Connections

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Serving the Northwest States of Washington, Oregon, Idaho, Alaska & Hawaii

Nation's Co-ops Respond to Katrina

The national disaster left by Hurricane Katrina may have temporarily overwhelmed some emergency response systems, but it also galvanized many grassroots organizations. Today, these groups from all around the United States are distributing direct aid and hope for the future. They're housing the homeless, feeding the hungry, and rebuilding the telecommunications infrastructure. What they have accomplished in less than two weeks is welcome good news.

Farmers Dig In

The Federation of Southern Cooperatives is working with their member farmers throughout the area to stabilize farms and homes devastated by the storm, and to provide shelter, basic supplies and financial assistance to victims of Katrina.

"We now have farmers who have lost all their crops and markets. Many have lost houses and means of livelihood," said Federation president Ralph Paige.

The national Cooperative Development Foundation (CDF) has named the Federation a prime point of contact for the Katrina Cooperative Recovery Fund which it formed within days of the hurricane's barrage. CDF will direct 100% of the funds donated to contact organizations.

"For more than 40 years the Federation has brought economic justice and economic development to this part of the South," said CDF Executive Director Elizabeth Bailey. "Just as it has helped poor farmers hold their land, grow and market their crops, secure affordable housing and obtain financing through credit unions, the Federation will be there to help rebuild from this monumental disaster."

Rural Utility Co-ops Mobilize

"While things are bad, that's when cooperative family members rise to the occasion...We will survive because we have a network that believes in coming to aid of others," said Ron Stewart of the Electric Power Associations of Mississippi, two days after the hurricane hit. Since then, nearly 8,000 employees of the nation's rural electric cooperatives, which serve 37 million people in 47 states, have come to the aid of their neighbors. They are helping to raise the 50,000 downed utility poles and restore power to more than half a million ratepayers.

Members of the National Rural Telecommunication Cooperatives brought satellite Internet service to isolated hurricane victims, and at least one emergency relief station in Covington, Louisiana, on the north side of Lake Pontchartrain. The site also included computers to enable evacuees to locate friends and family.

Credit Unions

Credit unions and credit union leagues in Mississippi, Louisiana and Alabama are working to restore order among 86 credit unions that had reported damages in 200 locations. Members of several Katrina-struck credit unions already have access to their accounts through credit unions in other states, through the credit unions' shared branching network, and more are gaining access every day.

As of September 9th, industry spokespeople said there was a potential to see more than 100 credit unions damaged. In New Orleans alone, 54 credit unions were destroyed and almost as many more suffered some damage. Damages range from minor flooding to total devastation, and cost estimates are already in the millions of dollars, and are expected to rise.

Staff—many of them personally affected by the hurricane and flooding—began working immediately after the storm to identify insurance coverage, to begin the claims paying process, and to bring up their websites and online lending functions. Credit union employees in other states have set up relief services for them and put out an invitation to house their colleagues from Mississippi and Louisiana.

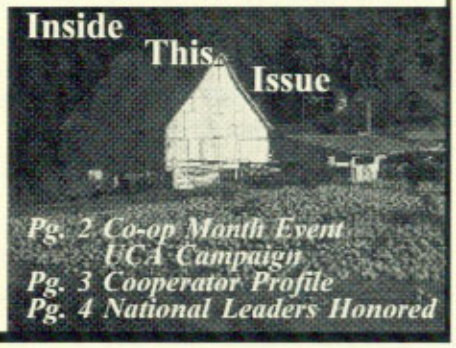
Food Co-ops Act Fast

The National Cooperative Grocers Association includes 99 independent co-op members who operate 120 storefronts in 31 states and have combined annual sales of more than $626 million. Robynn Schrader, NCGA Director of Marketing and Communications reports that midway through the second week, more than $50,000 had been raised that they knew of, mostly in food co-op check-out jars, and the number was continually climbing.

"Many co-ops are collecting donations and/or matching them for the CDF Katrina Fund...several are holding fundraising events over the next couple of weeks," Schrader said.

Excerpted from a CDF press release dated September 11, 2005.

To contribute to the CDF Katrina Recovery Fund, go to www.cdf.coop.



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NWCDC is an association of consumer, producer and worker cooperatives in Washington, Oregon, Alaska, Idaho and Hawaii. Formerly known as Puget Sound Development Foundation, NWCDC was founded by cooperatives in 1979. The mission of the NWCDC is to foster community economic development, primarily through use of the cooperative business model.

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Area Co-ops Celebrate Co-op Month

Paul Glover of New York's Ithaca Health Alliance shared his philosphies with guests at the 2005 NWCDC Co-op Month Open House.

