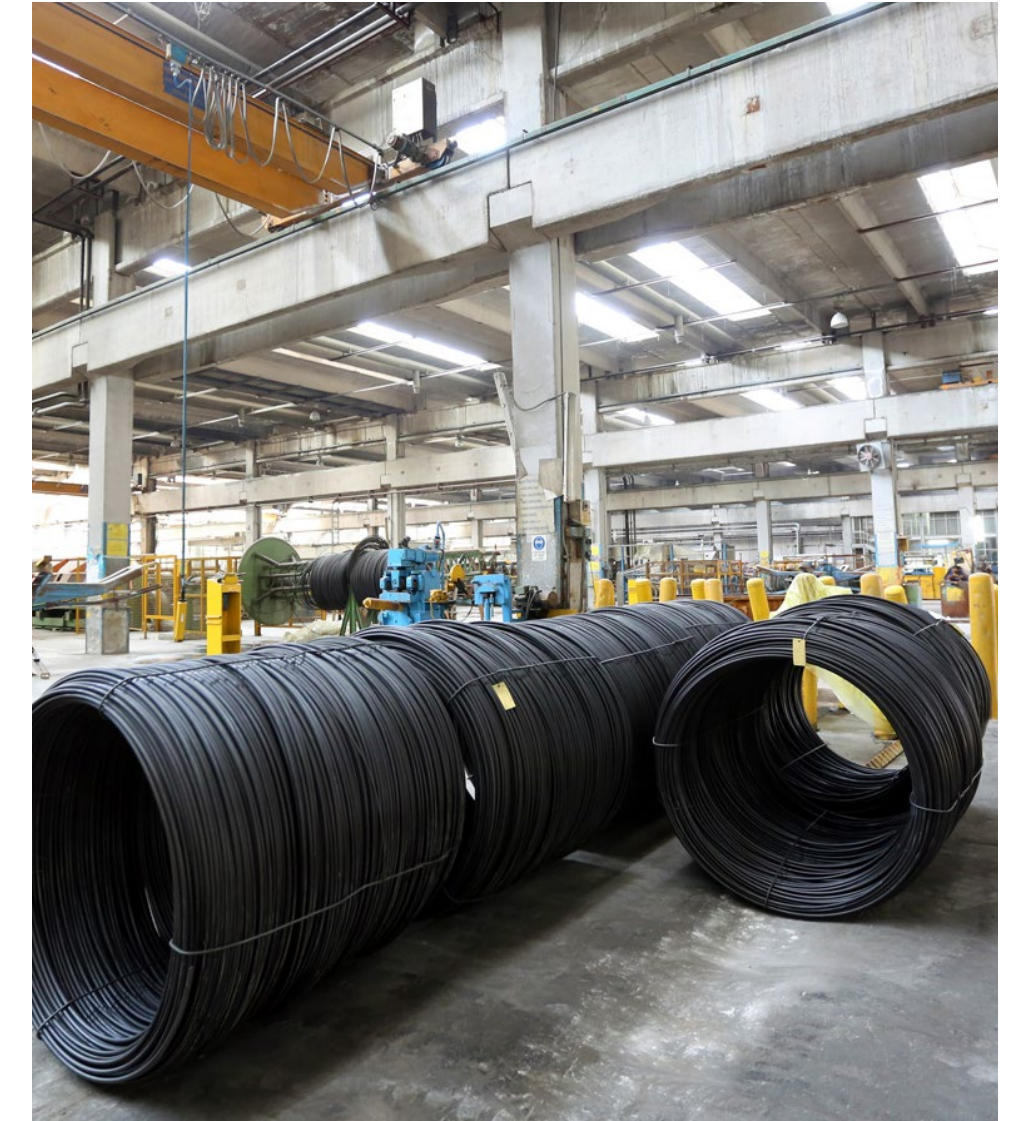
The Marcora law played a fundamental role in the case together with all the legislative apparatus that supports the cooperative movement and the financing of these initiatives. Of similar importance was the right of pre-emption granted by law to workers to take over the activity (see paragraph 1.2). In our opinion, these aspects and rules could be transferred to other national realities.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<https://www.la7.it/coffee-break/video/italcables-di-caivano-la-prima-esperienza-di-workers-buyout-21-11-2019-294450>

