



A Community Conscious Economic Model for Millennium 2000

***Much of the content of the document presented here was confidential until first published on August 8, 2003. Although parts of the document were privately exchanged with individuals, public access was restricted due to intellectual property issues.**

TABLE OF CONTENTS

[INTRODUCTION](#)

[MILLENNIUM 2000 - JUST ANOTHER DAY IN THE LIFE?](#)

[SOME THOUGHTS WHICH LED TO THE CONCEPTION OF E2M](#)

[Technology and Its Effects on the Distribution of Wealth](#)
[Money Attracts Money - Money Attracts Opportunity](#)
[Technological Advances Accelerate the Concentration of Wealth](#)
[Concentration of Wealth Versus Physical Mass](#)
[There Is a Solution](#)

[E2M PRINCIPLES & GOALS](#)

[E2M IS A BUSINESS STANDARD AND A SOCIAL PHILOSOPHY](#)

[The E2M Philosophy](#)
[What is the E2M Standard?](#)
[Traditional Business Standards](#)

[E2M Business Standards](#)
[The Advantages OF E2M Certification](#)

[What is the Next Step?](#)

[E2M and the Pioneer Valley](#)

[APPENDIX](#)

[Background Experiences of the Author](#)

[The E2M Community Company \(CC\)](#)

[Structure of the E2M Community Company \(CC\)](#)

[The E2M Corporation- Five Stars](#)

[The E2M Corporation- Four Stars](#)

[The E2M Corporation- Three Stars](#)

[The E2M Corporation- Two Stars](#)

[The E2M Partnership- Five Star, Four Star, Three Star, Two Star](#)

[The E2M Sole Proprietorship- Five Star, Four Star, Three Star, Two Star](#)

[Transitional E2M Status](#)

[The E2M Non-profit Organization](#)

[The E2M Certified Community Fund](#)

[The E2M Certified Investor](#)

[The E2M Certified Manager](#)

[The E2M Certified Employee](#)

[The E2M Certified Course of Study](#)

[The E2M Certified Educational Institution](#)

[The E2M Certified Community Beneficiary](#)

[The E2M Certified Research Organization](#)

[Suggested Reading](#)

Introduction

This document is an outline of a plan to create a socially conscious alternative economic model for Millennium 2000. This is an economic model designed to address the increasingly growing concerns, and in some cases, alarm which relate to the social, economic, and environmental issues of our time. For the purpose of creating a readily identifiable model, I have given it a designation. The designation is **E2M**.

Briefly stated, E2M is a business standard based upon a philosophy of social consciousness. E2M is a simple, definable

and identifiable standard built upon the premise that the commercial sector of our society has the resources to address the numerous challenges which face us. It is offered in a time where there currently exists a ground swell of interest in socially conscious enterprises.

I am neither a scholar nor an economist. I must therefore admit to a certain reluctance to present ideas which are traditionally most credible when being submitted by members of the educational or political establishment. I am successful in overcoming this reluctance only because a few select people with significant credentials have asked me to ignore my reservations and press onward. They advised me to write from the heart using my life experiences as my educational platform. These entrepreneurial experiences (which are briefly summarized in the appendix), they assured me, serve me more adequately for this endeavor than might a non-entrepreneurial scholarly platform.

I therefore am moving ahead in stating my case using the non-professorial language most comfortable to me and most understandable by a broad range of readers. My ideas are, by desire and design, very simple.

I have avoided a treatise which simply defines problems in the hope that others will recognize and solve them. In fact, it is my intent is to avoid getting too bogged down in reiterating the problems since I believe we all know what they are. My desire is to offer a definitive plan which we can begin to implement as early as tomorrow morning and which will begin to solve the substantial problems which face us.

E2M asks the growing body of socially conscious independent entrepreneurs who are building the "new economy" to include the company's employees as well as the community into the equity structure of the corporation upon its formation. Employees would receive stock or stock options; the community would hold its equity in an E2M community fund.

E2M encourages public universities to offer educational programs to train this new breed of socially conscious entrepreneurs then make campus wide intellectual and technical resources available to aggressively incubate or "mass produce" new economy companies led by these entrepreneurs. These would become E2M compliant companies.

As the technologies of the future are developed at publicly

supported universities and institutions, E2M could serve as the corporate model in transferring publicly created technologies into the private sector.

E2M suggests operational standards of interaction between management and workers of the company (collectively considered as "employees") as well as between the company and the environment and community.

Upon meeting these standards, a company would be considered "E2M compliant". The advantage for an entrepreneur to adopt the E2M structure is several-fold.

"Think Teams" composed of a number of individuals with broad business skills would be made available to the entrepreneur to evaluate new business ideas. Upon a positive evaluation, this think team could continue to provide any intellectual resource the business might require.

This mentoring resource would increase the chance for success of the venture by providing enough help during the entrepreneur's "learning curve" to avoid the numerous pitfalls often encountered by the first time entrepreneur. The Think Team assigned to the start-up would eventually participate in the equity of the company.

Equity funds would be made available to the E2M company. These funds would be drawn down from the vast multi-billion dollar pool of socially conscious venture capital funds looking so diligently for socially conscious companies in which to invest. As E2M companies began to spin off capital into E2M community funds and as these funds grew through their own investments, this capital would be available as equity or on a loan basis to E2M companies at interest rates starting at one percent.

E2M companies, due to a dynamic employee commitment would operate more efficiently and would be more competitive.

E2M companies would be encouraged to work and trade with each other thus forming an E2M net to benefit each other.

E2M companies producing products for public consumption would be more attractive to the public and draw more sales. This has been borne out by the public support of Ben and Jerry's Ice Cream, well known as a socially conscious company.

E2M companies would have competitive advantages in dealing

with public sector institutions.

The benefits to the community from the judicious use of E2M generated funds would be significant. In just one example, these funds could create non-profit construction companies to build homes available at mortgage rates of 1% interest. By providing homes normally selling for \$100,000 to \$120,000 for a price equal to the \$80,000 building cost and by mortgaging them at a 1% interest rate, a home could be purchased for only \$257.00 per month. Thus lower income families would begin the critical asset building process.

The implications for education, health care, entrepreneurial funding programs, lower cost fuel supplies, low interest automotive loans, and other community supportive, asset building programs would be significant.

The gradual restructuring of the commercial/community sector would allow us to address the issues which some consider to be the most potentially destabilizing to the equitable operation of our capitalistic democratic society.

The E2M model can produce significant local results in the short term of well under one year. It is a model which can expand on a grass roots level resulting in changes on a much broader scope within two to three years.

As to its potential to begin creating changes on a longer term basis, I believe that is unimportant. Due to rapidly unfolding socio-economic and environmental events combined with the current birth of an historic new economy, long term solutions will be too late to solve the serious issues which face us today. The time to act is now and I think there is growing support for this contention from many political, commercial, and social venues.

The implementation of E2M can begin on a local level in Western Massachusetts with the support of less than ten individuals whom I have identified. Most of these specific individuals will have to do nothing more than say, "I agree with the philosophy, standards, and procedures which define E2M and I will do what I can to help."

The ideas I present are the result of many years of observation and thought during my pursuit of my entrepreneurial interests. From my years as a "child of the 60's" at the University of Massachusetts to my development and implementation of unique light emission technologies, I have crossed the paths of many

interesting people. Many have knowingly or unknowingly contributed to E2M.

The time to process past experiences is now over. Millennium 2000 is here. It is the catalyst which precipitates an opportunity to make the changes that are necessary to take us all to the next step. For me, January 1, 2000, the day that E2M.org was formally born, was the first day to take steps forward in this new period of opportunity. This booklet is my first public attempt to take that step. If you find something of merit within these pages, I invite you to be one of the first persons to come along for what could be an historic journey.

MILLENNIUM 2000 - Just another day in the life?

**January 1, 2000 11:00 AM EST
Easthampton, Massachusetts**

I have just typed the new date for the first time and as I look at it at the top of this document I realize that it is much more than a radically new looking number. The implications of the replacement of the number one by the number two are very significant. The elimination of the last three digits which are now replaced by zero's implies to me in no small manner that we are starting with a clean slate. This is not only a new numerical beginning; it is an extraordinary opportunity for many new beginnings ranging from personal to international and probably, in the near future, interplanetary.

During the preceding weeks, I did not feel awed by the dawning of a new millennium. My somewhat aloof attitude began to change when I turned on the television very early yesterday morning. I tuned in just in time to watch the coverage as the year 2000 first reached earth at a point in the Pacific Ocean on the other side of our planet.

