Nova Scotia Co-operative Council

Understanding the Co-operative Business Model

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Co-op Perception

What do you think of when you hear the word “Co-op”?

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School / Work Placement ?

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PLAN B Merchants Co-op

just us! COFFEE ROASTERS CO-OP

the co-operators A Better Place For You

CAISSES POPULAIRES CREDIT UNIONS

CO-OP Country STORE

Wolfville Farmers' Market

MOUNTAIN EQUIPMENT CO-OP®

HALIFAX SEAPORT FARMERS' MARKET ESTABLISHED 1750

careforce PERSONALIZED HOME HEALTH CARE

King's Co-op Bookstore

CO-OP TM/MC Great food begins here.

MARIGOLD CULTURAL CENTRE

cobequid arts council

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halifax circus

NOVA SCOTIA GREEN CHRISTMAS TREE CO-OP

FARMERS' MARKETS of Nova Scotia

VICTORIA BRAND EST. 1955 Victoria Co-operative Fisheries Ltd.

Truro Farmers' Market

VIEWPOINT GALLERY CONTEMPORARY PHOTOGRAPHY

NEW GLASGOW FARMERS' MARKET

NORTH NOVA

ThermalWise BUILDING ENERGY SAVINGS

afcoop ATLANTIC FILMMAKERS COOPERATIVE

CO-OP TM/MC energy énergie

TEAM WORK COOPERATIVE

The Missing Link

106,1 FM CKJM

Berwick Farmers' Market CO-OP LTD

Farmers Dairy www.farmersdairy.ca

Invisible

TATAMAGOUCHE FARMER'S MARKET

CONSEIL COOPÉRATIF Acadien NOUVELLE-ÉCOSSE

Atlantic Council for Bioenergy Co-operative Conseil atlantique pour la bioénergie

MUSQUODOBOIT HARBOUR FARMERS MARKET "Growing Community"

healthy minds cooperative

SCOTSBURN

cbmic Cape Breton Music Industry Cooperative

CAPE BRETON FARMERS' MARKET

Shelburne Farmers and Artisans Co-op Ltd Produce and Crafts

YARMOUTH FARMERS' COMMUNITY MARKET Close To Home, Fresh In Season!

ACCSE CAESC

off the hook

heritage connection CAPE BRETON

SCOTIAN GOLD

Cape Breton Island The Celtic Heart of North America

STRAIT AREA SAT TRANSIT

SMART Atlantic Balsam Christmas Tree Research Centre

Harmony Health Centre

Wild Blueberry Taste of the Festival

Radio Halifax Metro CKRH-FM 98,5

LUNENBURG BALSAM FIR CO-OP TOGETHER WE GROW

KAZAN CO-OP Be in the Room.

Serving Seniors your trusted resource of caring dedicated professionals

DEEP ROOTS MUSIC COOPERATIVE

OIKO CREDIT investing in people

Halifax Media Co-op OWN YOUR MEDIA halifax.mediacoop.ca

CAPE BRETON STAGE COMPANY

Business Referral NETWORK

CiTU 104,1FM

Discover Margaree A GREAT VALLEY TO SEA

Simply PRIMITIVE Home Décor

MARITIME HOP GROWERS CO-OPERATIVE LIMITED

Windsor FARMERS' MARKET

SUNSET SANDS RV PARK PORT HOOD • NOVA SCOTIA

paddler co-op

EAST COAST Organic MILK

FARMWORKS

SUPPORT SERVICES GROUP Independence Through Co-operation

Mersey Tobeatic Research Institute

CTCL Colchester Transportation Cooperative Limited

Evangeline Artist Co-operative Ltd.

