

# Sweetwork Project, Inc.

## MISSION AND OWNERSHIP STATEMENT

*Provide clean, healthy, and affordable food to the neighborhood;  
create a path to ownership for workers.*

What does this mission statement really mean?

The plan for providing clean, healthy, and affordable food to the neighborhood is contained in the business plan; but how do we plan to create a path to ownership for workers?

Sweetwork Project is founded on a belief in the need for **radical access**. We believe that entrepreneurs, like everybody else, have a responsibility to think of creative ways to solve urgent social problems. A central reason for economic stratification in our society is lack of access— and access is something that may be granted. Sweetwork Project is founded on the belief that a worker who gives their all to a project should be granted access to ownership.

Workers will be paid a starting salary of \$28,500 a year.

Pay increases will be delivered on an aggressive schedule. After six months, pay will go up to \$31,000 per year. Workers will thus be incentivized to perform at a high level leading up to the six-month point, and then rewarded immediately. A worker worth keeping is worth rewarding.

After another six months (one year of employment) the worker will receive another \$2,500 raise, this time payable in cash *or stock*, equal to an annual salary of \$33,500. Shares of stock in the corporation will be \$1,000 each.

In subsequent years workers will receive annual pay increases of \$5,000, payable in cash or stock. No worker may own more than 10% of the company. This will allow for at least ten members of the cooperative at any given time. After four years, workers' raises will be negotiated on an individual basis, with the cooperative members as a group.

There may be worker positions filled by non-members. These workers will be subject to the same salary increase schedule as cooperative members, even if they do not wish to purchase company shares.

Following are two examples.

Here is an example of the possible trajectory of one worker:

worker begins employment:	salary is \$28,500
raise after six month probationary period:	salary is \$31,000
raise after one year of employment:	salary is \$33,500
raise after two years of employment:	salary is \$38,500
raise after three years of employment:	salary is \$43,500
raise after four years of employment:	salary is \$48,500

Here is an example of the possible trajectory of another worker:

worker begins employment:	salary is \$28,500	
raise after six month probationary period:	salary is \$31,000	
raise after one year of employment:	salary is \$33,500	
raise after two years of employment:	salary is \$33,500	+5 shares
raise after three years of employment:	salary is \$33,500	+5 shares
raise after four years of employment:	salary is \$33,500	+5 shares

As we can see from these examples, either path is rewarding. In the first example, the worker is making \$48,500 at the end of four years. In the second example, the worker is making \$33,500 at the end of the same time period, but also owns 15 shares of corporate stock. This is equal to 7.5% of the company. Workers can keep buying until they reach 10%.

Ownership of this stock will entitle the worker to vote on major expenditures, like the hiring of new staff or purchase of equipment, as well as to receive dividends when dividends are paid. If the company does well, the worker will do well. Shareholders will also have a responsibility, like all workers at Sweetwork Project, to participate in a consensus-based company culture, sharing duties and educating one another about different aspects of the business, with a mind to impress customers, improve efficiency, and innovate.

### **Note on exceptions**

Sweetwork Project, Inc. will initially have one primary shareholder, a founder. This founder, who will be employed full time at the store as a worker and manager, will not receive pay increases after the first scheduled increase to \$31,000. Any further increase in the founder's salary will be dependent on the purchase of company shares by workers. Purchase of this stock will increase the founder's salary up to \$5,000 annually. Any revenue from stock purchases over that number of shares (5), in any year, will be paid instead as a cash dividend to shareholders.

When divested of 90% of the company's stock, the founder's position will subsequently be limited, like all other owner positions, to 10% ownership.