<https://napoli.fanpage.it/la-wbo-italcables-di-caivano-azienda-fallita-rilevata-dai-dipendenti-che-oggi-fattura-20-milioni/>

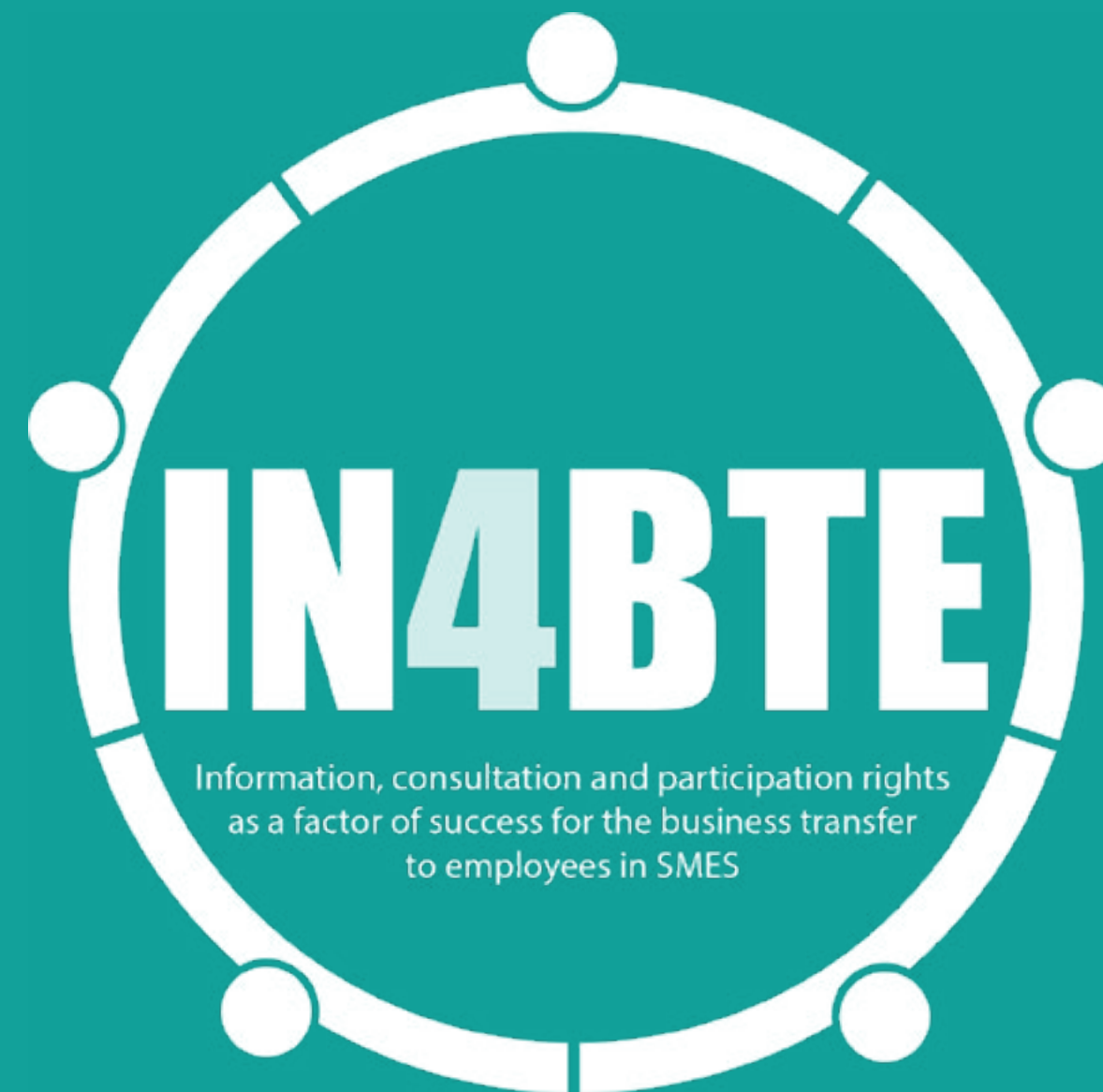
This case study was prepared by Francesco Lauria and Vilma Rinolfi (CISL).