HALIFAX CHEER ELITE

Cape North Farmers Market Saturdays June - October

Winding River ART

PEER GALLERY CONTEMPORARY ART

The Coast 89.7 FM

The Greenhouse Co-operative Ltd St. Peter's, Nova Scotia

GAMS • CMAG

ACADIA CINEMA COOPERATIVE WOLFVILLE, NOVA SCOTIA, CANADA

Desjardins

Gay Lea

Welch's
SINCE 1869

Sunkist

AP Associated Press

What factors come into play when trying to pick a business model?

Why does it matter which one we choose?

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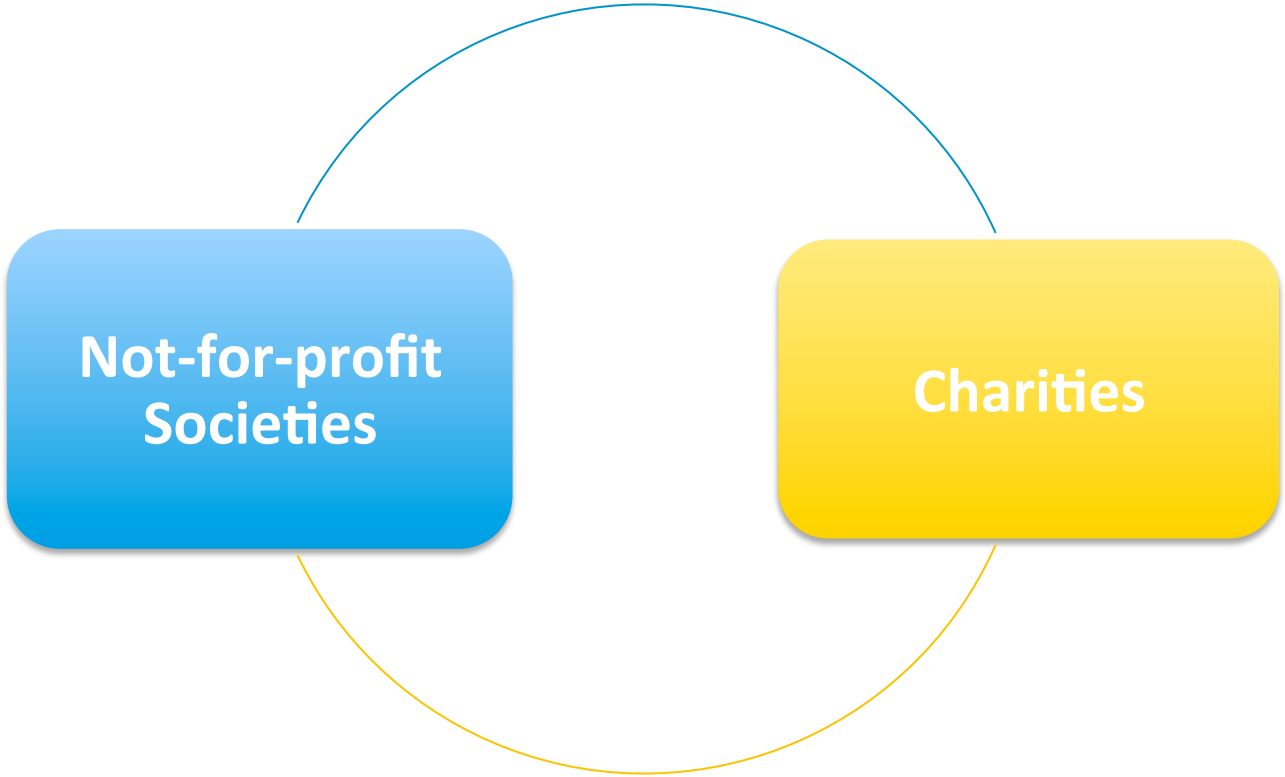
Non-ownership Business Enterprise Models