Michele Youngquist and Liz Mitchell of AMF Farms were one of five Washington applicants awarded a USDA Value Added Producer Grant.

Chris Cassidy of USDA Rural Business and Cooperative Service presented the ceremonial grant check to Diane Gasaway, NWCDC Executive Director and Dave Howard, NWCDC Board Chair.

NWCDC's 2005 Co-op Month Event was attended by representatives from Central Co-ops Madison Market; Washington Rural Electric Cooperative Association; Olympia Health Alliance; Olympia Food Co-op, SafePlace, AMF Farms, Inc.; Last Mile Electric Co-op; Olympia Biofuels; USDA Rural Business and Cooperative Service; Olympic Shadow Forest Owners; Pacific County Economic Development Council.

Representative Sam Hunt read Governor Gregoire's proclamation that declared October as Co-op Month in Washington State. Guest speakers were David Buitenveld, President, Beluga Software Cooperative of Olympia and Paul Glover, Founder and Board Member, Ithaca Health Alliance of Ithaca, New York.

Michele Youngquist and Liz Mitchell of AMF Farms, Inc., Burlington, Washington, were honored as a recipient of the USDA Value Added Producer Grant (VAPG). Other Washington State VAPG recipients honored but not present were Batch & Batch Orchards, Stanwood Livestock Producers Association, Taylor Shellfish and Zillah Community Energy Partners.

USDA officials presented the ceremonial check representing the 2005-2006 Rural Cooperative Grant award to Dave Howard, Board Chair, and Diane Gasaway, Executive Director.

The NWCDC also conducted a silent auction. Proceeds of nearly $400 were donated to the Cooperative Development Foundation's Hurricane Katrina Cooperative Recovery Fund.

United Co-op Appeal Campaign Underway

Each year, the NWCDC solicits donations for the United Co-op Appeal (UCA) campaign. The UCA is a workplace-giving campaign supporting co-op economic development projects that help improve lives and strengthen communities. UCA focuses on long-term solutions to today's problems by empowering people through cooperatives.

Organizations host a workplace-giving campaign among their employees to support co-op development. Employees can give through a payroll deduction, a one-time gift, or not at all. It is purely voluntary, and complements other workplace campaigns. The NWCDC is one of several recipient agencies.Since its inception in 1992, the United Co-op Appeal has provided $1,000,000 to support cooperative development projects. Countless lives and communities have been enhanced through these efforts.

Cooperator Profile… Ken Duft

Ken Duft is a man of many facets. A 39-year veteran consultant to agricultural co-ops. A longtime board member of the NWCDC and the Washington State Council of Farmer Cooperatives (WSCFC). A country-dancer, a horse trainer, a dog breeder. A scholar, a teacher, a researcher. A family man, a cabin-builder, a car restorer. A skier, a hunter, a fisherman. A man who wouldn't trade his peaceful country life for all the espresso beans in Seattle.

Ken grew up on a family-owned dairy farm in the Shawnee Hills of southern Illinois. His long history with cooperatives began at age 12. "My first job was at Pierron Farmer's Co-op, he recalls, "where I swept up the screenings from the grain elevators for 65 cents an hour."

In the early 50's, when Ken was 14, his family fell on hard times. So Ken struck out on his own to seek his independent fortune. " I hitched south and didn't stop until I ran out of highway, which landed me in Key West," he says. He soon snagged a job on a shrimp boat, pulling lines for the nets.

When he returned home at 18, Ken announced he was going to college. He earned four degrees at four universities; a Bachelor in Agricultural Marketing from Southern Illinois University, a Masters in Agricultural Business from Michigan State University, a Doctorate in Agricultural Economics from the University of California at Davis, and a Post-Doctorate degree in economics from the London School of Economics.

When Ken began his career at Washington State University (WSU) in 1967, he was 25. "I was the youngest member of the faculty then. Now I'm the oldest," he says. For 39 years, Ken has consulted with agribusinesses and co-ops, taught students and conducted research for WSU. In this time, he has assisted in the creation of 30 agricultural and non-agricultural co-ops. Seventy percent of his time is spent consulting, helping co-ops and agribusinesses solve problems in the realms of management, finance and member relations; 15% is spent teaching Agribusiness Management and Agribusiness Finance; and 15% is spent conducting research. "Most of my research has involved co-ops, because that's my interest," Ken says.

Ken's relationship with the WSCFC began during his first days at WSU. He has served as "Honorary", "Ex-officio", and as a voting "Outside Director" on their board; in the latter position he has been elected for three consecutive terms. Ken conducted evening board training sessions for agricultural co-ops, which later evolved into the annual Cooperative Leadership Seminar, sponsored by the WSCFC, WSU and others. The seminar has been successful for more than 30 years.

