

# NW Cooperative Development Center

Elma Rotary Aug. 3<sup>rd</sup>, 2006



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# [ Presentation Overview ]

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1. Co-ops 101
2. Cooperative benefits
3. About the Center
4. How to be involved



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# [ What is a Co-op? ]

- **Member Owned and Member Used:**
  - Are owned and controlled by their members: i.e. the people who use the co-op's services or buy its goods
- **Member Benefited:**
  - Return surplus revenues to members proportionate to their use of the co-op
- **Co-ops:**
  - Are service motivated: service to meet member needs
  - Exist solely to serve their members
  - Pay taxes on income kept within the co-op for investment and reserves



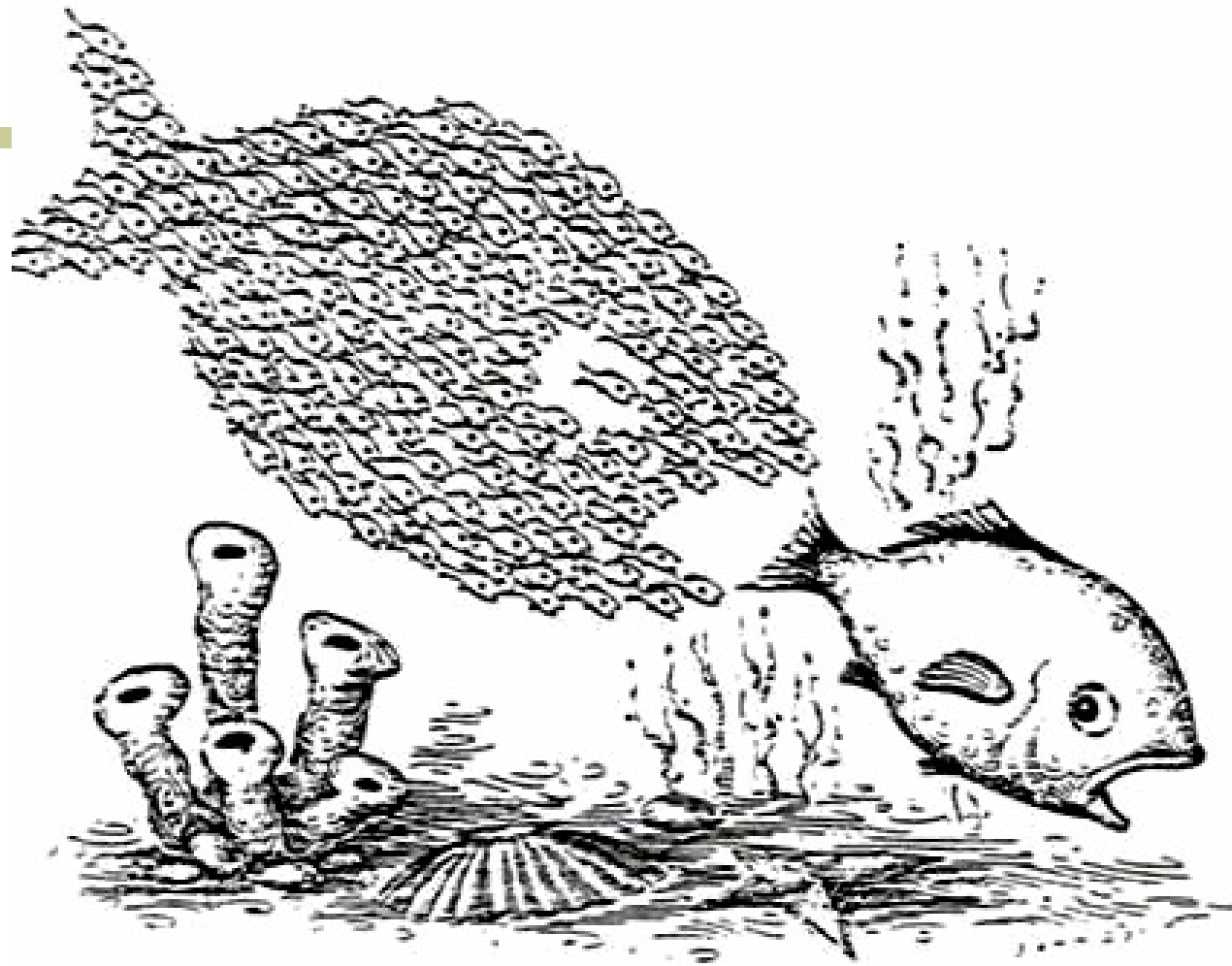
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# [Types of Cooperatives]