By 5:55 AM EST on December 31, 1999 in Easthampton, MA. Celebrations were taking place in Auckland, NZ, Sydney, AUS, and Papau, NG. At that time, a man 11,000 miles away in Adelaide, South Australia picked up his telephone, and entered a number. Seconds later the telephone by my side rang and I picked up the receiver to hear the voice of my friend Neville. Not only was he calling me from the other side of the planet, he was calling from the new millennium. I received his new year's greeting during this

high technology inter-millennial conversation which lasted an hour and cost only seventeen US cents per minute.

I watched the mounting number of incredible celebrations as the timeline sweeping away the old millennium ratcheted through the time zones around the planet clicking each of them into the new era at over 1000 miles per hour. My aloofness evaporated as I finally began to realize the true enormity of this event.

It was an event that like no other, created an extraordinary joy, spirit and hope among all of humanity as peoples everywhere from the jungles of New Guinea to the towering skyscrapers of the great cities celebrated the new times.

This was an event which showed that a great oneness of goodwill and hope can exist among all. It showed we can create wondrous new technologies and maintain the will to control them. It showed that with a concerted effort international threats can be contained.

It provided me with greater confidence that together we can achieve everything we might want for the good of us all.

As I sit in my studio warmed by the rays of the first sun of this new era. I am hopeful that I will continue to find real and lasting meaning in this event. I am hopeful that I can contribute something in the spirit of oneness that will allow even more people to benefit from the great opportunities which this new era will open to us.

I believe this new era is not only a catalyst for reminiscing but also re-evaluating the past times. Where our 20th century experiences have served us well, we should continue with them. Where change is required, we should proceed with those changes for the benefit of us all. To this end we may preserve the spirit of that oneness of the first day.

It is the purpose of this document to offer my own re-evaluation of one economic element of the past, the inequitable distribution of wealth and opportunities, and my suggestions for improvement in the new era.

Michael Garjian

SOME THOUGHTS WHICH LED TO THE CONCEPTION OF

E2M

I believe that due to certain technological and economic changes which are developing in the new millennium, a significant problem is being magnified. If left unchecked, this situation will eventually result in economic difficulties or even social disruptions effecting millions of us.

I would like to describe this problem as I see it and offer what I believe is a radical new solution which will allow our entire society to benefit from the coming great changes of the millennium.

TECHNOLOGY AND ITS EFFECT ON THE DISTRIBUTION OF WEALTH

When I was in my teens in the mid 1960's I read a book by a fellow named Harry Brown. The book was about the coming changes in the laws relating to ownership of gold by the public. Brown was urging that the reader do whatever possible to purchase as much gold at \$32. per ounce when the government allowed it in the near future. "You don't have to even be intelligent to get rich this way", he declared. "Just buy gold and sit on it." He, of course, was proved right.

During the discourse in this book he discussed a number of issues relating to the structure of the American economic system, Federal Reserve, Social Security, national debt, and concentration of wealth. He predicted numerous problems that would arise due to the nature of the system. The newspaper headlines of the nineties proved that Brown was right in this matter as well.

One issue he discussed which has stayed with me since my reading of that book was the distribution of wealth in America. Under six percent of the population, Brown asserted, controlled over 60% of the wealth!! That was in the sixties. Today a smaller number of people control more assets. It was recently claimed that Bill Gates alone has more net worth than the lowest 40% of the entire American population!!

The question is, "What will happen when 5% of the population controls 90% of the assets?"

The answers I get in talking to others range from "Make sure you are part of the 5%." To "revolution". Justice Louis Brandeis is quoted as follows. "We can have a democratic society or we can have great concentrated wealth in the hands of a few. We cannot have both."

There can be little doubt that the concentration of wealth is

increasing geometrically. In fact, under the current economic model, it is impossible for it not to increase geometrically.

MONEY ATTRACTS MONEY, MONEY ATTRACTS OPPORTUNITIES

I do not object to Gate's or other's success in accumulating wealth; in fact I applaud it. I simply believe it has gotten to the point where wealth of any significance becomes concentrated as a natural function of our current economic system. Money and assets move towards money and assets. This will lead to continued and even more accelerated rates of concentration over the next few decades.

Let me give an example. I have a very close friend in another country. He has a net worth and income large enough to allow him to spend more than \$8,000,000 in a year in philanthropic causes around the globe.

We were driving down the main avenue of a large city in his home country talking about wealth and charity when he said "Michael, look down Catlin Street on the right a few blocks up. You'll see a large building."

A minute later I spotted the high rise building to which he was referring. "The green marble one?", I asked.

"Yes", he replied. "I bought that 5 years ago for \$10,000,000 and sold it three years later for \$15,000,000."

"Not a bad profit for doing nothing", I followed;"Is it nice inside the building?"

"I don't know," he replied, "I've never been in there."

"I really wasn't too involved in the structure itself", he continued, "It just came up as an opportunity so I grabbed it."

"It's amazing, Michael, making the first million is the toughest. After that, they keep coming at you. You can't prevent it. When you have money the opportunities never stop coming."

I have seen that happen numerous times with my friend as well as others I saw or met in Palm Beach.

That money attracts money is problematic enough. However, combined with the fact that money attracts opportunities, the potential for inequities becomes compounded. It is disappointing

enough that the poor do not have much money. It is even more disappointing that they have fewer opportunities presented to them to help them find their own way out of poverty. The inequity of opportunity is even more distressing than the inequity of wealth!

TECHNOLOGICAL ADVANCES ACCELERATE THE CONCENTRATION OF WEALTH

Understanding that money attracts money we can expect a continuation, in the 2000's of the process of wealth accumulation and concentration that has been occurring in America since the mid 1800's, the beginning of the Industrial Revolution. However, the pace of wealth concentration has increased within the past five years. Something extraordinary is just beginning to happen and within 10 to 15 years, the economic structure in America will experience something with no historic precedent.

We are standing at the threshold of a very significant change. If we act judiciously, it will be a great leap forward. If not, we may lose a rare opportunity to address important issues.

Another book I read as a young man was "The Third Wave" by Alvin Toffler, author of the book "Future Shock". Toffler offers that three great societal waves have constituted humankind's existence on earth.

The first wave was the agrarian wave whereby the community was paramount and families as well as extended families were centralized. This was necessary because everyone had to work closely together to provide the community with enough resources to survive. The first wave society began around 20,000 BC and lasted until the early to mid 1800's upon the introduction of the second wave.

The second wave Industrial Revolution brought machines. We initially produced simple, more efficient harvesting machines. These were followed by more complex machines such as the cotton gin, automatic weavers, tractors, sewing machines and many more.

Now, a woman driving a horse drawn plow could produce enough food for 70 people. A few people could run a sawmill and provide housing for many. The community became more self-sufficient as it could draw resources from numerous areas. This, of course, made each individual less critical to the survival of the community resulting in more time for non-agricultural work.

These extra hands then left the community to work in the factories

mass producing clothing, vehicles, more machines and other goods. The centralized family became decentralized to the point that family members even moved away to far corners of the country. The closely centralized and dependent agrarian society was coming to an end.

As Toffler points out, when one wave is replaced by another it does not happen overnight. It takes decades. During the changes to the new wave, there is great stress on society and friction develops between the old wavers and new wavers. This friction can be observed on both a local and national scale. An example that Toffler cited as nationwide inter-wave friction was the American Civil War! It was a battle between the second wave north and the first wave south.

It was prior to this first to second wave transition when the basic ideas which became the foundation of modern economic thought were first set forth. Theories of how to integrate capital, rent, and labor into a workable and definable system were laid down by Adam Smith in the mid seventeenth hundreds then followed by Malthus, Ricardo, Marx and others.

Following his discussion of the first to second wave transition, Toffler discussed the coming third wave. This would be the technology and information wave. It would be the greatest wave in the history of mankind. New types of technology would be discovered. The transistor, integrated circuit, computer, sophisticated digital motors, intelligent machines, satellites, and numerous advances would completely transform society once again.

The third wave technologies would be as advanced over second wave as the latter was over the first. Mass production techniques would be replaced by robots and other super-machines. One robot would now replace numerous mass production workers in a clothing factory for example. Normally a line worker would cut and pass a sleeve to the next worker producing a back, then to the stitcher who assembled them subsequent to the next operation. Ten workers might produce 200 suit coats a day using this method.

In the third wave, a body scanner would automatically record someone's measurements. This information would then be delivered to a robot which would pick, cut, assemble and stitch the fabric into a suit. This highly sophisticated robot would be able to produce 500 custom tailored suits a day replacing 25 workers!

This robot would be operated by a man working out of his house.

Even more dramatic is a mom who goes into the computer room of her home. She sits down and takes a pair of joysticks into her hands. As she moves the sticks she watches a tractor like device on the computer screen responding to her movements. She commands it to pick up a load of rocks and dust from the quarry in which it is operating. The material is dumped into a hopper for further processing.

