

RECOMMENDATIONS

For rural cooperative development



Map your own ecosystem, then adapt these recommendations to your particular context.

The following recommendations are intended for cooperative developers, policy makers, community economic developers, cooperative members, and citizens interested in generating more cooperatives in their region. The recommendations are based on our analysis of rural clusters of robust cooperative development activity. We have grouped them into categories based on the ecosystem factors identified by this study that support the growth of cooperatives in rural places.

Before reading the recommendations, we suggest spending some time mapping your region's cooperative development ecosystem. What assets are present in your community? Which factors might be the most effective levers for increasing cooperative development activity? If your community lacks specific resources, consider reaching out to a national organization to learn if they provide services in your region.

RECOMMENDATIONS FOR RURAL COOPERATIVE DEVELOPMENT



CO-OP DEVELOPMENT

Who in your region is engaged in cooperative development?

Develop collaborative relationships with fellow cooperative developers, associations, cooperative friendly lenders, and others in your local ecosystem. Identify national organizations that may be supportive of cooperative development in your region and interested in partnership. The UWCC National Cooperative Resource Ecosystem Map shows many of these ecosystem players in your region.

What grants exist for supporting cooperative development?

If you serve a rural population, explore USDA's Rural Cooperative Development Grant and Socially Disadvantaged Groups Grant programs. Increasingly foundations and municipalities are looking to the cooperative model to achieve social and economic goals. Consider approaching a local community foundation for support.

Which industries are growing in your region?

Conduct a targeted industry and place-based analysis to develop a pipeline of potential cooperative business ideas that align with your region's strengths. If your organization provides cooperative development services, hire or develop expertise in industries with the potential for cooperative growth. Also consider partnering with local economic developers or associations in those industries and offering education on potential applications of the cooperative model.

How can nearby urban nodes be leveraged to support rural cooperative development?

Take advantage of urban nodes for supply chain development, cooperative technical assistance, and other supportive resources.



LEGAL CONTEXT

Do legal barriers exist in your region that make it challenging to start or operate a cooperative?

Get to know the cooperative statutes in your state. If your state's statutes are a hindrance to cooperatives in your region, explore options for amending the statutes or creating a new one. In recent years there have been successful efforts to create new cooperative statutes in California and Illinois to address gaps in the cooperative legal landscape in those states.

Are there attorneys in your region with expertise in cooperatives?

If yes, make sure they are integrated into the existing cooperative development ecosystem. If no, approach an attorney in an adjacent field such as small business or non-profit law who may be interested in adding cooperatives to their portfolio. Or consider partnering with a regional law school with students who may be interested in learning about cooperatives and other alternative forms of enterprise.

Is there a pipeline in place for developing additional legal expertise in cooperative formation?

If there are established cooperative attorneys in your region, ensure they pass their knowledge on to new attorneys in the field through internships, courses, or other forms of training.



CO-OP FRIENDLY CAPITAL

Are there cooperative friendly lenders in your region?

These may include Community Development Financial Institutions (CDFIs) that specialize in cooperatives, credit unions, and community banks. Build connections with your local cooperative friendly lenders or with the several CDFIs that lend to cooperatives nationally. Have you talked with cooperative friendly lenders to learn how to support each other's efforts? In developing relationships with cooperative friendly lenders, understand their preferred process and timeline for collaboration with cooperatives so you can best support each other's efforts in supporting cooperatives.

What grant opportunities exist that could support cooperative development in your region?

Depending on your region, industry, and development goals, your organization or project may qualify for grants from national or community-based foundations, government programs, or other mission-aligned organizations. Programs to explore include but are not limited to USDA Rural Development, the Catholic Campaign for Human Development, and your local community foundations.



CO-OP EDUCATION

Is there a local university or school you could partner with to engage students?

Engage students through collaboration with local universities and schools. A cooperative expert may speak at a class, teach a course, or even create a program. A school campus may support a student-run cooperative on-site to provide hands-on training and education about cooperatives.

Could a local university or school support cooperatives in your area?