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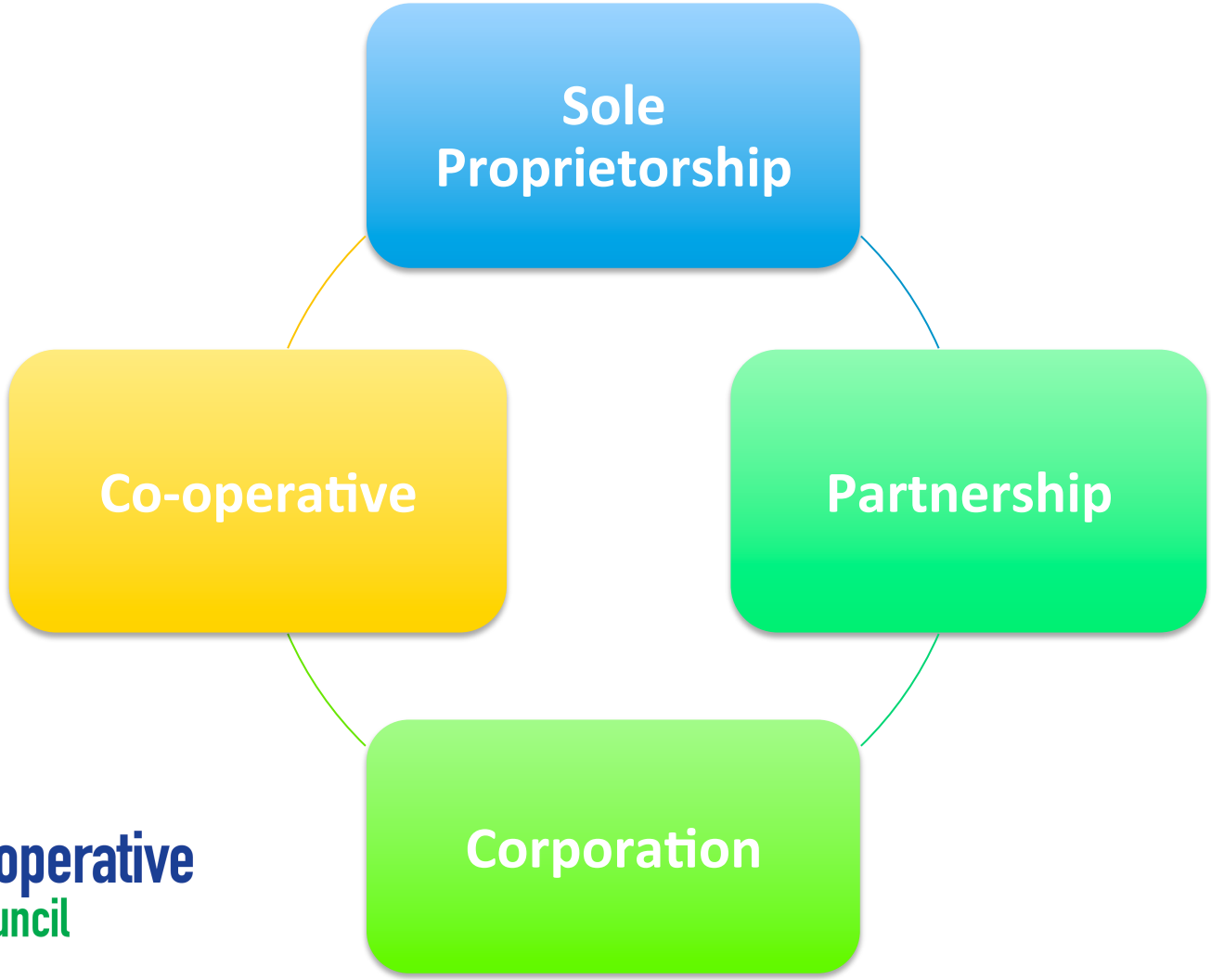
Business Enterprise Models



