



[Home](#) » [Articles](#) »

## ESOPs by the Numbers

*Updated March 2017*

This page presents counts and characteristics of ESOPs using data made available by the U.S. Department of Labor.

### How Many ESOPs Are There?

As of 2014, the most recent year for which data is available, there were **6,717 ESOPs** in the United States, holding total assets of more than \$1.3 trillion.

### How Many Workers Are in ESOPs?

These plans cover over **14 million participants**, of whom 10.6 million are active participants—those currently employed and covered by an ESOP.

*Table 1: Stand-alone ESOPs and KSOPs*

	Plans	Total participants	Active participants	Employer securities (millions)	Total plan assets (millions)
<b>All stand-alone ESOPs</b>	<b>5,533</b>	<b>1,771,924</b>	<b>1,287,254</b>	<b>\$115,464</b>	<b>\$130,867</b>
Private companies	5,382	1,195,596	851,989	\$85,035	\$94,646
Large private companies	2,033	1,055,768	747,368	\$75,149	\$83,102
Small private companies	3,349	139,828	104,622	\$9,887	\$11,544
Public companies	151	576,328	435,264	\$30,429	\$36,222
<b>All KSOPs</b>	<b>1,184</b>	<b>12,278,420</b>	<b>9,275,965</b>	<b>\$154,763</b>	<b>\$1,175,972</b>
Private companies	771	1,751,191	1,264,819	\$25,591	\$164,369
Large private companies	410	1,737,299	1,254,417	\$24,818	\$162,854
Small private companies	360	13,892	10,402	\$773	\$1,515
Public companies	414	10,527,230	8,011,147	\$129,172	\$1,011,604
<b>Total</b>	<b>6,717</b>	<b>14,050,344</b>	<b>10,563,219</b>	<b>\$270,227</b>	<b>\$1,306,839</b>

**Source and Methodology:** These numbers are sourced from the NCEO's analysis of the Private Pension Plan (PPP) Research File made available by the Department of Labor from data reported on the Form 5500. The Research File is created each year by the Employee Benefits Security Administration's (EBSA) Office of Policy and Research (OPR) at the DOL and is used to generate and analyze aggregate statistics on the characteristics of the private pension plan universe. Direct Filing Entities (DFEs), welfare plans, one-participant plans, public retirement plans, and duplicate filings of other retirement plans are excluded from the Research File. NCEO methodology follows DOL standard practices with any exceptions noted.

Definitions of ESOPs are based on the plan characteristic codes filled in by the sponsor on line 8 of the form, or these codes were added as a result of the DOL's cleaning and editing of the data: 2O ("ESOP other than a leveraged ESOP") or 2P ("Leveraged ESOP—An ESOP that acquires employer securities with borrowed money or other debt-financing techniques"). Unlike the DOL, however, our count also includes plans without the 2O or 2P codes but with the code 2Q ("The employer maintaining this ESOP is an S corporation").

Large is defined as 100 or more total participants and small plans have fewer than 100 participants.

KSOPs are defined as ESOPs with a 401(k) plan feature.

Active participants include any workers currently in employment covered by a plan and who are earning or retaining credited service under a plan.

Total asset amounts shown do not include the value of allocated insurance contracts of the type described in 29 CFR 2520, 104-44.

## What Kinds of Companies Have ESOPs?

ESOPs are represented across a wide variety of industries, with a plurality of plans in manufacturing companies:

Figure 1: Industries of ESOP Sponsors

### S vs. C Corporations

The majority of ESOPs are in C corporations:

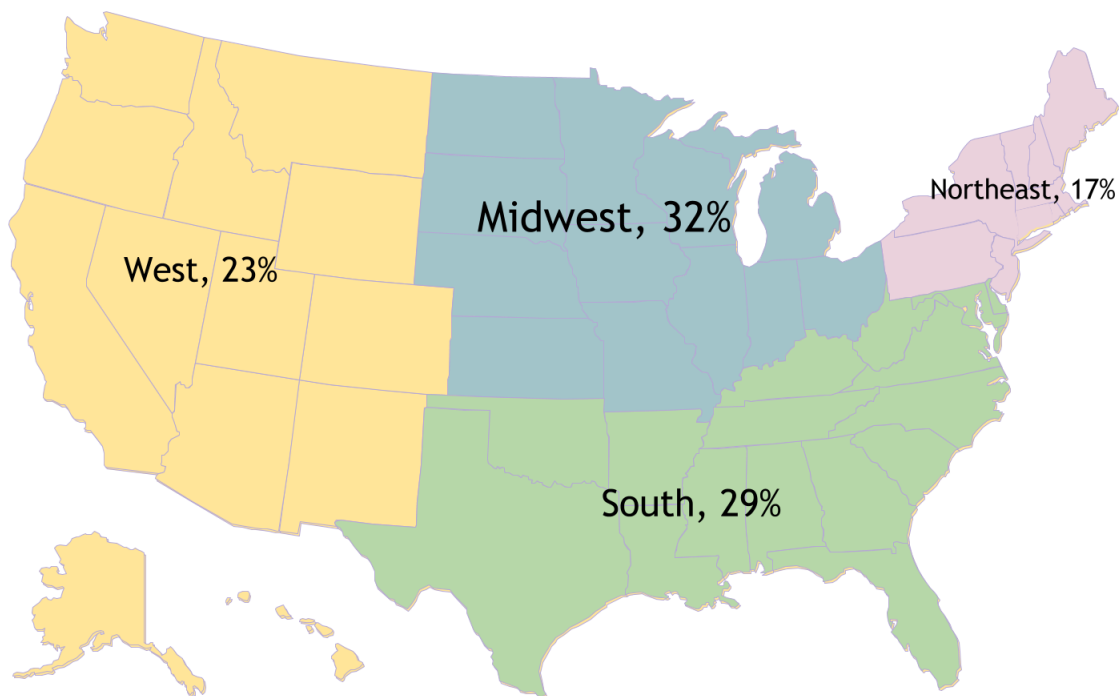
Table 2: S Corporations vs. C Corporation ESOPs

	Plans	Total participants	Active participants	Employer securities (millions)	Total plan assets (millions)
S Corporations	3,095	809,743	572,319	\$65,005	\$77,143
C Corporations	3,622	13,240,601	9,990,900	\$205,222	\$1,229,696

## Where Are ESOPs Located?

The midwestern U.S. is home to the greatest number of ESOPs, followed by the South:

Figure 2: Locations of ESOPs



The below table

breaks down the number of ESOPs by region, sub-region, and state.

Table 3: ESOPs by location

State	Number of ESOPs	Total Participants
<b>Northeast</b>	<b>1,107</b>	<b>3,347,434</b>
<i>New England</i>	<i>309</i>	<i>1,080,874</i>
Connecticut	77	714,337
Maine	25	6,609
Massachusetts	130	133,304
New Hampshire	33	6,417

Rhode Island	15	214,729
Vermont	29	5,478
<i>Middle Atlantic</i>	798	2,266,560
New Jersey	155	751,312
New York	331	1,117,611
Pennsylvania	312	397,637
<b>Midwest</b>	<b>2,120</b>	<b>3,384,577</b>
<i>East North Central</i>	<i>1,213</i>	<i>2,280,601</i>
Indiana	171	130,448
Illinois	362	926,527
Michigan	215	276,497
Ohio	287	757,966
Wisconsin	178	189,163
<i>West North Central</i>	<i>907</i>	<i>1,103,976</i>
Iowa	174	83,872
Kansas	107	65,873
Minnesota	275	790,265
Missouri	196	96,765
Nebraska	75	31,378
North Dakota	56	29,467
South Dakota	24	6,356
<b>South</b>	<b>1,973</b>	<b>5,476,581</b>
<i>South Atlantic</i>	<i>1,003</i>	<i>2,824,958</i>
Delaware	8	60,636
District of Columbia	15	10,124
Florida	181	530,203
Georgia	145	555,465
Maryland	135	325,103
North Carolina	126	739,306
South Carolina	62	42,550
Virginia	302	557,143
West Virginia	29	4,428
<i>East South Central</i>	<i>347</i>	<i>382,136</i>
Alabama	69	45,103
Kentucky	111	134,263
Mississippi	56	28,046
Tennessee	111	174,724
<i>West South Central</i>	<i>623</i>	<i>2,269,487</i>
Arkansas	58	1,281,274
Louisiana	82	40,925
Oklahoma	89	56,569
Texas	394	890,719
<b>West</b>	<b>1,512</b>	<b>1,841,604</b>
<i>Mountain</i>	<i>420</i>	<i>151,161</i>
Arizona	108	43,738
Colorado	110	33,926
Idaho	30	22,397
New Mexico	43	6,919
Montana	32	6,200
Utah	57	26,876
Nevada	25	8,904
Wyoming	15	2,201
<i>Pacific</i>	<i>1,092</i>	<i>1,690,443</i>
Alaska	26	1,870