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WIGWAM eG



COMPANY PROFILE

KIND OF PROCESS

Business transfer to employees who became members of a cooperative, merger of the former GmbH into the cooperative (thus dissolution of the GmbH)

ALLOCATION

Berlin

PREVIOUS ACTIVITY

Communication services and consulting for eco-social purposes

CURRENT ACTIVITY

The same and expands: conception of websites, campaigns and platforms as well as classic media and design.



DATE OF CONSTITUTION

22 June 2016 (Conversion date of the GmbH into the co-operative).

LEGAL FORM

Workers co-operative with employees owning it.

TURNOVER

(Dec. 2019): approx 1,2 Mio €

CONTACT PERSON

Eugen Friesen

Previous N° of employees

18

N° of employees at the constitution

18

Current N° of employees

28

N° of employee partners at the constitution

N/A

Current N° of employee partners

28

<https://wigwam.im>



BACKGROUND

The background of the transfer was the employees' desire not only to work as a team and make decisions together, but also to share responsibility for the company.

The company started in 2009 as a social media consultancy for NGOs, the number and qualification of staff members rose over the years and grow organically with the challenges. The culture of informal co-determination and the communicative working culture had a high value for the staff.

The specific reason for the transfer to the employees was that 2 of the 3 owners of the GmbH (limited liability company) wanted to change their professional orientation and therefore they didn't want to manage the GmbH anymore. In 2015-2016 all employees were discussing how to find a solution. In the end all employees wanted to become shareholders and share the entrepreneurial responsibility. The most important issue in the discussions was the design of the cooperative's bylaws and the development of a fair and transparent salary model.

"Over time, the legal form of the GmbH inevitably led to an imbalance. On one hand, there was self-organisation of the work and a team that was allowed and expected to participate in decision-making. On the other hand, there were three managing directors

who were also owners who bore the liability and, in case of doubt, the consequences. In 2015, two of the three people on the management team decided to take a new path for different reasons. The third person was about to take parental leave. Simply filling the positions and thus maintaining the grinding was out of the question for the team. It was the occasion to look for a new form." (Quote from the website blog).

EMPLOYEE INVOLVEMENT FORMULA

Personal identity of members and staff:

All employees who receive salaries are members of the cooperative (currently 28). Everyone has one vote regardless of the amount of cooperative shares.

Working in self-responsible teams:

The focus of employee participation is on appreciative communication and joint self-responsibility.

The employees perform their tasks in flexible teams. For example, the teams are newly composed for each project. There is a daily stand-up, monthly team-meeting and 2-3 multi-day team retreats per year.

One characteristic of the shared working culture is that many decisions are made in the team. From the selection of projects and clients to the definition of the future corporate strategy, to the design of internal projects, everyone from the team is involved.

The employees determine their own working hours and places.

As members of the cooperative the employees are organised into working groups:

Topics that have a major impact and affect the cooperative at its core are discussed in confidence in self-organised working groups.

Therefore, a hallmark of the shared work culture is that many decisions are made by the team. Topics that have a major impact and affect the Wigwam at its core are discussed in confidence in self-organized working groups. These are the 6 working groups: Team Development, Human Resources, External Communication, Acquisition, Finance & Controlling and Office Management.

The focus of employee participation is on appreciative communication and shared personal responsibility. Board responsibility rotates regularly so that responsibility and work are distributed across the entire team.



