



United States Federation
of Worker Cooperatives

ANNUAL REPORT 2013

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ACKNOWLEDGEMENTS

FINANCIAL SUPPORT

Thank you to all our members, whose dues are fueling the work and growth of the worker cooperative movement. Thank you to Brian McInerney for your annual major donation to the US Federation. Thank you to The Cooperative Foundation for your ongoing support, to the Fund for Democratic Communities for supporting our Southern Emerging Leaders work, to Ralph K Morris Foundation for funding conference travel, and to the USDA for funding our rural work.

IN-KIND DUES TRADES

Thank you to Collective Copies, Design Action, Inkworks, AORTA Collective, and the Interpreters' Cooperative, whose generous in-kind trade of goods and services for member dues generously exceeds the amount due.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Any statements that are not based on historical fact are forward-looking statements. Although such statements are based on staff and Board's current estimates and expectations, and currently available competitive, financial, and economic data, forward-looking statements are inherently uncertain. We, therefore, caution the reader that there are a variety of factors that could cause business conditions and results to differ materially from what is contained in our forward-looking statements.

MEMBERSHIP REPORT

The US Federation of Worker Cooperatives continued to grow in 2013, welcoming 26 new members (5 Worker Cooperatives, 1 Federation Partner, 2 Coop Developers, 12 Startups, and 4 Associates) and closing the year with a total of 110 member workplaces, 70 Sustainer members and an additional 50 individual members. All are indicated with an * on the following page.

CHANGES IN MEMBERSHIP CATEGORIES AND DUES

Start-up class now includes newly forming cooperative developers and organizations new to cooperative development. Once a developer successfully incubates an operational worker cooperative, they can request member classification change. Like Startup Workplaces, Startup Coop Developers can remain a start-up for up to three years. And all Startup members pay flat dues amount of \$250. The USFWC Board's Membership Committee continues to work on clarifying member classifications and evaluating alternative dues formulas. More on the following pages.

WITHDRAWN & TERMINATED MEMBERSHIPS

Voluntary Withdrawals: Just Local Food Coop

Terminated for nonpayment of dues: Partnerships for People (Associate), Communications Cooperative International (Worker Cooperative), Apple Eco-Cleaning (Worker Cooperative)

Dissolutions: None

Several individual memberships were terminated for nonpayment of dues.

MEMBERSHIP MEETING 2013

The 2013 member meeting happened in conjunction with the Eastern Conference for Workplace Democracy hosted in Philadelphia, PA on Saturday, July 27.

The meeting agenda included:

- Updates and reports: Regional organizing from around the country, Member Committees and working groups
- Presentation of Annual State of the Federation Report and Discussion
- Strategic Plan presentation, feedback and discussion on four strategic priority area including: Member Retention & Recruitment, Increasing Benefits & Member Linkages, Advocacy & Movement Building, and Communication
- Presentation of the Democracy at Work Institute, formally launched in October 2013
- Board of Directors Elections for five (5) At-Large Representatives – Contested election with 8 candidates
 - o Elected: Dana Curtis, Black Star Co-op Pub & Brewery (TX), Nikki Marín Baena, Cooperation Texas (TX), and Vanessa Bransburg, Center for Family Life (NY), David Smathers Moore*, WAGES Cooperatives (CA) and Ben Mauer*, Quilted (MA). *re-elected

A big thanks and shout out to the other candidates who helped make this a contested election: Jonah Fertig with Local Sprouts (ME), John McNamara with Union Cab Cooperative (WI), and Peter Frank with Mariposa Food Coop (PA), for running and their continued support for the USFWC. And thank you to departing Director Ole Olson for 5+ years of service!

Listed below are current members as of December 31, 2013. The * indicates new member in 2013.

