Spotlight on Expanding Investment Opportunities for Main Street

The Challenge: Over the last two decades, the number of public companies in the U.S. has declined by roughly 50%, and the initial public offering (IPO) market is a fraction of what it was in the 1980s and 1990s. Public companies historically have been a key driver of growth and job creation, but the decline in IPOs has significant long-term implications for our economy and the financial health of all Americans. Comparatively little attention has been paid to the impact that a lack of IPOs has on the ability of Main Street investors—or employees of growing companies—to build and sustain wealth. When companies go public earlier in their life cycle, Main Street investors are able to invest alongside more professional investors and reap returns over a long period of time.

The Wrong Approach: Companies today tend to go public after they are already mature and able to handle the legal and other complexities involved with being a public company. Given the number of restrictions in place that prevent individuals from investing in private companies, the recent positive returns experienced in private markets have been largely reserved for institutions and wealthy individuals. Simply put, average investors are left out.

A Sensible Solution: Public and Private Sectors Working Together

**Business Leadership**
Companies should consider issuing employees long-term equity incentives where possible in order to align incentives with long-term company performance. Allowing employees to share ownership in the companies for which they work increases job satisfaction and creates a more productive and successful workforce.

**Government Leadership**
The Securities and Exchange Commission (SEC) should continue implementing reforms that make the public company model more attractive to growing businesses and should collaborate with the business community on how to help more households share in the success of American free enterprise.

In the spotlight: Intuit’s Equity Grant & Stock Purchase Plan
Every Intuit employee is eligible for an equity grants from stock options to restricted stock units. Additionally, Intuit offers an employee stock purchase plan that allows workers to contribute a percentage of their pay to purchase stock at a discount.