Business transfer to employees

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Business transfer to employees in Germany

- No special regulation for Workers co-operatives in the co-operative law

- Other legal forms don't have an open membership

- Most employee ownership schemes are indirect ownerships through associations, investment companies or foundations

- Employee share ownership with less than 50% voting rights

CO-DETERMINATION

- Works councils: workplace information, consultation and co-determination rights in enterprises with at least 5 employees

- Supervisory board: co-determination at board level if >2000 employees, 50% of board seats if >500 employees),1/3 of seats

- Trade unions negotiate collective agreements cooperate with works councils (redundancy liability, balancing of interests)

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Planergemeinschaft für Stadt und Raum eG

2012 the owner Urs Kohlbrenner retired. 16 employee founded a co-operative and bought the business. Today 30 employees are members of the co-operative.

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spinn-off from a research institute for regional and urban development
Condition for the spin-off an ownership of all staff members
Legal form GmbH
15 workers

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- Publishing house with 70 workers
- 1999 the owners offered all employee with at least 17,5 working hours per week to buy shares; 1/3 of the workers bought 25% of the capital
- 2011 the founder of the enterprise left the publishing house and offered all employees to buy the rest of the capital
- Now a quite complicated legal structure of a foundation, an investment and an operating enterprise in which all employees are involved run the business

Bidding process

- Employees in medium sized enterprises have difficulties to raise enough money to bid

- Partnerships (multi-stakeholder-co-ops) between costumers and employees are a new instrument to solve the problem

- 2012/13 the work council of Hessnatur (a fashion label and mail-order business with 300 employees) tried to buy Hessnatur by involving costumers

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