Responsibility on the Executive Board and Supervisory Board alternates:

In a rotating system, employees are also temporary members of the cooperative's board of directors or supervisory board.

Board responsibility in particular changes regularly, so that responsibility and work are distributed across the entire team. The decoupling of people and roles is seen as an important achievement. The supervisory board can, of course, inspect all documents of the executive board and initiate decisions within the team. The board of directors is in charge of the management and thus has an overview of the overall situation of the cooperative.

The rotation in offices generates enormous appreciation on both sides. Members who have served on the board of directors or supervisory board know the effort involved in this work and the responsibility. And members who want to shape the Wigwam differently can run for these offices themselves at the next election. Seeing the cooperative from different perspectives is very enriching for everyone involved. In this way, Wigwam eG prevents situations where rigid roles become too entangled with people. Leaving an

office does not mean a step down, but rather turning to other challenges and roles.

Regular strategy meetings - regular self-reflection:

The strategy meetings that take place 2-3 times a year are seen by the members as particularly important for the cooperative and team empowerment (joint excursions, everyone travels together to a different place). During the strategy retreats, people plan, cook, argue and listen to each other together. The constant question: are we on the right track with what we are doing and how we are doing it?

DESCRIPTION OF THE PROCESS AND PRINCIPAL ACTORS INVOLVED IN THE PROCESS

The statutes express well how internal processes in the cooperative are linked to the work of the agency.

Articles of association - object:

"The object of the cooperative is to communicate for ecological, social change and for socially effective projects. This purpose consists not only in dealing with partners and customers, but also and especially in the internal processes, manners and social standards of the cooperative. These services consist of:

- strategic communication consulting
- organisational development
- conception of websites, campaigns and platforms as well as classic media
- design and technical implementation
- conception, planning, design and implementation of events as well as their moderation - Implementation of public relations."

"Today we are a social project in our own right, formed as a cooperative and defining for ourselves where we want to go." (Quote from the website)

The most important actors in this transformation process into a cooperative were and are the staff members including the 3 shareholders of the GmbH, who jointly initiated and shaped the process.

"The legal form of the GmbH inevitably led to an imbalance over time. On one hand, there was self-organisation and a team that was allowed and expected to have a say in decision-making. On the other hand, there were three managing directors who were also shareholders, who bore the liability and, in case of doubt, the consequences. In 2015, two of the three people on the management team decided to take a new path for different reasons. The third person was about to take parental leave. Simply filling the

positions and thus maintaining the grinding was out of the question for the team. It was the occasion to look for a new form.” (Quote from the website blog).

The important and time-consuming steps were:

1. the drafting of the cooperative’s articles of association in 2015 and 2016 and
2. the joint development of a fair and transparent salary model in several rounds and steps. (“development of the desired salary model”).

On 22.06.2016 the cooperative Wigwam eG was founded, on 11.08.2016 the merger agreement with Wigwam GmbH was signed and the GmbH was thus dissolved.

MECHANISMS USED TO IMPLEMENT THE PROCESS

Essential mechanisms for success are:

- Process and development orientation
- Consistent participation orientation
- For the Team empowerment:
 - Optimized interaction for productive joint task accomplishment
 - Pooling of strengths and resources
 - Regular reflections and workshops
- Good time management



Picture taken by Lena Giovanazzi



PRINCIPAL BARRIERS

There was a lot of work to be done on all the democratic processes in a relatively short time. Between March and August 2016, everything had to be conceived and agreed upon: develop the articles of association, write the business plan, find the appropriate auditing association, hold the foundation meeting, pass the foundation audit and finally purchase the limited liability company. And all this in addition to the ongoing projects, the core of the work. The joint development of a fair and transparent salary model for the cooperative also took a lot of time and stamina.