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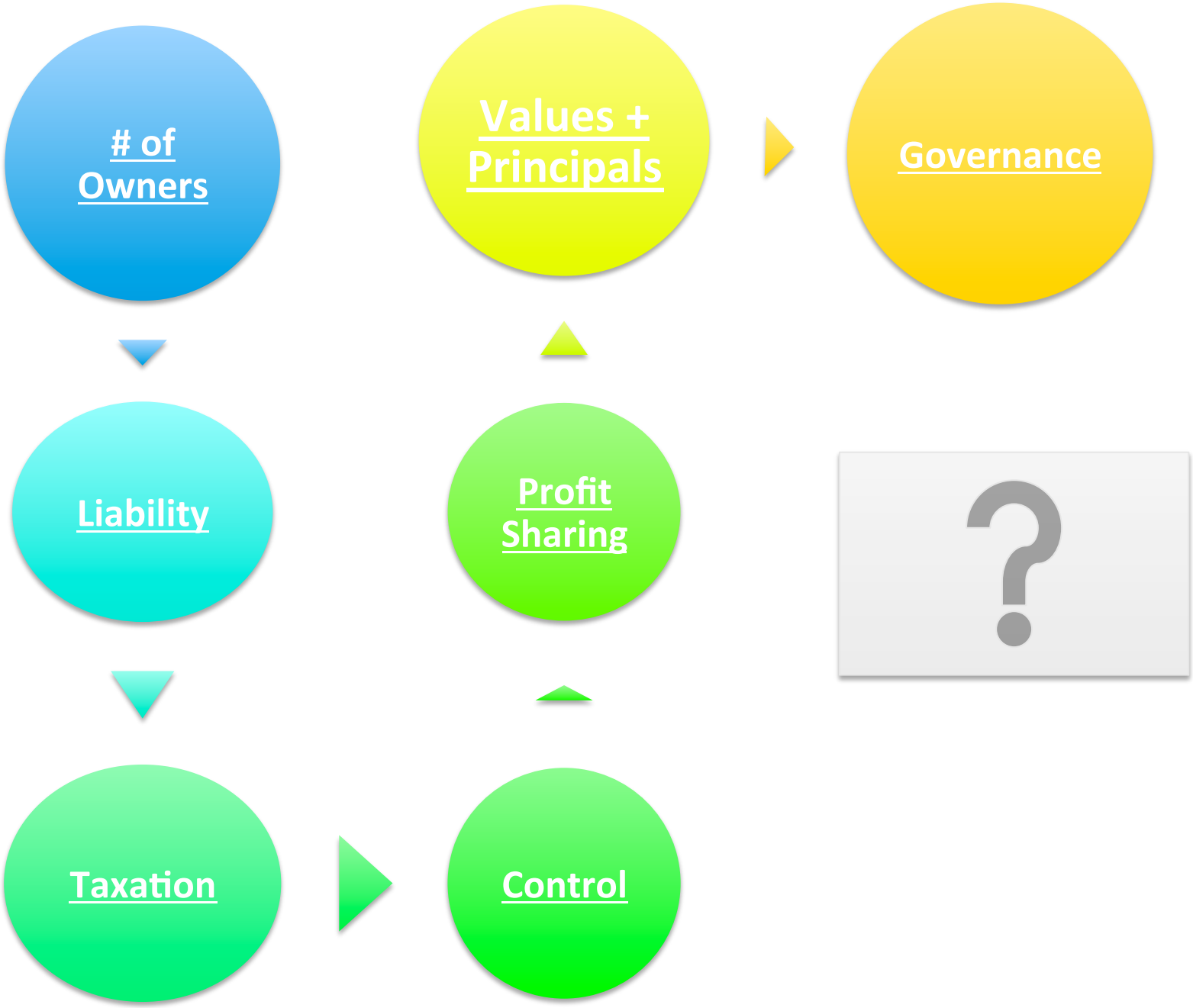
# of Owners
Values + Principals
Governance
Liability
Profit Sharing
?
Taxation
Control

So you decide on the co-op model…

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Statement of Co-op Identity

DEFINITION

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

VALUES

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

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7 Co-op Principals

1. Voluntary & Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy & Independence
5. Education, Training & Information
6. Co-operation Among Co-operatives
7. Concern for Community

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For profit Co-ops vs. Non profit co-ops

- Non profits
  - Wider social/community mandate.
  - Surplus reinvested into co-operative.
  - Members do not share in profits.
- For profit
  - Members able to share in profits.
  - Must pay income tax.