As she operates the machines on her computer screen, electronic signals are being sent to an actual machine which is doing exactly what she commands of her computer machine. Even more incredible is the fact that the real machine is on the surface of the moon delivering material into a hopper to have oxygen extracted from it.

Toffler envisions that, most third wave machines could be operated by people over telephone lines from their homes. The third wave would bring people back home to the community. The trip to the office and factory would not be necessary. The concept of community and centralized families could reoccur. The third wave will incorporate the best aspects of the first and second waves. But what will the economic impact be on the distribution of wealth?

CONCENTRATION OF WEALTH VERSUS PHYSICAL MASS

I bring Toffler and The Third Wave up because it is central to my discussion on the concentration of wealth. It is obvious that we are at the transition from the second to the third wave. But there is a very unique difference between this transition and the last one.

During the transition from the agrarian first wave to the industrial second wave, the most inventive and enterprising among us benefited the most financially. This was a time when the telegraph, telephone, railroad, automobile, airplane and other developments caused the birth of new industries. The first millionaires began to appear on the landscape and formed companies we know to this day. The concentration of wealth began and continued as money attracted opportunities and more money.

The rate of wealth growth, however, was based in large part on the relationship between wealth and physical mass. To accumulate wealth in the various industries of the second wave, thousands of

miles of telegraph wire needed to be strung across America at considerable cost in dollars and man power. Millions of tons of iron ore had to be mined and processed into the thousands of miles of heavy railroad track necessary to build the great railroads. Ships and airplanes had to be perfected. Highways were laid down, tunnels dug, bridges erected, factories built. It required an enormous effort by millions of people over decades to move the phenomenal masses of materials necessary to create the infrastructure to support the economic system which resulted in the second wave concentration of wealth.

However, in the transition from the second to the third wave, mass is not nearly the issue that it was in the past. Third wave wealth is built on ideas and information which have no mass. One who is in a position to create wealth from Third Wave technologies and ideas can become a millionaire in months.

I'll give the example of priceline.com which is an internet site that sells airline tickets based upon the price customers are willing to pay. This company has been in existence for just a few years and now works with all major airlines. In the very short time that priceline.com has been in existence, it has developed a net worth that exceeds that of any of the major airlines it serves. Priceline.com accumulated more net worth in 2 years than any airline has done since 1903, the year when man first achieved controlled flight!

Third wave internet businesses have defied all historical precedent. In fact, in January, 2000 Alan Greenspan, Chairman of the Federal Reserve Board, stated that by 2010 we will be looking back at this new economy as something that will be a totally new and unique phenomena in the economic history of the United States if not in all recorded history!

So here we are at the turn of a great new millennium. We are in the transition of the second to the third wave. Our knowledge is doubling every five years. Technology is moving forward at light speed. Billions of dollars of wealth are being created in months. The economy according to the pundits is continuing on an incredible expansion. And the concentration of wealth is greater than ever. But the poor are still being left behind as it relates to economic improvement. A recent newspaper article pointed out that 26% of the families in my own Pioneer Valley in Massachusetts are not making ends meet.

THERE IS A SOLUTION

Something is not right here. Too many people are unhappy. There is very little mutual commitment between many employers and employees. Many want to get theirs while the getting is good. We are becoming more cynical and even violent. Lawsuits are proliferating. We have little personal time because we are working longer hours to just make it. There is an ominous undercurrent within our society that must be repaired before it gets worse. At the extreme ends of society, the militia movement is an indication that some people feel we need to prepare for a bleak future.

I believe this situation is partly a result of the fact the old economic model is not adequate enough to meet the needs of the times. Just as Adam Smith addressed the economic model that would fit into the transition from the first to the second wave, we must now address the economic model that will fit the third wave and the new millennium.

This must be done as quickly as possible because the second wave to third wave transition is upon us. The friction is becoming apparent but may increase if we do not bring everyone along. And because the movement of the new wave is so quick this time, the friction has the potential to heat up more quickly.

I believe there is a partial solution to the social issues now upon us. I feel it is possible to complement our current economic model with a second economic model to better meet the needs of the future as we become fully immersed in the third wave and new economy.

The intellectual, social, and financial resources are available to address the above situation. It is my intention to describe, validate, and effect an economic model that I believe will meet the challenges of the future.

This is a model that needs no governmental approval. Laws need not be changed. The model works quite simply and within the current economic model. The wealthy class need not fear this model, it will empower them. The poor and middle class will find it something to embrace for it will empower them too. The young should find it to be something to embrace for the future.

I hope this will be accepted by our elected officials as well. I believe that most of them have a desire to serve their public yet the means to do so sometimes become clouded by the economic realities of political life and political elections. This model will make

their job easier.

The entrepreneurial desire to become rich through the creation of profits is not suppressed, it is applauded. Investors interested in finding profitable long term corporations for investment will see their options increased. The stock market will remain largely unchanged as it currently exists.

This is a model that can be tested on a microscopic level yet has the ability to expand quickly if it is judged to be worthy of that. If it is judged to be worthy of expansion, that will occur on a grass roots basis, person by person, corporation by corporation, town by town.

This model is as much an economic philosophy and standard as it is an alternative economic model. It is not overbearing in any way, in fact it is so simple in its architecture that it can grow very quickly in step with the times.

I have been thinking about this economic model/philosophy for quite some time. I feel that now is the appropriate time to move it forward.

It was formally born on January 1, 2000 when I wrote the first document as a prologue to this booklet. That was the day I also reserved the first of several websites where this model/philosophy will reside.

To me, it is a 2nd Economic Model. It is created for the millennium of the 2,000's, the 2M era.

The name I gave this model is E2M.

It is a model which creates new business and economic structures which allow the entire community to benefit from the great changes which are just ahead.

E2M will exist at E2M.org as an organization setting out standards and issuing E2M certifications to compliant businesses, funding sources, employers, employees, educational and research institutions, and others. E-2-M.net will become an economic internet website linking E2M compliant companies, organizations, E2M funding sources, E2M community funds, and other E2M entities together. The public portal this new economic model will be at **E-2-M.com.**

I invite you to read further for as detailed a description of E2M as I can present at this time. E2M will continue to evolve over time.

E2M PRINCIPLES & GOALS

E2M desires to achieve changes within the economic system on local levels. I understand that upon showing progress, E2M may be compelling enough to begin to expand and gain acceptance on a grass roots basis. If it attains that level of credibility and growth then an economic E2M net will develop with linkages between all E2M companies and those they serve.

Whether E2M remains a local phenomenon or eventually becomes broad based, it would be appropriate to point out some of the core beliefs I drew upon in my conception of E2M.

1. This journey of humankind in which we all participate together, is moving into a great new era in its history. As we move along we will encounter forks in the road that will lead to such dramatically different paths that an assessment of the past would be advisable before moving ahead to quickly. I believe we are at one of those forks as it relates to our economic model.

It is a goal of E2M to offer alternative options for the future.

2. There is much to be said positively as it regards our current situation. Much has been achieved yet there is much that can be improved. There are significant social, economic, and environmental issues that demand immediate attention before we move too far ahead. My belief is that the social and environmental challenges can best be met if the economic issues are addressed.

It is a goal of E2M to create simple economic solutions to help address the more complex social and environmental issues.

3. Many of us are better off now than we were just a few decades ago, yet there are many others who are not. We are all aware that hunger, illness, and poverty are the major social issues which we face. Unfortunately, the increasing amounts of energy we each expend to meet our personal needs and self-interests limits that energy available to personally address external socio-economic issues. Most of us want these problems to be solved and would welcome a means to help if we could do so understanding that

personal constraints do exist.

It is the goal of E2M to provide a means for each of us to effortlessly link our self-interests to the interests of many others. Not only can we achieve this without jeopardizing our self-interests, we can do this while advancing those self-interests.

4. It would be difficult to bring everyone along together in a great new era without addressing the existing disproportion distribution of wealth. In many cases, this disparity in distribution of wealth is a natural by-product of structural flaws inherent in the current economic model. Therefore we must provide economic options to modify the distribution of future wealth without dismantling the current economic system.

It is a goal of E2M to create an additional economic model which provides for a redistribution of wealth without attempting to dismantle the current economic model which is its mother and with which it will co-exist.

5. Disproportionate distribution of wealth obviously results in a wealthy class of people. Many of the individuals who are beneficiaries of this uneven distribution have no alternative but to be beneficiaries. Their current wealth, by the nature of economics, attracts additional wealth and creates further inequities in their favor whether they like it or not. Like the rest of us, these individuals are also constrained by certain self-interests and oftentimes cannot see with clarity a means to help other than through their current charitable efforts. We should not expect them to just "hand over" their wealth, it rightfully belongs to them, nor should we attempt to tax it away from them as that in itself would be inequitable.