FACTORS OF SUCCESS

1. Unanimous will of the employees to maintain the democratic working culture and to develop it further in the appropriate organisational form of cooperative, with the support of the shareholders of the GmbH.
“Giving the group a form when it needs it, distributing responsibilities when it makes sense: our internal working groups are answers to the question of how an entire team can

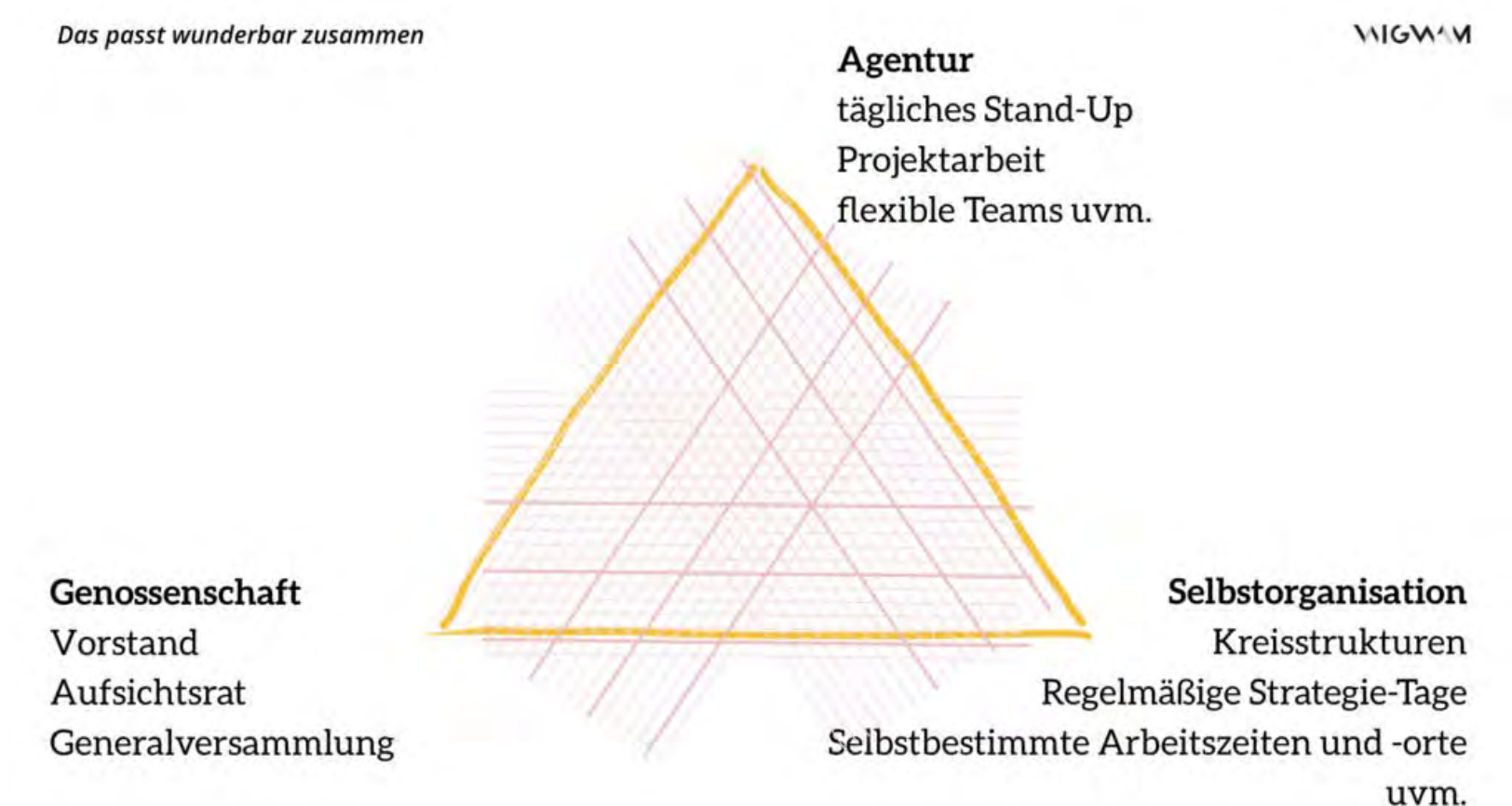
become effective in its own structural change. They are strenuous, often reignite. In this way, the members (at the same time the employees) keep moving and create creative solutions for individual realisations.”

