

## Cooperatives as Business Models of the Future

When the International Year of Cooperatives (IYC) concluded at the end of November, 2012, some of the overwhelming success stories highlighted at a two-day interactive session came both from developing and developed countries, including India, Brazil, China, Kenya, Rwanda, Ethiopia, Italy, France and the United States.

As **Dame Pauline Green, President of the International Cooperative Alliance** pointed out, two of the largest domestic agricultural food businesses in India – the Indian Farmers Fertilizer Cooperative (IFFCO) and the Gujarat Cooperative Milk Marketing Federation (widely known as Amul) – are both highly successful cooperative business models. Amul, which is owned by over three million small dairy farmers, mostly women, has helped elevate India as the world's largest milk producer. And last month, IFFCO partnered with Coop Federee, a major agricultural cooperative in Canada, to invest in a hefty 1.3-billion-dollar joint transnational cooperative venture for a fertilizer plant in Quebec. In Brazil, Green said, a clearly defined government policy aimed at helping rural people, through cooperative businesses, has seen a massive reduction in poverty in the rural areas of the sprawling South American nation. In Kenya, cooperatives account for nearly half of the country's gross domestic product (GDP), while in Rwanda the cooperative economy has gone from zero to eight percent of GDP over the last 10 years. **And in the United States, Ocean Spray, described as one of the world's largest cranberry producers, registered a 20-percent increase in sales last year.**

### A Roadmap for the Future

The world's largest 300 cooperatives, primarily in the insurance and food and agriculture sectors, generated revenues of 1.6 trillion dollars and employed nearly 100 million people, worldwide.

Asked if the cooperative model of enterprise may well be one of the answers to the global economic crisis, Green told IPS, **"Without a doubt the cooperative business model offers a proven solution to this global economic crisis we are mired in."**

"It's a recognition of the value of human capital in business. **All of this, in fact, means that cooperatives are sustainable businesses and supporting and promoting them will help ensure we can climb out - and stay out - of the financial crisis in which so much of the world once again finds itself,**" Green said.

*(excerpts from Inter Press Service News Agency - Cooperatives as Business Models of the Future by Thalif Deen, November 26, 2012.)*

## Rod's Thoughts

As we close out 2012 *the International Year of Cooperatives*, MACC is grateful for our 115 members who drive the cooperative spirit of our organization. It has been the input given by each of you that has led us to providing the largest number of educational programs (35), with the largest number of registrants (1,116), in 2012. MACC is accomplishing its mission: **"To Promote, Foster and Strengthen the Values of Cooperatives."**

### MAC-Ed Programs - How They Can Help Your Co-op

MAC-Ed's award-winning **Co-ops 101** education session is a must for new employees. This session describes the nuances of the cooperative business model, and the history and culture upon which it was founded. Co-ops 101 illustrates the uniqueness of cooperatives, and clarifies your co-op's purpose for its employees.

**Cooperative Leadership Forum** - This program is designed to entrench the cooperative business model into the minds of current and emerging leaders. This co-op emersion workshop emphasizes core co-op education in an atmosphere of teamwork and leadership collaboration. Tours of local cooperatives are described as "favorite experiences", by program participants. Participants gain a concrete understanding of the nuances unique to the cooperative business model.

Successful cooperative leaders want to invest in the future by further developing the next generation of leaders who are, currently, in college. MAC-Ed's **Co-op Intern Workshop** experience is designed to generate excitement about the cooperative business model.

MAC-Ed's **CFO Essentials and CFO/Controller Conference** - Developing the skill-set of entry-level and mid-level co-op financial employees is critical to solid cooperative business practices and internal controls. The ABC's of co-op finance are demonstrated in a logical progression. The basics and more advanced topics are presented in a practical way that allows participants to ask questions and receive personal attention, specific to their learning pace.

**Custom Co-op Curriculum & Consulting** - MAC-Ed recognizes that every co-op is unique; and has developed member specific curriculum and training relative to the personal culture, tenure and expertise of member employees and boards. Fresh perspectives evolve, co-ops forge new paths and internal communication bridges are strengthened and improved. This training is offered at your facility, or an offsite location of your choice.