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Profit Sharing: Patronage Dividends

- Dividend size depends on each members financial activity with the co-op
  - i.e – Credit Union Loans + Rebate
- Those contributing the most have a larger financial reward.
- Board of directors determines.

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Our Communities Benefit

- Local ownership & decision making.
- Local wealth retention.
- Local job creation.
- Positive community impacts.

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Strength of Co-ops

- Twice as likely as companies to survive past first 10 years.
- Co-operatives credited for helping Canada through economic turbulence.
- Flexible and scalable.

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TYPES OF CO-OPS

It’s all about the membership!

1. Co-ops exist to meet the needs of its members.
2. Who are the members of the co-op?
3. This determines the type of co-op.

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Consumer Co-operatives

The co-op is owned by its customers/users.

- Sells a product/service to its members.
- Staff not necessarily members
- i.e – Co-op grocery stores, credit unions.

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CO-OP TM/MC

Credit Unions

- Financial co-operatives.
- Member owned & governed.
- Dividends based on usage.
- Only option for financial services in many areas.
- Rated #1 in customer service of all financial institutions in Canada for 8 years in a row.

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Producer Co-operatives

The co-op is owned by the producers.

- Members produce goods/services and sell them to the co-operative.
- Co-op packages, markets, & processes goods and gets them to market.
- Scotsburn Dairy Co-operative

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SCOTSBURN

Worker Co-ops

The employees own the co-op.

- Workers paid fairly for their position and also share in profits.
- Members control workplace and decisions.
  - Just Us! Coffee Roasters Co-operative
  - Curl Up & Dye Hairdresser Co-operative
  - Mondragon

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just us!
COFFEE ROASTERS CO-OP

Multi-stakeholder Co-operatives

Different classes of members own the co-op.

- Each class of members has a different type of relationship with the co-op
  - Consumers, employees, producers, etc.
- Local food movement: Farmers & consumers are members (CSA or CSF).
- Health Care: Home care & health care providers are members, consumers of services are also members.

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Global Impact of Co-ops

- 1 billion+ members
- 100 million+ jobs, 20% more than M.N.C's
- 3x more co-op members than shareholders.
- Top 300 co-ops generated $1.6 trillion USD in 2008
  - 8 of these are in Canada