- **Consumer Co-ops:**
  - REI, Group Health, Simpson Community Credit Unions
- **Producer Co-ops:**
  - Land O'Lakes, CHS, Florida's Natural, OR Country Beef
- **Worker Co-ops:**
  - Burley Design, Sunshine Propane (service in Pt. Townsend, Pt. Angeles)
- **Purchasing/Shared Services Co-ops:**
  - Ace Hardware, Associated Press (AP), URM (Western Family Foods)



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[ For Example: ]

## Seafood Producer's Co-op:

*A vertically integrated company of 500 commercial fishers that harvest, process, and market hook & line caught seafood*

*Headquartered in Bellingham, WA with a processing plant in Sitka, AK*



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# Another Example:



- **Recreational Equipment Inc.:**

*“More than just the world's premiere outdoor gear store and resource. We're also the nation's largest consumer cooperative with more than 2 million active members.”*



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# [ Why Cooperate? ]

*Co-ops are a successful strategy to access economic resources which may not be individually achievable*

## **Co-ops:**

- Keep profits and ownership local
- Live beyond the life of their founders
- Focus on both social *and* economic bottom lines
- Perceived as ethical business partners

*In 2004, the top 100 co-ops' revenues were **>\$131Billion***



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# [ The Center's Mission: ]

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- *Foster community economic development through the cooperative business model*



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# [ The Center's Services ]

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The Center assists with development work to build business ownership, sound management and economic health through:

- Cooperative Education
- Board Training
- Start-up Services
- Business Planning Resources
- Feasibility Research and Analysis



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# [ Development Services ]

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- Organizational Development
- Feasibility Assessment
- Business Planning
- Strategic Planning
- Market Research
- Board Training
- Partnership Building
- Fundraising and Grant Writing



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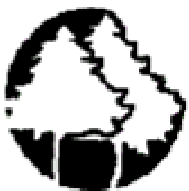
# [ Project Lifecycle ]

## Stages of Co-op Development

- ID Need that a co-op could meet
- Form Steering Committee
- Research Feasibility
- Review Findings (Go/No Go)
- Membership Drive
- Planning and Financing
- Begin Operations (Go/No Go)

## How the Center Can Help

- Facilitate identifying mission and goals
- Train founding Board members
- Market and feasibility research
- Assist with organizing
- Professional 3<sup>rd</sup> party perspective
- General business consulting



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[ Why? ]

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Where there is predevelopment support, co-ops have a greater chance of succeeding and creating economic opportunities!



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# [ A Past Center Project ]

In '03/'04 the Center assisted **Mountain Community Co-op** to develop its 2-year-old wholesale buying club into a coop natural food store.

Now a 200-member co-op in a 700-household community in Eatonville, WA!

## Services provided:

- access to financial resources
- group development
- business planning
- consultation



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# [ Other Past Projects ]

- **Last Mile Electric Co-op:**
  - providing affordable, reliable, renewable, cost-based electricity to rural consumers
- **Methow Forest Owners Co-op:**
  - “using 'economies of scale' to enable our members to practice affordable forest health improvement and fuels reduction”



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# [ Current Center Projects ]

- **Merrill, Malin & Tulelake Quilting Co-op:**
  - wholesale supplies purchasing and marketing of fine quilts
- **CIRGO Wireless Co-op:**
  - providing wireless internet services to the downtown Olympia
- **Young Cooperators:**
  - teaching high school students about co-op economics
- **Shadow Forest Owners:**
  - researching feasibility of low-impact forestry on the Peninsula
- **Vancouver Food Co-op:**
  - feasibility study of natural food co-op
- **Olympia Biofuels Co-op:**
  - Group development and feasibility research



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# [ Future Center Projects ]

- **Oregon Woodland Owners Co-op;** assist with business planning
- **Harvesting Clean Energy Research:** assessing Biofuel industry's co-op development opportunities in the NW
- **Rural Town Revival:** spurring communities to drive their own future



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# [ How to be Involved ]

- The Center is always seeking:
  - Start-ups projects
  - Existing co-ops that need assistance
  - Co-op conversions & succession planning
- As a nonprofit, the Center seeks:
  - Partnerships and collaboration
  - Donors, volunteers, etc.



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**Thank you!**

**For More Info:**

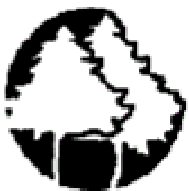
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