Worker Cooperatives/Democratic Workplaces

Agaric
Alvarado Street Bakery
Arizmendi Oakland
Artisan Beverage Cooperative*
Baltimore Bicycle Works
Black Star Co-op
Boston Collective Delivery*
Box Dog Bikes
C4 Tech & Design
Casa Nueva
Cheese Board Collective
Collective Copies / Levellers Press
Community Builders Cooperative
Cooperation Texas
Data Systems, Inc.
Design Action Collective
Dollars and Sense
EcoMundo Cleaning*
Electric Embers Cooperative
Equal Exchange
Firestorm Cafe & Books
Friends of the Third World Cooperative Trading
GAIA Host Collective
Grassroots Economic Organizing (GEO) Newsletter
Inkworks Press
Interpreters Cooperative of Madison
Isthmus Engineering and Manufacturing
Just Coffee Cooperative
Little Grill Collective
Local Sprouts Cooperative
Mariposa Food Cooperative
Opportunity Threads
Other Avenues Food Store
Palante Technology Cooperative*
Pedal Express
Pedal People Cooperative
Pelham Industrial Group
People's Food Cooperative
Pioneer Valley Photovoltaics (PV Squared)
Quilted
Rainbow Grocery Cooperative
Red and Black Café
Red Emma's Bookstore Coffeehouse
Red Rabbit Bakery Cooperative
Red Sun Press
SF Green Cab
Small World Food
South Mountain Company
Stumptown Printers Worker Cooperative
Teamworks – Green Cleaning Cooperative
TechCollective
The Hub Bike Co-op
The ICA Group
Third Root Community Health Center

TeamWorks – Green Cleaning Cooperative*
Toolbox for Education & Social Action (TESA)
Toxic Soil Busters Co-op
Treasure City Thrift
Union Cab Cooperative of Madison
Valley Green Feast

Federation Partners

Arizmendi Association of Cooperatives
Eastern Conference for Workplace Democracy
Madison Worker Cooperatives – (MadWorC)*
Network of Bay Area Worker Co-ops (NoBAWC)
New York City Network of Worker Cooperatives (NYCNoWC)
Valley Alliance of Worker Cooperatives (VAWC)
Western Worker Cooperative Conference
Worker-Owned & Run Cooperative Network of Greater Boston (WORC'N)

Cooperative Developers

CA Center for Cooperative Development
Center for Family Life*
Carolina Common Enterprise*
Cooperative Development Institute
Green Worker Cooperatives
Interfaith Business Builders
Northcountry Cooperative Development Fund
Ohio Employee Ownership Center
WAGES

Startup Workplaces

4th Tap Brewery*
AORTA Collective
Au Paon Restaurant & Bar*
B2P Cooperative*
Bagel Grove
Boston TechCollective*
Bread Uprising
Build with Prospect*
Center Point Counseling Services
ecoSmart Habitat*
Kansas City Montessori Teacher Cooperative*
Natural Rhythm Healing Hut
Polycot Associates
Restaurant Opportunities Center (ROC) of Michigan*
The Tech Support Cooperative*
The Vital Compass*
Top Coop*
Wishadoo*

Associate and Individual Members

Communitas Financial Planning*
Cooperative Fund of New England
Cooperation Works!
High Country Cooperative*
Katovich Law Group
Law Office of Deborah Groban Olson
Moving Images
NASCO - North American Students of Cooperation
National Center for Employee Ownership*
Round Sky Solutions
Seward Community Co-op
The Cooperative Foundation
The Working World
Vermont Employee Ownership Center*

Founding Sustainers:

Hilary Abell, Nicole Marin Baena, Thomas Beckett, Alex Betzenheimer, Joseph Blasi, Vanessa Bransburg, David Brinovec, Eve Britton, Benjamin Buckley, Evan Casper-Futternman, Esther Cervantes, Emily Lippold Cheney, George Cheney, Brian Conney, Dana Curtis, Aaron Dawson, Steve Dawson, Tom Decker, Aaron Desrochers, Mike Fadel, Jonah Fertig, Margaret Flowers, Peter Frank, Ion Freeman, Omar Freilla, Noemi Giszpenc, Debra-Ellen Glickstein, Alison Booth Gribas, Cecile Green, Melissa Hoover, Mary Hoyer, Don Jamison, Amy Johnson, Bryan Johnson, Hilary Johnson, Jim Johnson, Micha Josephy, Esteban Kelly, Rebecca Kemble, Rebecca Koganer, Adam Konner, Rae Levine, Margaret Lund, Ben Mauer, Dave & Mary Beth Mauer, Amy McCammon, Brian McInerney, John McNamera, Annie McShiras, Leslie Mead, Chris Michael, Ole Olson, Charles Osburn, John Parker, Stephen Rice, Joe Rinehart, Gerald Rudolph, Lisa Russell, Liz Ryder, Mike Sanderson, Gina Sarti, Foresta Sleik-Hill, David Smathers Moore, Daniel Tilton, Benjamin Tsai, Sarah Wagner, Rob Witherell, and Steven Yarak.