### Thanks to these 2012 MACC-Ed Sponsors and Scholarship Providers!





# THE MACC TRACT

Mid America Cooperative Council's E-News Update

*Our Mission is to Promote, Foster and Strengthen the Values of Cooperatives*

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## MACC Members Celebrate 2012 IYC & 2012 Co-op Month

In early November, we sent out an email to our members asking them what role their business played in the promotion of either **2012 IYC** or **2012 Cooperative Month**. These are some of the responses we received back from our members:

### Joe Huffine/Tennessee Farmers Cooperative

1. In partnership with the Tennessee Council of Cooperatives, we developed a DVD defining cooperatives. We also posted on our YouTube channel at <http://www.youtube.com/watch?v=I7E4VASHbaM&list=UU6eFmmAqxqAU-lj1lCrtaFw&index=1&feature=plcp>
2. Use of Facebook stories and links
3. Article and ad in our membership publication (Cooperator) Pg. 5-7 at <http://www.ourcoop.com/interactivepdfs/Cooperator/current/index.html>

### Valerie Cheatham/The Association of Illinois Electric Cooperatives

The Association of Illinois Electric Cooperatives saluted IYC by highlighting a different cooperative each month, in our Illinois Country Living magazine. Each month, a full page was devoted to the co-op and we used everything from fiber co-ops to dairy to food to water, etc. In October, we also celebrated by having our annual penny wars (guys vs. girls) with all donations going to a local charity, along with our charity potluck. Staff members raised \$3,366.24 to be donated to Compassion in Action, a local charity that focuses on getting food and basic necessities to homeless men and women across the Midwest.

### Abra Dunn/United Producers

Co-op Month - Since this year is the International Year of the Cooperative, we wanted to do something more than we've done in the past, to celebrate Co-op Month. We partnered with the state food bank associations in our territory and launched a community service program called "Cooperating to Feed our Community." This program reached our members and our employees asking for monetary donations to the state food bank associations. We raised about \$2,000, and the money donated in each state goes back to the local food banks in the appropriate state. International Year of the Cooperative - We have continuously promoted the International Year of the Cooperative, throughout the year. In January, we launched an internal campaign "We Define Cooperative." This campaign's purpose was to motivate employees to try to recruit more Preferred Members. The campaign consisted of a reward if Preferred Member goals were met throughout the year, a monthly peer recognition award, and certificates to award fellow employees for doing a good job. This campaign also carried over into our employee meetings, during the first quarter of the year.

### Julie Ziegler/COBA/Select Sires

COBA/Select Sires had a feature article about 2012 IYC along with a prominent ad in The Ohio Holstein News, a dairy farm trade publication. They had banner stands at farm shows and farm meetings, and spoke about how they valued cooperatives. COBA/Select Sires had an Open House with promotional displays. They spoke about co-op values and principles concerning the cooperative business model, across many industries.



To find out more about our United Nations Year visit [www.2012.coop](http://www.2012.coop)



### 2013 MAC-Ed Program Offerings Brochures & Registration @ [www.macc.coop](http://www.macc.coop)

	<b><u>Cooperative Leadership Forum</u></b>	
January 15-16	Oxford, OH	Miami University (Part 1)
March 6-7	Oxford, OH	Miami University (Part 2)
	<b><u>Director Education Program</u></b>	
January 29-30	Lansing, MI	The Henry Center
	<b><u>Co-ops 101</u></b>	
February 5	Columbus, IN	Premier Ag
February 19	Seymour, IN	Jackson-Jennings FB
March 14	Louisville, KY	FCS Mid America
June 20	Louisville, KY	FCS Mid America
June 21	Fostoria, OH	Ag Credit
September 20	Louisville, KY	FCS Mid America
November 8	Louisville, KY	FCS Mid America
	<b><u>MACC Membership Meeting</u></b>	
TBA		
	<b><u>Illinois Co-op Youth Conference</u></b>	
June 6-7	Carbondale, IL	Southern IL University
	<b><u>Co-op Intern Program</u></b>	
TBA		
	<b><u>Co-op Development Center Roundtable</u></b>	
TBA		
	<b><u>Co-op Credit Conference</u></b>	
October 17-18	Indianapolis, IN	Holiday Inn Indy North/Carmel
	<b><u>CFO Essentials</u></b>	
November 20-21	Indianapolis, IN	Holiday Inn Indy North/Carmel
	<b><u>CFO/Controller Conference</u></b>	
November 21-22	Indianapolis, IN	Holiday Inn Indy North/Carmel
	<b><u>Board Chairmen's Roundtable</u></b>	
December 10-11	Springfield, IL	AIEC
	<b><u>MACC Membership Meeting</u></b>	
February 11	Wabash, IN	Beacon Credit Union