Some of the rich have gained their wealth through circumstance and others through years of very laudable hard work. Many of them would welcome a simple mechanism which would facilitate their use of their wealth to improve the situation for others. Those with wealth have much to contribute and gain within the E2M economic model and I welcome their participation.

It is a goal of E2M to create alternative means for people of wealth to be empowered in their ability to contribute to the well-being of others. This will be achieved by creating linkages which will enable the wealthy to help bring along the less fortunate as they together gain personally from the E2M

model. The E2M model cannot exist without the wealthy and entrepreneurial classes.

6. Disparity in the distribution of wealth also facilitates the existence of a disadvantaged class. Many of us who currently live in poverty do so through circumstance. Others do so because they do not possess the financial or experiential resources to rise above their condition.

Although a very small minority choose poverty as a lifestyle, I feel it is inappropriate to negatively stereotype the poor. When provided with adequate educational, experiential and financial resources, they too have much to contribute.

It is a goal of E2M to provide the poor with the resources necessary to elevate themselves out of poverty. It is a goal to provide mechanisms which will remove the obstacles which limit the ability of the poor to significantly increase their asset base and financial condition.

7. Much of the responsibility for the existence of certain social, economic, and environmental problems has been directed towards the business sector, with considerable focus on large corporations. Corporations are simply aggregations of people who work together in the manner they deem to be most effective in achieving the goals of the corporation.

Many of these people behave in ways corporately that conflict with their personal beliefs. We must create opportunities for them to work within corporate models whose missions address social, economic, and environmental issues. In such a corporate environment, these same people would thrive and become empowered to use their corporations as great engines to achieve the solutions necessary for the social, economic, and environmental advancement of all people and the land in which they live.

It is a goal of E2M to provide for the creation of alternative, socially conscious business entities whose mission it is to serve the needs of the customers, initiators, employees, investors, and community. It is a further goal to assist these corporations and their employees in the attainment of the financial, human, and intellectual resources necessary to achieve their missions.

8. Throughout past and recent history, it has been shown that

those societies which prosper most are democracies embracing capitalism. Communistic or highly socialistic societies offer little in the way of motivation for their people to succeed. Therefore the most significant contributions to the advancement of humankind will come from democracies with some form of capitalism.

It is a goal of E2M to employ democratic principles and capitalism to achieve solutions to the social, economic, and environmental issues which face us. Although there exist certain principles and rhetoric within socialistic models which are compelling in their potential for human empowerment, it is the goal of E2M to achieve that empowerment utilizing the best components of capitalism within a democratic society.

9. The E2M agenda is not a political agenda. Although E2M desires the verbal support of our publicly elected officials I believe that the political arena has a separate and distinct agenda. It is important to allow our public officials to work for the benefit of their constituents. There currently exists an excessive and undue political influence from special interests with private agendas. E2M will not allow itself to become a part of that problem.

In order to protect our elected officials from any undue influence, E2M will insulate these officials from itself. Therefore, E2M companies or bodies will not contribute to the campaigns of any elected public officials. E2M will not form any political party.

Areas of confluence will exist. Certain E2M bodies will operate under current legislation reserved for non-profit entities. As E2M achieves its goals, it is not unlikely that tax advantages may be suggested for entities operating within the E2M model or to investors supporting E2M entities.

There is much talk about broad based campaign finance reform. If such non-partisan reforms are implemented, it is not unlikely that E2M.org would consider modifying its standards to allow E2M support for these initiatives.

It is not the responsibility for E2M to replace any political initiatives nor to fund any efforts which are typically within the domain of governmental bodies.

It is an E2M goal to maintain its social, economic, and environmental agenda. E2M will not become a politically motivated entity.

Given the above statement of ideologies and goals of E2M, it would now be appropriate to detail the methods by which E2M can achieve those goals.

E2M IS A BUSINESS STANDARD AND A SOCIAL PHILOSOPHY

THE E2M PHILOSOPHY

The E2M philosophy is simply one that embraces the concept that all people should benefit from the intellectual and physical contributions they make to the society in which they live.

It believes that the wealth of nations is created from the contributions of its people and that in the United States, this wealth is sufficient to provide the assets and opportunities necessary for all its citizens to achieve a life of prosperity and dignity. However, the current economic model possesses some inherent inadequacies which create obstacles in achieving widespread prosperity and equitable asset distribution.

We feel that it would be advantageous to suggest some improvements which could be made in the organizational structure of newly formed business entities. These changes, if adopted on a broad basis, could provide the resources which would allow all citizens to benefit from the great technological, intellectual, and financial opportunities which are upon us in these times.

WHAT IS THE E2M STANDARD?

The "E2M Certified" standard will be issued and administered by E2M.org, a company I have formed for this purpose.

E2M is a socially conscious standard which relates to the structural, operational and human resources policies for corporations, partnerships and sole proprietorships.

It is also a standard attainable by financial organizations, educational institutions, research organizations and community organizations which indicates their acceptance of certain socially conscious principles.

It is also a standard for entrepreneurs which indicates their completion of certain courses of study resulting in the attainment of the intellectual and philosophical assets necessary to lead E2M

enterprises.

Traditional Business Standards

Standards for business entities are not new. Underwriter's Laboratories created a product standard for fire and safety. Any produce with is "UL Listed" item meets those fire and safety standards.

ISO9000 and ISO9001 are certifications indicating that manufacturing organizations have met certain standards for methods, procedures, and quality assurance.

E2M is simply the standard an enterprise would meet to be defined as socially conscious.

E2M Business Standards

E2M companies are highly capitalistic in nature. E2M certified companies will be expected to compete aggressively on a for-profit basis. Profitability and prosperity are essential in order for E2M companies to serve their purposes. The socially compassionate philosophies which E2M companies embrace are in no way intended to stifle the competitive spirit, focus and determination necessary compete in today's economies.

The dealings of E2M certified companies with non-E2M companies will be conducted according to the highest ethical standards. If these dealings are of a cooperative nature, E2M companies will be encouraged to provide better than expected quality, service and products. Where these dealings are competitive, E2M companies will be expected to excel.

E2M companies will also compete with each other in an aggressive manner. In their dealings with each other they will be particularly mindful of the need to balance the concepts of competition and consolidation. Competition insures quality as well as progress yet, since the philosophical motives of E2M companies are the same, to the extent possible they must realize that consolidation of both may be a positive alternative to the cessation of one.

In addition to structural standards and operational standards in the marketplace, E2M companies will adhere to certain standards

within the workplace environment. These standards will relate to how all employees, managerial or non-managerial, interact in mutual respect. I am currently evaluating a number of standards offered by socially conscious organizations. Standards of community and environmental relations will also be drawn up.

In the creation of these standards, it will be recognized that it is possible to stifle competitiveness and efficiency with excessive restrictions or standards. In order for E2M to achieve its purpose, the company must be able to compete aggressively on a level playing field. Therefore E2M standards will address the issues of social consciousness without being overbearing or repressive.

The standards for E2M corporations, partnerships, sole proprietorships and non-profit organizations are detailed in the Appendix of this document.

Other E2M Standards

Additional E2M standards exist for Community Funding Organizations, Investors, Business Managers, Employees, Educational Institutions, Courses of Study, Research Organizations, and Beneficiaries of E2M Funding. These standards are detailed in the Appendix of this document.

As of the writing of this booklet, the E2M standard for the above entities is one which I have personally created. I am interested in further input and am committed to the immediate creation of an advisory board for the purpose of analyzing, refining, and expanding upon this standard where necessary.

The Advantages of E2M Certification

The most obvious advantage of E2M certification is the satisfaction a company initiator and its employees can take knowing they are working toward self-serving goals as well as benefiting their community over the coming years.

They are helping to develop a new philosophy and economic era which will return their country to its people. They will be looked upon in the future as the pioneers who truly made America a country that utilized its potential greatness for the benefit of all peoples, not just a small number.

E2M initiators will have the benefit of Think Teams around them whose responsibility it will be to assure, as much as possible, the success of the E2M company. With proper support, the threats

and obstacles which often plague first time or young entrepreneurs may be avoided or at the least, diluted.

The work E2M entrepreneurs do everyday will translate into not only financial well being for themselves but also creation of opportunities for the poor, ill, hungry, disenfranchised, and asset-less. The employees of E2M companies will provide this sector of society the real hope that comes from knowing they will not be left behind, left uncured, hungry, or without opportunity.

The E2M company will cast a bright glow over everything around it. This glow will come from the efforts and the hearts of those who labor within. An E2M.emp or E2M.mgr designation will be a symbol of pride.

Large pools of funds to assist E2M certified people and organizations will exist. Socially conscious investors will now have a well defined place to invest. E2M funds will lend money to E2M certified individuals or companies at unheard of interest rates of 1% to 3%, if not less.

The public, given a choice between purchasing from an E2M company and a non-E2M company, all other things being relatively equal, will support the E2M company.

