

Local company becoming employee-owned

First company to participate in ESOP initiative

LAFAYETTE, Ind. (WLFI) - Radian Research in Lafayette is the first company in Indiana to take part in the Employee Stock Ownership Plan Initiative Program, or ESOP. That means it is the employees who own the company. And Indiana State Treasurer Richard Mourdock said this transition means job security.

"Having Radian Research become an employee owned business is huge, not just for the employees who work there and now own the place but I think for the community as a whole," said Mourdock.

Murdock said he's excited Radian Research is participating in the ESOP initiative because it will keep jobs in Indiana.

"There's never, ever, ever, ever been an employee owned business pack-up and move to Mexico or China. And that's a good thing," said Mourdock.

Murdock said employees don't have to put up any money to be an owner.

"ESOP plans do not require the employees to spend a single penny to acquire the stock. They basically receive stock based on the company's profitability each year," said Mourdock.

In his will, Radian Research's late owner, Glenn Mayfield, directed that the company be sold "in the best interest of its employees." CEO Tim Everidge then made the decision to make the company employee-owned.

"What I've learned about ESOP's, the longevity of the companies, the success of the companies and how it changes the attitude of the employees to be more entrepreneurial they literally are owners," said Everidge.

Everidge said employees felt anxious about the future of the company after Mayfield's death in 2007. And he said he hopes that angst is now put to rest.

"With this news today that resolves that doubt. And not only is there a new owner but they are the owners so I would like to believe they're excited about the news today," said Everidge.

Everidge said employees get to be in charge of building their own retirement plan and will gain direct benefits from the success of the company.

"Every contribution that they make to advance the company they personally benefit from," said Everidge.

And while Radian Research is the first to try out this initiative, Mourdock and Everidge say they hope it's not the last.

"I'm hopeful that other Indiana corporations will pursue the ESOP option so that we can keep good jobs in Indiana," Everidge said.

Murdock said having an employee owned business doesn't automatically guarantee success, but he thinks the company will thrive under the new ownership and continue to prosper in Lafayette.