What is Worker Co-op?

An enterprise that is owned and controlled by its members — the people who work in it, contributing their labor to its operation and shared goals.

Members contribute equity (member share plus other investment), govern the co-op on the basis of one member - one vote, and may receive a share of any year-end surplus (profit).
Basic Co-op Structure

- **Members**
  - Elect
  - Board of Directors
  - Manage
  - Hire
  - Staff

A Multistakeholder Co-op includes a combination of member types.

- **Consumers** or **Producers**
  - Produce or Service

Worker Co-op

Consumer or Producer Co-op

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# The Co-operative Promise

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<td>Purpose is to Serve Member-Defined Needs</td>
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## The Co-operative Promise

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Sustainable Regional Development & Co-operation

Limitations of Small & Medium Enterprises

- High failure rate
- Succession challenges
- Vulnerable to buy-outs
- Isolated enterprises
- Unstable employment & services
Sustainable Regional Development & Co-operation

Advantages of Co-op Enterprise

- Community ownership, community wealth
- Focus on service, meeting needs
- Ability to assemble limited resources
- Low failure rate
- Difficult to move or buy-out
- Mobilize member & customer loyalty
- Stable employment & services
Sustainable Regional Development & Co-operation

Challenges to Co-op Potential

- Access to financial resources
- Sectoral division
- Risk averse
- Lack of awareness of co-op model
- Democracy is an asset...

...but also a process
Mondragón Co-operative Corporation

- Basque Region of Spain
- Leadership of a Catholic priest
- 1943 - Training school
- 1956 - First factory
- ±1960 - Credit union
- Educational co-ops
Mondragón Co-operative Corporation

1950s

- 1 co-op (1956)
- 5 employees
- Import substitution
- Social entrepreneurship
- Credit union with entrepreneurial division (1959)
Mondragón Co-operative Corporation

1985

- 86 production co-ops
- 44 educational co-ops
- 7 agricultural co-ops
- 15 building co-ops
- Grocery co-op
- Insurance co-op
- Credit union with 130 branches
Mondragón Co-operative Corporation

1997

- $5+ billion in sales
- 34,000 employees
- $7.5 billion in assets
- Largest domestic grocery chain in Spain (worker & consumer co-op)
Mondragón Co-operative Corporation

2008

- $21 Billion in Sales
- 103,700 Employees
- $25 Billion in Assets
- 264 Co-ops & Subsidiaries
- Leading Producer of Domestic Appliances