Other E2M and non-E2M organizations or public sector organizations will be more likely to support E2M companies. As more E2M companies develop, they will form an economic net which will be to the benefit of all E2M companies and the community.

The best, brightest, and most motivated employees will be attracted to E2M certified companies and organizations. These organizations will have no trouble finding employees or business.

What Is the Next Step?

There are several steps. The first is to assemble an E2M advisory board for E2M.org, the entity formed by me to certify and audit E2M companies, funds, organizations, employees, managers, etc. This board will be convened for the purpose of refining the philosophies, methods, procedures, and policies of E2M.org.

The next step is to begin forming E2M companies. There are millions of dollars of loan funds available to do this now. Equity funds are not far behind. I am in the process of forming the first

E2M company. Its intention is to move recently discovered light emitting polymer technology from the laboratory to the marketplace. Its product will have enormous impact on back-lit displays, animated displays and eventually computer "monitors"

It would be desirable to obtain a commitment from a major educational institution to accept the E2M model as a standard for itself, its students, and the companies which will take university developed technologies to the public sector. This will be a tremendous opportunity for a public institution to return great value to the common man and woman whose tax dollars give the institution its life. This will be a great opportunity for an institution to create significant positive social change.

As one or a few pioneer institutions accept the E2M banner, then surely others will follow. Their students will be the driving force to social change as students for decades past have done. Students will realize this is an opportunity for them to become the generation that paved the way for the Millennium 2000. They will be remembered as the generation that solved the inherent problems of the current economy. They will become the children who paved the way for the children of the 22nd century.

If E2M becomes a grass roots campaign led by today's students, they will be remembered as the generation that began the economic era which provided the America people with the means to take ownership of their country!

E2M and the Pioneer Valley

I have given much thought to the situation in the Pioneer Valley over the years that I have been here. I have always considered it to be a very special place which needed to be protected while at the same time utilized to its potential. Its greatest potential resources consist largely of the institutions of learning which make it their home.

I have long felt a certain frustration in the fact that our colleges and universities educate some of the most successful people in America yet the retention in the Valley of these individuals is very limited. The Valley offers an extraordinary lifestyle compared to the "outside world". It is a lifestyle consistent with that desired by the new economy entrepreneurs whom we educate. It is obvious we must offer more than lifestyle. We need to create more

opportunities and financial resources for these individuals in order to keep them here.

I have had a chance to focus on this issue. In that capacity, it is my intention to form internet and innovation development businesses. My vision for this effort is one which calls upon the educational resources in the Valley for some assistance.

These resources include the colleges and university, software development groups, and innovation development groups. It is my desire to form "Think Teams" whose capabilities are broad. These teams would consist of individuals skilled in numerous disciplines. They would have the capability of evaluating internet business plans and inventions/innovations for viability.

Upon a positive evaluation, they in concert with the initiators of the idea would possess and utilize all the skills necessary to take the idea from conception to commercialization, including investment acquisition. The members of the Think Teams assigned to a particular business plan would receive some day to day compensation upon the funding of the plan and would eventually become equity participants in that venture.

I see the University of Massachusetts as a very powerful force in this effort. Much of the past industrial success in our country has come from the great research institutions. They are the breeding grounds for technologies which create the economies of the future. The University has already shown itself to be a technology breeding ground and its future in this role looks even brighter.

I propose that the University be the engine which drives the development of the ideas and technologies which will determine the future of the Valley. I propose a unique structure for this endeavor. I call this structure a "Virtual Incubator". Its strength is in the fact that it is not really a structure at all. It is not a separate complex of buildings which require bricks, mortar, funding, equipment, and other longer term time consuming efforts. It is a concept that requires only the approval of the University.

The concept is simple. Once an idea or technology has been positively evaluated, the technological and intellectual assets necessary to develop prototypes or proofs of concepts would be made available by the University. This would include its laboratories and libraries plus faculty and students who would be members of the Think Team for that project. These assets would be utilized to take the concepts, ideas, or technologies to a stage

suitable for next stage funding. The initial stage of funding for these efforts would be provided by initial equity investors. Upon success here, the initiators, Think Team, and University would participate in the equity structure of the formative business.

The virtual incubator concept allows for the possibility of numerous new ideas being developed and incubated simultaneously within the walls of the University in addition to those already being forwarded by faculty members.

This is where E2M fits in. Whereas E2M is a business model which recognizes and compensates the initiators, employees (Think Teams), investors, and community, it is a perfect standard to use in forming the private sector companies which result from the efforts of the publicly supported Virtual Incubator.

Currently, there are some debates which are focusing on who should make money from technologies developed within the walls of a publicly funded institution such as the University.

I have heard professors say "It belongs to me. It's my idea; I did the work and even raised some of the money to prove it viable." As an inventor who has developed technologies I, I have great empathy with this position.

I hear the university proclaim that "The work was done here by employees of the University so we must be a beneficiary." As an entrepreneur and business owner, I realize fully that if the idea were developed in a privately owned business the professor (employee) would have nothing. The intellectual property would be assigned to the employer as an asset whose development was paid for by the business.

However, as a member of the tax paying public, I and many others say, "transferring technology is good but we funded the University with our own hard earned dollars! What's in this for us?" The answer here is typically relates to tax savings. And this, I emphatically say, is not enough. It is an insignificant amount of money that individuals save in taxes. It is not enough since it does not reach all people. The people must benefit also along side the professor/ initiator, and the University. The relationship between all parties must be one of sharing for the common good.

The missions of the great public institutions are to uplift all of the people. It is to advance all of society, not just the intellectually gifted or financially endowed. And in these times, our public

universities are even more important. They are breeding thousands of new economy businesses which are defining the way things will be for generations to come. Our publicly supported universities must stand up now, during the next five years when a major impact will be made on the structure of our future economy for the next century and beyond. If we are ever to improve on the current economic model, we must begin today.

The faculty, administrators, and students of the University of Massachusetts have a unique opportunity to be the first great public institution to take a great new stand. By embracing E2M, they have the potential to set a new enlightened standard for other public and private universities and which may change the future for generations to come. This is a chance to seize an opportunity that will allow us in this little valley in the corner of America, to begin great changes which will definitely affect us locally, possibly nationally, and maybe even globally.

I will personally do as I ask. I will take a stand too. I will embrace E2M in the formation of a company I am creating for the purpose of commercializing a new technology pioneered at the University but which is now in the public domain. The company will be named LightPage Technology. It will eventually produce sheets of "paper" which will have the capability to glow as dimly as a candle or as brightly as a fluorescent tube.

These glowing sheets will eventually contain glowing full color animated images similar to those seen in animated neon signs or on television cartoon shows. Then, in not much more time, these glowing images will have the resolution of magazine pictures. A book made of these pages could at one moment be "Time Magazine", then after a moment of computer intervention, "The Codex of Leonardo DaVinci"!! With not too distant digital technology, each electronic page of such a book could be a computer screen or television!

In a book of illuminated electronic pages (e-book), the contents of each page could be determined by the user and the table of contents would update automatically as changes were made. As a full motion image, one could crumple the page then un-crumple and flatten it out while the "movie" continued uninterrupted!!

I hope that LightPage Technology have an enormous impact on the printed word and image as we know it. I feel that it will have an enormous impact on the printed word and image as we know it. But more important, I have great hopes that it will be among the

first small corporate sparks of a bright torch which will someday be composed of many E2M companies. And my greatest hope is that this will finally be that torch which was once offered to a new generation and which will cast a new glow of economic hope for all people.

As I am forming LightPage Technology, Inc. others with whom I am working have agreed to form their companies as E2M compliant entities. These people are part of a fast growing breed of new entrepreneurs who are forming socially conscious companies. If E2M is compelling enough to begin a grassroots movement, the valley will benefit as it will become a mecca for socially conscious companies.

If this economic model grows to national proportions, then the administration of the E2M model through its .com, .org, and .net websites will remain local and create further employment opportunities.

So I take my stand personally in the formation of LightPage Technology and philosophically in offering these thoughts to you. I offer them because I deeply believe, as do others who read this document before publication, that there is a great possibility that E2M can achieve significant positive results. This requires one other element. That is you. If each of you can overcome, as have I, your own reluctance to believe that one person can make a difference, then we will all together make a great difference.

APPENDIX

Background Experiences of the Author

My past experiences have caused me to develop core beliefs which are the foundation upon which the premises in this document are based. For those who may be interested, the most significant of those experiences are summarized below.

From my boyhood on a large 40,000 bird poultry farm, I learned well the meaning of hard work and long hours. These childhood hardships of agrarian culture created a patina of exasperation and impressed upon me the need for something better for myself. My acceptance to the University of Massachusetts provided me with an exit route from my first wave lifestyle to a new beginning.