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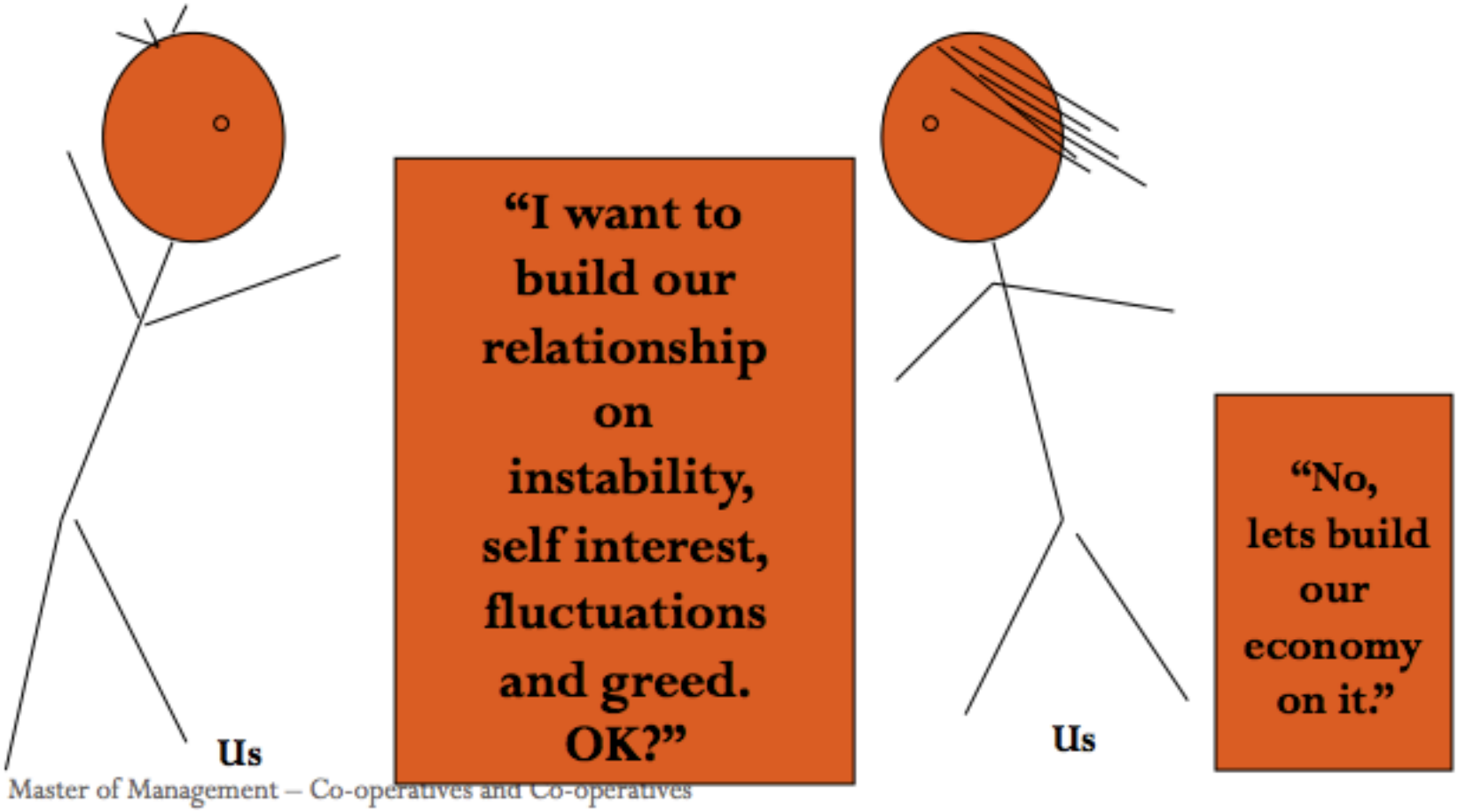
Co-ops provide stability in turbulent global economy



2012 International Year of Co-operatives

CO-OPERATIVE ENTERPRISES BUILD A BETTER WORLD

What is “IYC”?

- United Nations has declared 2012 as the International Year of Co-operatives
- Recognizing the diversity of the co-operative movement around the world.
- UN is urging governments to create a supportive environment for the development of co-operatives.

2012 International Year of Co-operatives

"The International Year of Cooperatives is intended to raise public awareness of the invaluable contributions of cooperative enterprises to poverty reduction, employment generation and social integration."

Government Support of IYC

"Cooperatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility. " - United Nations Secretary-General Ban Ki-moon

"Canada's co-operatives play an important role in our nation's economic prosperity. The health of our co-operative enterprises has been a critical factor in helping Canada weather the global economic crisis and emerge relatively unscathed." - Prime Minister of Canada, Stephen Harper

Government Support of IYC

"Coops and credit unions strengthen and build communities and make life better for people. That's why this movement has always been such an integral part of Nova Scotia and such an important part of our fabric." – Premier Darrell Dexter

Co-operative organizations help build and sustain healthy communities, they; promote jobs, stem the outflow of capital, and enhance the quality of life for those in our province, throughout the country and the world. – Outgoing CBRM Mayor John Morgan

THANK YOU!

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