

What is a Co-op?

You'd be surprised..... ➔



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Co-ops are an everyday part of American life. Wherever you live, work or shop, it's likely a cooperative is involved. You'll see a co-op in action at the credit union where you bank. In the brand names in your grocery store aisles. In the morning paper.

Co-ops operate for the benefit of their member-owners. They take advantage of economies of scale, combined buying power and strength in numbers to save money and return profits to their members. In the process, co-ops provide jobs, support business and personal needs, and enhance the quality of life.

What they all share is a single fundamental goal – uniting to meet a common need. A cornerstone of America's economy, co-ops have been empowering people, developing communities and supporting innovation in this country since Benjamin Franklin founded the first American cooperative in 1752.

The impact that cooperatives have on the American economy is substantial. There are more than 21,800 cooperative businesses in the United States serving more than 154 million members, generating more than \$273 billion in annual revenues. They employ 600,000 Americans with aggregate payrolls of more than \$15.5 billion annually.

1 At Work

Worker-owned cooperatives give employees an ownership stake in the company in which they work. Employee stock ownership plan (ESOP) companies also offer the benefits of employee ownership.

2 At the Store

Consumers gladly pay a membership fee to join co-ops, such as REI, that allow them to buy food and other products at better prices. Likewise, neighborhood grocery and hardware stores survive and thrive as members of retailer-owned wholesaler cooperatives. These provide strengthened buying power, distribution and warehousing efficiencies, and shared business services.



3 At School

Teachers, administrators and parents at cooperatively structured schools, including charter schools, share their resources to help students achieve higher standards and enriched learning experiences.

4 On the Farm

Farmer-owned co-ops – and their well-known brands such as Sunkist®, Ocean Spray and Cabot Creamery – are part of a widely diversified agricultural cooperative system, and help guarantee a better food source for our nation.

5 At Home

From high-rise buildings and garden-style apartments, to student and senior housing, cooperative homeownership allows people of all income levels across the country to own the homes they live in.

6 In Child Care

Co-ops provide safe, creative child care, with parents as member-owners who are actively involved in helping their children learn and grow.

7 Pooling for Power

Consumer-owned, locally managed energy and communications cooperatives provide electricity, phone, Internet and cable television services at affordable rates to tens of millions across America.

8 At Your Credit Union

Credit unions are cooperatives that provide affordable financial services to people from all walks of life. Other financial institutions, such as NCB, are co-ops that provide financial services and solutions to cooperative businesses across the nation.

9 In the News

Co-ops like The Associated Press and C-SPAN bring the news to more than one billion people every day.

10 At the Doctor's

All Americans – regardless of their age or income – want access to quality, affordable healthcare. By combining members' buying power, cooperative HMOs, non-profit community health centers and health care purchasing networks help millions of people meet that need every day.



Cooperative Principles

Cooperatives worldwide generally operate using these seven principles

Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights – one member, one vote – and cooperatives at other levels are organized in a democratic manner.

Members' Economic Participation

Members contribute equally to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training and Information

Cooperatives provide education and training to their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of cooperation.

Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community

While focusing on member needs, cooperatives must work for the sustainable development of communities through policies accepted by their members.

About NCB

NCB is dedicated to strengthening communities nationwide through the delivery of banking and financial services, complemented by a special focus on cooperative expansion and economic development.

Primary markets we serve include the basic ingredients of vibrant communities: housing, education, healthcare, cultural centers, local businesses and social services.

Chartered by Congress in 1978, today NCB is a cooperative owned by more than 2,600 customer-owners.

Count on NCB for a fast, flexible and resourceful approach to your financial needs.

www.ncb.coop

Banking & Financial Services
Cooperative Expansion
Economic Development