I wanted to be an inventor and entered the Physics program. After a semester I realized that in Physics, all the rules are written and

considered immutable. This was no place for an inventor whose purpose is to change the rules, oftentimes by disregarding them. I spent time in the areas of engineering and sciences and concluded that these were relevant to my education. Although they provided excellent technical content, true success could come only if an inventor could apply these principles in commerce. I chose to change my focus to business management while maintaining a strong scientific course load.

The University did provide me with an excellent education, yet I am truly indebted because the University environment of the 60's exposed me to even more important concepts. As I became exposed to the growing peace, music and anti-war movement on campus I began to shed the patina of anger developed during my childhood. I believe my attendance at the University of Massachusetts taught me the true meaning of humanitarianism and I consider it to be my birthplace as a much more caring young man.

Upon my departure from the University, I entertained employment at a major bank equipment supplier, yet despite my success as a recipient of an award as my division's Outstanding Sales Trainee of the Year, the experience was devoid of any satisfaction, real future, and certainly inventive possibilities. After a year, I began my own company, American Dream Advertising, which manufactured and sold printed advertising materials.

I started the company in the bedroom of a cottage in Shutesbury, Mass and it eventually grew to 17,000 square feet in Hatfield, Massachusetts with 125 full or part-time employees serving 1,200 customers around the world. Our customers included RCA Records, Electra Records, numerous rock groups, and a large variety of small businesses.

For the most part, there was a highly cohesive relationship between my employees and me in the 70's at American Dream. We were mostly children of the 60's bonded together by our youth and counter-cultural leanings. We were a unique human menagerie. We were black, Hispanic, white, long hairs, "freaks", able bodied, handicapped, mentally competent and mentally retarded. I was successful at always finding a place in the company for anyone who walked in the door if they were serious about working. We were on a mission and to a certain degree this developed into a workplace culture that was a pleasure for most of us.

In 1976 I became involved in some negotiations with another company which was making a major investment in our company. It was there that I met my mentor, Donald Holcombe Parsons.

Don was a former populist banker who had at the age of 32, established a Detroit based business empire with total assets exceeding \$4.3 billion encompassing almost 30 banks, the Pittsburgh Penguins Hockey team, an airline company, yachting company and several ranches. It was during the three years I spent with Parsons that I learned the numerous aspects of business development, finance, crisis management, joint venture structuring, sales & marketing, and various governmental legal issues.

I left American Dream in April of 1980 to devote more attention to another invention I was interested in developing- a unique flat neon light source. My wife Irene and I moved to Los Angeles to gain access to the technologies I required to develop my invention. By 1985, I had finalized my development of the flat light source which I called Plateglass Neon. Irene and I took a trip back to Massachusetts to show my neon prototypes to potential investors. Success in that endeavor resulted in our return to Massachusetts in November of 1985 where we settled in and found a factory space for our newly formed Neon Technology Corporation.

Our light source was produced by engraving 1/8 inch deep channels into a 1/4 inch thick plate of glass, sealing another plate to the back, then infusing neon and argon gases into the sealed images through attached electrodes. When connected to the appropriate power supply, the images glowed. I acquired a number of worldwide patents on my Plateglass Neon including the United States, Australia, Europe, Canada, and Japan.

From a concept and a few laboratory prototypes, we built a 10,000 square foot factory capable of mass producing a high quality item. We acquired customers including companies such as Guinness Brewing, Harp Lager, General Motors, Ford Motor Company, Labbatt's Brewing, Coca-Cola, Pepsi-Cola, Anheuser-Busch, Burton Snowboards, and others.

We invested significant amounts into research and development to create a viable manufacturing process and Neon Technology was eventually discovered by what was in 1992, the world's largest commercial enterprise, ITOCHU International, a Japan based multi-national corporation with annual sales of \$200 billion. I

negotiated a joint venture agreement with ITOCHU whose interest it was to help us become a "world class global company".

Following ITOCHU's entry, sales began to increase and doubled annually during the years 1997, 1998 and 1999. However, there were significant obstacles to a lone inventor building a viable manufacturing company in Western Mass.

Research and development needs consumed significant capital, the available supply of manufacturing personnel was limited, and the highly stressful and all-consuming efforts required to serve global markets from this region was significant.

I felt a distinct difference in workplace attitudes during the 90's. I developed some very strong positive relationships with a number of my employees and even received a Declaration of Appreciation from them. Yet, there seemed to be a limit to the ability of workers to buy into the philosophy that if we all work hard together, we might actually create a company to the benefit of us all. The sense of mission and optimism instilled in American Dream in the 70's was greatly diluted and sometimes absent in the workplace of the 1990's.

I can understand today's employee's lack of empathy with management since we are in times where it is not uncommon for a large company to pay top management millions of dollars a year as the reward for laying off thousands of employees.

Yet from a management point of view, during interviews with hundreds of people we did not hire and with some that we did hire, I found highly disappointing social dysfunction ranging from drug problems, boyfriend/husband problems, girlfriend/wife/mother problems, health problems, educational problems, motivational problems and more.

My daily routine contributed to my own growing discontent as I realized that I was a victim of my own creativity. I was trapped within a world of payables, receivables, manufacturing realities, legal complexities, and more. It made me realize that despite my desire to help my employees grow personally, despite my desire to improve my own life, there was something seriously amiss in the standard corporate model into which I had thrust myself.

Ultimately, a series of events began in May of 1998 which resulted the collapse of the Asian economy. This was devastating for ITOCHU which then began to sever its relationships with 320 of its

subsidiary companies including Neon Technology.

The prospects for Neon Technology to grow as a viable manufacturing operation without ITOCHU were dim. After meeting with our stockholders, bankers, and other advisors, it became apparent that we needed to take another tact. Our approach needed to be licensing based rather than manufacturing based.

In August of 1999, I secured jobs for my employees elsewhere, and closed the doors of the manufacturing operation. I am now negotiating to license the technology globally.

Quite frankly, Irene and I were happy to be out of the manufacturing business but I felt a certain disappointment that I was not able to achieve the monetary and social agendas that were the purpose for the creation of Neon Technology as a manufacturing operation. There would no longer be potential for employee ownership of NTC. The hope for in-factory daycare and educational programs would go unrealized. The potential for company sponsored low cost housing was gone. There would be no company store selling low cost essentials. The interest-free loan program I initiated for employees would not be expanded. Irene and I did get our lives back but the social agenda was sadly over.

I have always believed that everything happens for a reason and I am beginning to realize that this apparent disappointment has opened new doors. I believe I am now able to realize my social agenda far more effectively than would have been possible as a single populist running my own company limited by my own corporate resources.

I believe it is possible create compelling social, economic, and environmental changes for the new century. I feel I now have or can acquire the resources which will allow me to utilize all that I have seen, enjoyed, learned, and suffered to effect the creation of a unique new economic model which will be to the benefit of many.

This document is the first public issue of my thoughts and intentions on this matter.

The E2M Community Company (CC)

The E2M Community Company is a very special type of business enterprise. It may take the form of a corporation, worker owned cooperative, or partnership. It is structured based on the philosophy that business entities can become tight knit organizations composed of incorporators, worker/owners, investors, and communities who are extraordinarily dedicated to each other. These organizations are dedicated to the proposition that even within the day to day realities of competition, profit taking, and commerce, a truly higher standard can be attained. They understand that this standard will, in the coming few decades, be that which will prevail over all others.

The purpose of the E2M Community Company is to provide a business model which has the power to compete, profit, and grow quickly. If structured as a worker owned cooperative the E2M Community Company is unique over traditional cooperatives in that there exists an outside investor component of ownership which allows for investments by individuals through private placements, public offerings (IPO's), and other traditional means. It is this investment component which allows coops structured as E2M Community Companies to provide the same returns to investors as other traditional publicly owned and/or traded organizations.

In such an organization, the participants hold that their purpose is to empower everyone to the greatest degree possible and to insure that the basis of investment is to serve the common good of all rather than to simply maximize the bottom line for a limited number of stockholders. Therefore such an organization is structured to insure that these motives are maintained and that purely profit driven motives never compromise the true purpose of the organization.

The structure of an E2M Community Company is designed to provide the incorporators, worker/owners, and investors with shared control of the E2M Community Company. This is achieved by equalizing the votes of each of these three components such that any two of them may, in concert with each other, control the vote.

Thus, if the incorporators or worker/owners of the E2M Community Company differ in their feelings regarding the direction of the company, either group can call upon the investors to help resolve their differences. If the investors feel a sense of dissatisfaction,

they can appeal to either the incorporators or worker/owners.

The community, as un-invested beneficiaries of the E2M Community Company will not be placed in a position of potential control. This is due to the fact that the community is least capable of understanding a myriad of daily operational, financial, and competitive issues which face E2M Community Companies attempting to operate in highly competitive environments.

