Award Nomination Form – Company of the Year

The Wisconsin Chapter of the ESOP Association

Company Name: Van Horn Automotive Group

Established: 1966  ESOP since December 31, 2015

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The Van Horn Automotive Group should be recognized as the Wisconsin Chapter ESOP Company of the Year because:

On December 31, 2015 the Van Horn Automotive Group became the first partially employee-owned car dealership group in Wisconsin. The group’s 500 full-time employees own 30% of the company as part of the employee stock ownership plan. Due to growth and expansion of the Van Horn Automotive Group, we’ve increased full time employees by over 100 in the last year and our turnover rate has decreased by 8%. Not only has the ESOP provided Van Horn employees with a retirement fund, but it has proven successful in both recruitment and retention.

In 2018, Van Horn Automotive Group increased its dedication to developing a culture promoting employee ownership and articulating what it means in both benefit and behavior. In its second year, the ESOP Communications Committee operated as an advisory council, comprised of members from each location with multiple job titles and tenure. Each member of the committee functions as an ESOP resource for other employees at their location.

Creating an ESOP culture to increase awareness, education, and overall morale continues to be the objective of the ESOP Committee. With an operating budget of over $15,000 in 2018, some of the tactics and events used to promote this culture include:

- Executive members attended the Wisconsin ESOP Chapter Annual Conference held in Appleton, WI.
- The Marketing Director and ESOP Committee member presented at one of the breakout sessions during the conference. Subject matter included tactics for developing an ESOP Committee within a corporate environment.
- ESOP Committee members have attended numerous webinars provided by ESOP Partners.
- “Employee Owned” has become a component of our brand logo and slogan. A new corporate video was created, articulating what it means to be family born and employee owned. This video is present on our website and has been distributed through social media.
- Employee ownership and details of the ESOP have been integrated into our monthly orientation for all new employees. Each employee receives a complimentary t-shirt at orientation that is branded Van Horn with the phrase “I Own It” on the back.
- For continuing education purposes, ESOP Cards were distributed to locations with FAQ’s as well as information of how to access their ESOP accounts.

Frequently Asked Questions

How do employees participate in the ESOP?

Each employee participates in the ESOP after meeting the plan’s vesting requirements in a single, lump sum distribution to an individual retirement account. Participation is voluntary, and there are no mandatory contributions to the ESOP.

How much does the ESOP cost an employee?

The ESOP is designed to provide an employee benefit without any actual cost to the employee. The ESOP is a tax deductible benefit for the employer.

When are employees vested in the ESOP?

Employees vest after one year of employment, after which they receive 100% of their vested account each year for each year they work 1,000 hours. Participation after 25% of pay increases each year until they reach vesting, when they become 100% vested.
• ESOP topics and opportunities are integrated into monthly town hall meetings at each location.
• ESOP information has been included as a dedicated section to our quarterly newsletter that reaches company wide.
• As a part of a trend that started during ESOP Month in 2017, employees are now encouraged to wear their “I Own It” ESOP t-shirts every Friday.

• Van Horn Automotive Group submitted an application to Milwaukee Journal Sentinel’s Top Work Places. This involved an employee survey, which had a 59% response rate.
• In 2018, Van Horn Automotive Group donated over $200,000 to over 150 local organizations within the communities of each respective store. See our Van Horn Gives video here.
• Employees are encouraged and compensated for up to 16 hours of volunteer time to their communities.
• In September of 2018, Van Horn had its first annual ESOP Picnic at the Milwaukee County Zoo.
  o Employees were encouraged to bring family members to demonstrate that ESOP transcends beyond the employee.
  o Over 500 employee owners and their families attended the event, coming from 13 locations statewide.
  o The event began with speeches from corporate officers and the distribution of 2017 ESOP Financial statements and an explanation of how to read them.

• In celebration of ESOP Month, an “Own Your Selfie” contest was held, challenging employees to photograph themselves in unique settings wearing their Van Horn apparel.
• Other ESOP events or tokens of appreciation throughout the year included:
  o Competition between locations to see who could take a photo with the highest percentage of employees wearing their ESOP apparel. Winners received a food truck lunch.
  o Ice-cream treats and sparklers for 4th of July to encourage employees to “celebrate their ownership.”
  o Trunk-or-Treat decorating contest at each location during the month of October. “Employee Owned” was a requirement of the display for the public to see.
  o Crossword puzzle where phrases in the puzzle were different ESOP facts.