<https://wigwam.im/genossenschaft/>

2. All members bear equal responsibility for success and work without hierarchies. The appointments to the Executive Board and Supervisory Board rotate regularly.
Quote: “We are all bosses!”
3. The regular self-reflection of the working teams, the working groups of the cooperative as well as all members (regularly every 4-6 weeks and quarterly in the strategy meetings).
4. The democratic processes: the staff inside give positive signals about the time invested:
“The time invested in the democratic structures within Wigwam eG has so far been very worthwhile, “paid off” in both senses.”
(Quote from website blog)

MAIN BENEFITS FOR THE COMPANY, EMPLOYEES AND ENVIRONMENT/SOCIETY

With this triangle¹, the members of Wigwam eG express the fit of their project work in flexible teams, the self-responsible division of labour and their self-organisation with the cooperative structures:



¹ Das passt wunderbar zusammen: That fits together wonderfully.
 Agentur: Agency. Below: daily Stand-Up (method), Projectwork, Flexible Teams and much more.
 Genossenschaft: Cooperative. Below: Board, Supervisory Board, General Assembly
 Selbstorganisation: Self-organization. Below: Circle structures, Regular strategy days, Self-determined working hours and places, and much more.



Visible benefits are:

- 1 The employees (who are also the owners) can optimally combine their professional development with their private and family needs - with the above-mentioned instruments of team empowerment.
2. The company grows and stabilizes qualitatively and quantitatively (successive inclusion of new innovative business areas, more employees and more turnover, satisfied and self-confident employees); the lived democratic processes and structures are an important learning field for the work with and for the clients of Wigwam eG.
3. Many client organisations for which Wigwam eG is active benefit directly and indirectly from dealing with collective self-responsibility and the democratic forms in the cooperative.
4. For the immediate environment (various NGOs in this district in Berlin), Wigwam eG provides a large space for self-reflection and further development processes of local civil society actors and citizens' associations.

5. The motivation, causes, occasion and process of the deliberate transformation of wigwam GmbH into a cooperative are presented transparently and comprehensively on the website of Wigwam eG and can motivate other companies to jointly opt for the cooperative legal form.

TRANSFERABILITY

1. The model is transferable for staff members who are very self-organised and who value and live communal self-responsibility.
2. The lively democratic structures at "eye level", the clear understanding of the role of each staff member and responsible person in the committees.
3. Transferable are also successful methods of excellent process management with constant change and a clear mission statement as well as the assurance of continuity and stability.
4. Another important experience for other companies is the joint development of the salary model for all employees.

VIDEO, DOCUMENTARIES, INFORMATION ON THE CASE STUDY

<http://wigwam.im>

https://www.instagram.com/wigwam_im/

<https://www.facebook.com/wigwam.im>

https://twitter.com/wigwam_im

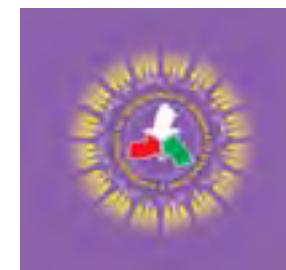
Published photos: <https://www.flickr.com/photos/103458426@N07/>

Statutes of the Wigwam eG

Minutes of the event: Presentation by Wera Stein (Advisory Board) and Eugen Friesen (Executive Board) at the JAM Cooperatives & Cooperative Governance conference in Berlin on 6 October 2020

Register announcements Wigwam GmbH and Wigwam eG

The case study was prepared by Hans-Gerd Nottenbohm and Sonia Menzel (innova eG).



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