It is especially important to note that workers as individuals or a group may be the incorporators, or they may purchase additional shares in the investor component. The community, through the E2M Community fund may also act as an investor. Therefore as the E2M economic model grows, the workers and communities, as they realize enough wealth to become significant investors, become very important in determining the motives and direction of commerce. At such a time, although the influence of corporate power may be as great as it is today, that power will be directed toward serving the common good rather toward maximizing the bottom line for the benefit of a limited number of stockholders.

This is the underlying purpose of E2M.

Structure of the E2M Community Company (CC)

The E2M Community Company will have a share structure such that fifteen (15%) to twenty (20%) of the shares are owned by the Community Fund and another fifteen (15%) to twenty (20%) of the shares by the worker/owners of that Company. The portion of the stock available to outside investors and incorporators will be sixty (60%) to seventy (70%). An E2M Community Company will be eligible for the most favorable loan interest rates of one to four (1% - 4%) percent from E2M funding sources, depending on the level of Community equity ownership. It will receive first consideration in other benefits.

The equity structure of an E2M Community Company will consist of voting shares and non-voting shares such that two sevenths ($2/7$) of the voting stock will be owned by the incorporators, two sevenths ($2/7$) by the worker/owners, two sevenths ($2/7$) by the investors, and one seventh ($1/7$) by the Community Fund. This will provide an equal vote to the incorporators, employees, and investors with a lesser but significant vote to the Community Fund.

Any differences between the voting control structure and equity

ownership structure of an E2M Community Company shall be made up by issuing non-voting shares to the required parties (see examples below).

It is very important to emphasize that the worker/owners may be the incorporators and worker/owners, Community Fund, or incorporators may also become investors.

Example 1.: The structure for an E2M Community Company in which the workers and Community Fund each own twenty (20%) equity and the incorporators and investors share sixty (60%) of one hundred thousand (100,000) shares will be as follows:

	VOTING COMMON	NON- VOTING
INCORPORATORS	20,000 shares	NA
EMPLOYEES	20,000 shares	NA
INVESTORS	20,000 shares	20,000 shares
COMMUNITY	10,000 shares	10,000 shares

Example 2.: The structure for an E2M Community Company in which the workers and Community Fund each own fifteen (15%) equity and the incorporators and investors share seventy (70%) of 100,000 shares will be as follows:

	VOTING COMMON	NON- VOTING
INCORPORATORS	15,000 shares	10,000 shares
EMPLOYEES	15,000 shares	NA
INVESTORS	20,000 shares	30,000 shares
COMMUNITY	7,500 shares	7,500 shares

Variations on the above are adaptable where worker/owner and Community Fund equity ownership structures exceed or are between the above percentages.

The E2M Corporation- Five Stars

Any corporation receiving an E2M *****certification will have an equity structure such that 20% of the equity is owned by the Community and 20% provided to the employees through purchase options. The portion of the stock retained by the incorporators and outside investors is 60%. An E2M***** company will be eligible for loan with interest rates of (1% -2%) from E2M funding sources. It will receive first consideration in other benefits.

The E2M Corporation- Four Stars

Any corporation receiving an E2M ****certification will have an equity structure such that 15% of the equity is owned by the Community and 15% provided to the employees through purchase options. The portion of the stock retained by the incorporators and outside investors is 70%. An E2M**** company will be eligible for loan with interest rates of (3% - 4%) from E2M funding sources. It will receive second consideration in other benefits.

The E2M Corporation- Three Stars

Any corporation receiving an E2M ***certification will have an equity structure such that 10% of the equity is owned by the Community and 10% provided to the employees through purchase options. The portion of the stock retained by the incorporators and outside investors is 80%. An E2M*** company will be eligible for loan with interest rates of (5% to 6%) from E2M funding sources. It will receive third consideration in other future benefits.

The E2M Corporation- Two Stars

Any corporation receiving an E2M **certification will have an equity structure such that 5% of the equity is owned by the Community and 5% provided to the employees through purchase options. The portion of the stock retained by the incorporators and outside investors is 90%. An E2M** company will be eligible for loan with interest rates of (7% to 10%) from E2M funding sources. It will receive last consideration in other future benefits.

The E2M Partnership- Five Star, Four Star, Three Star, Two Star

An E2M certified partnership will be formed as a Limited Liability Company or Partnership. Its equity structure shall be the same as that for an E2M corporation understanding that the terms "managing partner" and "limited partner" are substituted for "incorporator" and "stockholder" respectively.

The E2M Sole Proprietorship- Five Star, Four Star, Three Star, Two Star

Five Star: This E2M***** entity will be owned by the sole proprietor. Forty percent (40%) of after-tax profits or 4.0% of net sales, whichever is greater, will be divided between the employees and the E2M community fund. Net sales will be defined as gross sales less freight, discounts, and allowances. Five star interest

rates apply. Five star interest rates apply.

Four Star: This E2M**** entity will be owned by the sole proprietor. Thirty percent (30%) of after-tax profits or 3.0% of net sales, whichever is greater, will be divided between the employees and the E2M community fund. Net sales will be defined as gross sales less freight, discounts, and allowances. Four star interest rates apply.

Three Star: This E2M*** entity will be owned by the sole proprietor. Twenty percent (20%) of after-tax profits or 2.0% of net sales, whichever is greater, will be divided between the employees and the E2M community fund. Net sales will be defined as gross sales less freight, discounts, and allowances. Three star interest rates apply.

Two Star: This E2M** entity will be owned by the sole proprietor. Ten percent (10%) of after-tax profits or 1.0% of net sales, whichever is greater, will be divided between the employees and the E2M community fund. Net sales will be defined as gross sales less freight, discounts, and allowances. Two star interest rates apply.

Various loan rates and benefit structures as previously discussed will apply

The E2M Worker Owned Coop - Five Star, Four Star, Three Star, Two Star

Five Star: This E2M***** entity will be owned by the worker/owners. Twenty percent (20%) of the coop's shares will be contributed to the E2M community fund. Five star interest rates apply.

Four Star: This E2M**** entity will be owned by the worker/owners. Fifteen percent (15%) of the coop's shares will be contributed to the E2M community fund. Four star interest rates apply.

Three Star: This E2M*** entity will be owned by the worker/owners. Ten percent (10%) of the coop's shares will be contributed to the E2M community fund. Three star interest rates apply.

Two Star: This E2M** entity will be owned by the worker/owners. Five percent (5%) of the coop's shares will be contributed to the

E2M community fund. Two star interest rates apply.

The E2M Non-profit Organization

An E2M non-profit organization will contribute \$500 or 2% of its income, whichever is greater, annually to an E2M community fund established for the purpose of promoting and achieving E2M goals.

Transitional E2M Status

In certain cases, particularly in the case of existing businesses, the desire of an organization to become E2M compliant is hindered or complicated by existing issues such as corporate structure, Board policies, investor relations, or other obstacles. E2M.org accepts and empathizes with these situations where everyday realities quench heartfelt desires. Therefore, the status of Transitional E2M was developed. Under this standard any corporation, partnership or sole proprietorship may choose the E2M standard which they desire to attain, and E2M will provide that organization with an extended time period in which the standard must be met. During that time period the entity will be issued a Transitional E2M status (E2M-T5, E2M-T4, E2M-T3 or E2M-T2 representing the Five, Four, Three Star and Two Star standards respectively). Time periods allotted to attain full E2M status will be up to ten years at the option of the organization. During the transitional period, the organization will be expected to modify its equity structure annually on a pro rata basis. Therefore an E2M-T5 organization could issue 2% of its equity to the community and another 2% to the employee account annually for ten years.

A Transitional E2M organization will not be eligible for E2M low interest loans or other benefits until it complies with, at the least, the E2M Two Star standard (E2M**). An E2M-T5 organization would therefore receive all benefits due to an E2M** as soon as it meets that standard during its transition to the E2M Five Star Standard (E2M*****). As the E2M-T5 meets Three and Four Star standards it would then be upgraded and receive the appropriate benefits. Transitional organizations will be applauded for their social consciousness by E2M.org. E2M.org would encourage the public to fully support Transitional E2M organizations.

The E2M Certified Community Fund

This will be a non-profit organization established for the purpose of achieving E2M goals and will represent the interests of the regional community which it serves. Its membership will be derived from 15 to 30 members of the regional community which is served

by the fund.

There will be at least one educator, one young individual (minimum age is 15), a business person, a bank loan officer, a non-denominational pastor, a senior citizen (minimum age of 60), a low/moderate income individual (income based on current HUD guidelines), an investment advisor, and two members of the non-profit public service community. Additional members will provide a demographic cross section of the region which the E2M Community fund serves.