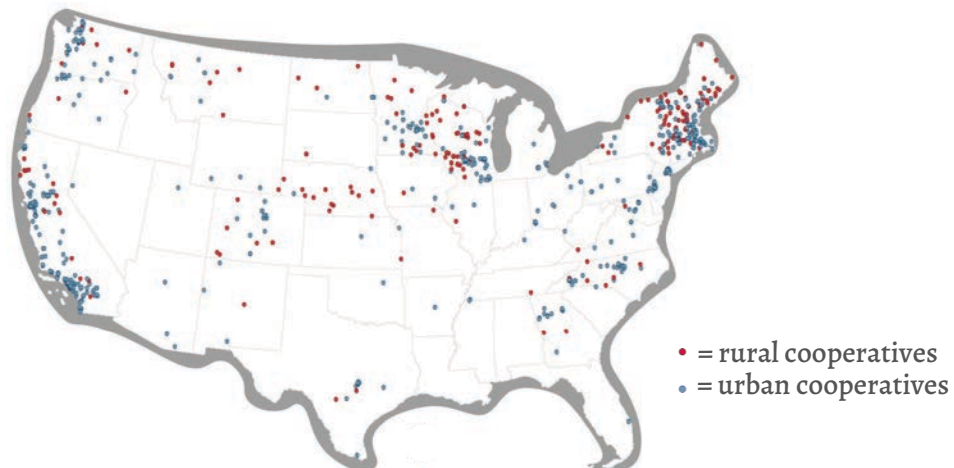
Educational institutions may meet the needs of local cooperatives. You can develop partnerships with educational programs that meet unmet cooperative needs – such as partnering with a law school or legal clinic, with a communications or design program for marketing support, or with a program focused on an important industry in your region.

Are there opportunities to weave cooperative education into existing community programs or spaces?

Explore creative new ways to reach the public, such as podcasts, social media, or fitting cooperative education into existing educational programming or social events.

Could cooperatives in your area engage in public education individually or collaboratively?

Cooperatives themselves are often sources of public education on the cooperative model in practice. An individual cooperative or a group of cooperatives might be interested in developing educational materials to share with their members, customers, or the general public.



Rural and Urban New Cooperatives Incorporated between 2011 - 2019



POLICY ENVIRONMENT

Are there policy makers or government agencies in your region that might be supportive of cooperatives?

Seek out and develop relationships with potential allies in local government and within economic development agencies and organizations. Become a resource and offer cooperative solutions to local challenges. Policy development can be a long-term, many-layered process. Continue efforts and education through various channels, even if there are initial roadblocks.

Do established cooperatives in your region have strong ties to local government?

If so, how might those relationships be used to advance the cooperative model more broadly?

Is your cooperative statute meeting the needs of cooperatives in your state?

Advocate for strong and clear cooperative statutes if your state is lacking. Reach out to national networks for support and examples.



DENSITY OF CO-OPS

Does your region have established cooperatives in a particular industry or sector?

How might you leverage the success of those established cooperatives to grow your region's cooperative development ecosystem? Established cooperatives may be able to offer staff, space, or expertise to a start-up cooperative.



CONNECTIVITY: CO-OP-TO-CO-OP

Is your region served by a cooperative state council or association?

These organizations can be excellent partners in cooperative education and development. If no association exists, consider establishing a network of cooperatives in your region to facilitate collaboration and peer learning.

Are there ways cooperatives can support each other's growth and development?

Practice and encourage cultures of shared learning and supply chain development. Shared learning may be as simple as a phone call to a fellow cooperative to learn from their experiences and insights, or as complex as regional supply chain development and formalized information-sharing.



CONNECTIVITY: COMMUNITY

How can you engage existing community networks in building and shaping new cooperatives?

Partner with existing community networks to form cooperatives that meet community needs. Engage communities and existing networks early on in a new cooperative through community meetings, involving community leaders in decision-making, and spending time to gather input that shapes the cooperative.

Are there communities in your region that are working cooperatively outside the formal cooperative model?

Cooperation and mutual aid take many forms. Recognize and support existing cooperative activity even if it has not been labeled as such.

Does a community use more than one language?

Ensure language is not a barrier by offering consistent translation and interpretation, hiring multi-lingual cooperative developers, and being respectful of a community's particular means of engagement.