Ken has no plans to retire anytime soon. "For 39 years I've enjoyed going to work in the morning, and unless that changes, I don't see why I'd retire," he says. "Both my wife Sandy and I have always enjoyed our jobs. Sandy serves as Administrative Assistant at an elementary school in Pullman. "My wife was the bread-winner the years I was in school," he says. "Without her, I would not have completed my academic career." The couple recently celebrated their 42nd anniversary.

The Dufts have two children, son Todd, Legal Editor for the Rand Corporation in California, and daughter Keeley, Coordinator of Youth and Non-Pro Activities for the Appaloosa Horse Club in Moscow, Idaho. Keeley and Ken raise, train and competitively ride American Quarter Horses, American Paint Horses and Appaloosas. This summer, Ken served as announcer for the National Reining Horse Association. The Dufts also raise registered English Bulldogs. Sandy and Ken enjoy country dancing and skiing. Ken's other hobbies include restoring old cars, hunting and fishing.

Ken's honors have been many, and the number of research papers he's authored is impossible to calculate. Two of Ken's books are Principles of Management in Agribusiness and Agricultural Cooperative Management in America.

Ken's work has been recognized by many organizations, including the American Agricultural Economics Association; the Western Agricultural Economics Association; the National Society of Farm Managers and Rural Appraisers; the National Farm Bureau Federation and the National Society of Cooperative Accountants. For the past few years, Ken has turned his expert investigative attentions to the "Straw to Energy" project,

Ken Duft, veteran cooperator, serves on the boards of NWCDC and the Washington Council of Farmer Co-ops. He teaches Agricultural Economics and conducts research at Washington State University. In 39 years, he has helped establish 30 co-ops.

from which he produced a report: "The Prospects for an Electrical Generation and Transmission Cooperative Fueled by Straw Produced in Eastern Washington."

"Co-ops have always made sense to me," Ken says. "However, they're more difficult to manage than investor-owned businesses, yet we provide no coursework in managing this type of business. Very few people really know about co-ops," he says. "Yet they're vital. They're critical to our economy. Of the total volume of economic activity generated in our state's agribusiness economy, approximately 30% is attributable to cooperative businesses. This varies by sector and commodity as nearly 85% of the volume of fresh milk is attributed to cooperatives, 30% of the fresh and processed tree fruit volume is generated by cooperatives, 40% of farm production supply sales are generated by cooperatives and about 80% of eastern Washington's grain volume is handled at the farm gate by cooperatives."

Ken hopes for more "cooperation among cooperatives" in the future. "I'd like to see more cooperation across all types of co-ops. They may have different commodities and functions, but they have the cooperative form of business in common."

"Co-ops are like the old barn-raising phenomenon of 100 years ago," Ken says. "When you wanted to get something done, your friends, family and neighbors helped you get it done. That's as relevant today as it was 100 years ago."

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Washington Co-ops Honor National Cooperative Leaders

Members of the Washington cooperative community gathered at the Boeing Employees Credit Union (BECU) Financial Center in August to recognize two leaders in the national co-op community.

The NWCDC and BECU hosted a reception for Paul Hazen, President and CEO of the National Cooperative Business Association (NCBA) and Elizabeth Bailey, Executive Director of the Cooperative Development Foundation (CDF).

Hazen, a native of Wisconsin, has spent most of his career as a co-op advocate. He has headed NCBA since 1998.

He was the driving forced behind .coop, the Internet domain set-aside in 2000 exclusively for cooperative business.

Also under Hazen's direction, NCBA's international cooperative development program has grown to more than $20 million in annual funding, with 30 projects in 18 countries.

Today Hazen is spearheading efforts to secure more federal funds for co-ops, establish a much-needed new co-op research capacity, and protect co-ops from growing attacks from investor-owned competitors. He is also a leading advocate protecting co-ops on the finance, tax and accounting issues crucial to their bottom lines.

Elizabeth Bailey brought over 30 years of experience in the public policy arena to CDF when she became Executive Director in 2002.

Bailey's prior experience inlcudes state and federal government posts and private and non-profit management.

Also a native of Wisconsin, she earned a degree in journalism from the Univeristy of Wisconsin and a Masters in Public Affairs from the University of Texas Lyndon B. Johnson School of Public Affairs.

CDF is a non-profit foundation that serves as a virtual community foundation for co-ops. CDF supports leader training and development, provides seed money for new co-ops and supports public education to increase awareness of the cooperative business model.

Reception attendees included a representative from USDA Business and Cooperative Services, BECU, Beluga Software, Central Co-ops Madison Market and NWCDC.