When an E2M Community fund is first formed, its members will be approved by e2m.org. They will be nominated by the local E2M organizing group. After two years, the initial members of the E2M Community fund will be replaced, one by one, on a monthly basis in the chronological order in which they were first appointed. Membership of the fund will thereafter be by nomination from community members. A majority vote of a quorum will be required to elect a nominee to the fund. Term limits thereafter will be one year. Members of the E2M Community fund may serve additional one year terms following a two year absence from the fund.

The membership of the E2M Community fund is intended to be representative of the community it serves and fluid in its membership. These requirements are in place to assure an organization which is representative of the community, intellectually broad, free from long term internal hierarchies of power or influence, and above reproach.

The E2M Community fund will be E2M certified. It will be a depository and/or administrator of E2M community funds. It will be the depository of community held equity in E2M companies. It may loan or distribute E2M monies to the community or to E2M certified organizations.

The E2M fund will utilize its resources such that 75% will benefit the local community, 20% will be spent on national endeavors, and 5% will be distributed globally. This non-local distribution may go to other E2M certified funds, E2M companies, or other beneficial causes.

Of that portion distributed locally, one-half of such distribution shall be determined by the owners, employees, and investors of the E2M company providing the funds to the community. This determination by the E2M company will be decided by an equal

vote (one person, one vote) of the incorporators/owners, employees, and investors. During such a vote, a member of the E2M Community fund may be present to provide oversight, participate in discussions (but not vote), and offer suggestions. The remaining one-half of local funds will be distributed by the E2M Community Fund.

In loaning E2M monies directly to individuals or families in the community, E2M Community Fund will charge no more than 1% interest. It will not report any dealings with these individuals to any outside information gathering agency unless subpoenaed.

In loaning E2M monies directly to other E2M companies, E2M Community Fund will charge interest based on whether the entity is a two, three, four or five star entity. It may invest its monies into existing E2M companies or act as a venture fund to startup new E2M companies. As such it will participate in that equity portion of E2M companies set aside for outside investors.

In the event this organization sells the stock of an E2M company which it holds or administers, to a non-E2M entity, it will invest a minimum of 50% of the proceeds of that stock sale into other E2M companies or start-ups. This should be pre-arranged before the closing but in any event will be done within one year of said sale.

The E2M community fund may purchase non-E2M companies. In this case, the entity being purchased will be required to become E2M certified.

The E2M certified community fund will report on its activities annually to E2M.org and will be subject to E2M audits to insure its compliance with the above standards as well as other standards which will be defined over time.

The E2M Certified Investor

The E2M certified investor understands that there is enough food at the table to serve everyone. S(he) understands that unbridled greed serves the few at the expense of many. S(he), however, also understands that a motive of self-consideration is necessary to drive a competitive capitalist economy. This E2M investor's motive of self-consideration is encouraged and applauded by E2M.org. It is this motive that helps achieve E2M goals yet it must contain an element of community service.

To this end, the E2M investor accepts that participation in 40% to

50% of an E2M organization will be sufficient to meet his/her investment goals.

The E2M investor realizes that as the E2M goals are adopted by more and more companies, participation as an E2M investor may well result in the attainment of even greater personal rewards than might be attained in a non-E2M company.

The E2M Certified Manager

The E2M certified manager has completed an E2M certified course of study leading to an E2M.mgr designation. This course of study proscribes certain methods, policies, and procedures important in creating empowerment for all members of an E2M certified business.

The E2M.mgr understands that he too is an employee, participates in the employee owned component of the E2M company, and must rely on his fellow employees to assure that this equity provides personal rewards for all employees and the community.

The E2M.mgr further understands that success for their E2M company comes only with quality products or services produced in as efficient a manner as possible.

The E2M.mgr accepts that the E2M philosophy in no way mitigates the need for all members of the company to contribute to and interact with each other and their company in a caring, compassionate, and committed manner. In this light, the E2M.mgr is expected to solicit the best efforts of all E2M employees and provide them the guidance and resources necessary to provide same.

Having provided this, the E2M.mgr will contribute as well as expect an honest days work for a fair wage. Anything short of this will not be acceptable to the E2M.mgr.

The E2M Certified Employee

The E2M certified employee has received an E2M.emp certification having completed a short informational meeting explaining the goals, philosophies, and standards of E2M.org and the organizations it certifies.

The E2M.emp accepts that it is a privilege to work with other E2M.emps and E2M.mgrs in an enterprise dedicated to serve its

employees on a par equal to that of its investors. The E2M.emp understands that his or her efforts are not limited to the attainment of personal rewards but inure to the benefit of the community today and for generations to come.

The E2M.emp understands that the E2M economic model is designed to produce positive long term social and financial change. It cannot succeed by utilizing the traditional economic methods of decades gone by. It must rise to a higher standard; so too must its employees and investors.

This higher standard demands cooperation, compassion, and commitment among the employees, managers and company.

This higher standard on the part of employees is measured by their honesty, concern for each other, positive attitude in the workplace, dedication to delivering an honest day's work for a fair wage, and concern for quality. S(he) accepts the proposition that each one of us can and must make a difference.

The E2M.emp understands that s(he) is part of an organization that allows one to rise above the indifference, skepticism, cynicism, and lack of commitment that often plagues traditional workplaces.

The E2M.emp is committed to rise to this higher standard and will not tolerate or expect others to tolerate anything less from himself and his fellow employees.

The E2M Certified Course of Study

The E2M certified courses of study will range from semester long courses of study at institutions of higher learning to shorter group orientations in the E2M workplace.

Longer term studies at institutions of higher learning will include managerial courses with social, economic, technological and philosophical contents. Entrepreneurial courses will complement the aforementioned for the expressed purpose of preparing young women and men to successfully conceive of and lead future E2M certified companies.

The entrepreneurial courses will serve to promote innovation, competition, and commitment. Cooperative learning programs with outside companies will be utilized to expose the budding entrepreneur to the challenges, obstacles, frustrations and barriers

to success inherent in highly competitive economic environments.

The intent will be to help the entrepreneur to anticipate and minimize any deleterious personal and corporate effects of that reality while at the same time meeting them head on in the marketplace.

Many institutions currently teach the above types of studies. Other organizations focus on preparing young entrepreneurs for socially conscious service in managerial positions.

Considering the large numbers of course studies available, I believe it will not be difficult to assemble the proper courses of study to meet E2M goals.

The E2M Certified Educational Institution

The E2M certified educational institution will be registered with E2M.org in order to provide E2M companies, or prospective E2M managers and entrepreneurs the names of the institutions providing appropriate courses of study.

These institutions will serve as formative environments from which E2M companies will be born. This birthing of the E2M businesses will come as a result of the research and technology development which occurs on many of these campuses.

Some E2M certified institutions may provide internal or outside incubator space for E2M start-ups. These institutions may establish E2M Think Teams which possess a broad range of intellectual skills. These Think Teams would review potential E2M start-up ideas, technologies, internet sites, or inventions.

These teams would make it possible for anyone from the community to present an idea, have it reviewed for viability, then by using the vast resources of these institutions, that idea would be nurtured by Think Teams, students, entrepreneurs, and financial investors. The intent would be to rapidly propel good concepts into the public sector where, as an E2M company it will serve its initiators, employees, community, and investors.

Once E2M startups leave the institutional environment, that institution may choose to provide additional services to the E2M companies.

The E2M Certified Community Beneficiary

The E2M certified community beneficiary must present a plan to E2M.org which specifies how the funds it receives from an E2M community fund will be utilized to benefit the community. This plan must define who the "community" is, the various needs of the community, and how these needs will be addressed.

Housing, education, fuel assistance, health programs, micro-business startup financial assistance and other very obvious needs will be addressed. The intent will be to provide aid in addition to that which is already being received by local, state, and federal governmental or private organizations.

It is not the intent of E2M to replace current financial responsibilities of governmental bodies. These financial contributions by governmental bodies must continue in order to avoid the accumulation of excess tax generated funds within the governmental/political sector. Neither is it the intent to create welfare programs to replace those being phased out by the government. E2M philosophy is definitely based on utilizing the business sector to create social change. This includes a change in attitudes where necessary to avoid any encouragement to those who would prefer to receive without giving of themselves.

The E2M Certified Research Organization

The E2M certified research organization will conduct research which is to the benefit of the public and which has the potential to create technologies which will enter the public sector through the startup of E2M companies.

Truly beneficial research is encouraged. Investigation of revolutionary approaches to treatment and cure of diseases is encouraged. Planned obsolescence is highly discouraged. Investigations into scientific phenomenon considered to be anomalous are encouraged.

Research designed to serve the public good is suitable for E2M funding. Research designed to serve private interests of non-E2M companies is of secondary importance.

Suggested Reading

The Third Wave by Alvin Toffler

Black Wealth, White Wealth by Melvin Oliver
The Ownership Solution by Jeff Gates

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