California	819	1,121,759
Hawaii	65	15,779
Oregon	75	63,699
Washington	107	487,336

## How Is the ESOP Universe Changing Over Time?

The below chart and table show the change in total ESOPs and total participants over time from 2002 to 2014. Despite a downtrend in the number of individual ESOPs, the number of participants has steadily increased.

*Figure 3: Count of ESOPs and Total Participants, 2002-2014*

*Table 4: Count of ESOPs and Total Participants, 2002-2014*

Filing Year	Number of ESOPs	Total participants	Active participants
2002	8,874	10,230,425	7,946,652
2003	7,934	10,049,154	7,570,321
2004	7,348	10,243,283	7,826,741
2005	7,198	11,998,319	9,448,271
2006	7,384	12,584,772	9,850,008
2007	7,326	13,218,808	10,173,536
2008	7,305	13,037,946	10,055,117
2009	6,690	12,996,711	10,014,524
2010	7,138	13,477,187	10,306,818
2011	6,941	13,462,955	10,288,363
2012	6,908	13,823,595	10,603,334
2013	6,795	13,927,535	10,578,114
2014	6,717	14,050,344	10,563,219

The steep decline in the number of plans from 2002 to 2004 is likely attributable to the termination of a large number of small, dubiously legitimate plans that were set up to take advantage of then-recent S corporation ESOP tax law. Congress, the IRS, and the ESOP community all acted to prevent these plans from operating and almost all were terminated.

*Note:* Before 2010, the research file included Form 5500 filings from all private pension plans having 100 or more participants and a 5% sample of smaller private pension plans. Beginning with the 2010 Research File, sampling is no longer used because all large and small defined benefit and defined contribution plans are now included.

### New ESOP Creation

Since 2010, an average of 229 new ESOPs have been created each year. The below chart shows new ESOP creation since 2010. These numbers include all newly filing ESOPs; they do not exclude new plans at companies that previously had an ESOP in place.

*Figure 4: New ESOP Creation, 2010-2014*

### Age of Existing ESOPs

Most current plans were created before 1997. These plans also contain by far the greatest number of participants, as shown below.

*Table 5: ESOPs by Age*

Plan effective year (year created)	Number of plans	% of plans	Total participants
Before 1998	3,046	45%	12,584,122
1998 - 2007	2,231	33%	992,721
Since 2008	1,440	21%	473,502

## How Often Are These Counts Updated?

The most comprehensive data on ESOPs is collected on the Form 5500. The Form 5500 series is a set of forms developed by the Department of Labor (DOL), the Internal Revenue Service, and the Pension Benefit Guaranty Corporation so that benefit plans such as ESOPs could satisfy annual reporting requirements under the law.

Form 5500 filings are due seven months after each plan year ends. The DOL does significant work based on their historical knowledge of the companies and plans to correct for common errors and to weight the data to more precisely account for missing data and late filers. Generally, research files for each new filing year are available roughly a year after that deadline, e.g., filing year 2014 data was posted in September 2016.

*For questions about this or any of our research, contact NCEO Research Director Nancy Wiefek at [nwiefek@nceo.org](mailto:nwiefek@nceo.org) or 510-208-1312.*

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