2013 Individual Members:

Matthew Andrews, Margaret Bau, Tommaso Boggia, Eric Britton, Rheuben Bundy, John Burnett, Al Cambell, Jennifer Carusso, Pamela Chang, Michael Chronister, Mark Day, Patrick Domartz, Thomas Dudley, Tim Dutton, David Ellerman, Jessica Gordon-Nembhard, Deborah Hawkins, Susan Hofstrader, Jerome Hughes, Tony Kamson, Hank Keeton, Casey Kilduff, Gowri Krishna, Jeremiah Jeff Love, John Luhman, Joe Marraffino, Kevin McCarron, Leo McDevitt, David Miles, Catherine Mulder, Joe Murphy, Maria Nguyen, Tom Pierson, Camille Pannu, Robin Perry, Dick Peterson, Stephen Pfrimmer, Caitlin Quigley, Gerald Rudolph, Jerry Sinnamon, Dana Skallman, Martin Staubus, James Stith, Marvin Vargas, Andy Weber, Darlene Wolnik, Abby Yanow.

2014 MID-YEAR UPDATE

New Individual members – 1/1/14 thru 4/8/14

Paul Aherns, Asar Amen-Ra, Allison Basile, Daphne Berry, Joani Blank, Roque Bucton, Andrea Carter, Rita Conley, Roberta Eidman, Deborah Hawkins, Venedel Herbito, Kaleb Hoeffgen, Sushil Jacob, Christopher Nettles, Ricardo Nunez, Ernest Rando, Missy Risser, Adam Schwartz, Brad Sherwood, Pavlos Stavropoulos

New Workplace members – 1/1/14 thru 5/21/14

3B Bed & Breakfast – Worker Coop
A Bookkeeping Cooperative – Worker Coop
Bring It Local – Startup Workplace
California Council of Churches – Associate
Camas Partners – Startup Workplace
Center for Workplace Democracy - Associate
Circle of Life Cooperative – Worker Coop
CoFed –Associate
Electric Slides Cooperative – Startup Workplace
Fund for Democratic Communities – Associate
Great Sky Solar – Startup Workplace
Green Mountain Spinnery – Worker Coop
Jefferson People’s House – Startup Workplace
Las Vegan Worker Ownership Resources & Cooperative Services - Associate
Meerkat Media – Worker Coop
New Frameworks Construction – Startup Workplace
New Moon Cooperative – Startup Workplace
Pacific Electric Worker-Owned – Startup Workplace
PODER – Startup Workplace
Sassafras Tech Collective – Startup Workplace
Simple Diaper & Linen – Startup Workplace
Sustainable Economies Law Center – Democratic Workplace
The Blissful Bite – Startup Workplace
Three Mouse Technology – Startup Workplace
Tunnels and Tobio – Startup Workplace
UFCW Local 1459 – Associate
Whole Sun Designs – Startup Workplace
Zenful Bites – Startup Workplace

BOARD OF DIRECTORS REPORT

CURRENT BOARD MEMBERS

Director	Organization/Workplace	Term Began	Type
Rebecca Kemble, President	Union Cab Cooperative	6/09	Northern
Anna Boyer, Treasurer	C4 Tech and Design	6/09	Southern
David Smathers Moore, Sec'y	WAGES Cooperatives	8/11	At-large
Ben Mauer	Quilted	8/11	At-large
Becca Koganer	Equal Exchange	8/12	Eastern
Nikki Marin Baena	Cooperation Texas	8/13	At-large
Dana Curtis	Black Star Co-op	8/13	At-large
Vanessa Bransburg	Center for Family Life	8/13	At-large

The Western seat remained empty for 2013.

TERMS ENDED MID-2013: Good bye and thank you to Ole Olson for many years of service!

BOARD COMMITTEES

Membership Committee – The membership committee evaluates member applications and changes of status, reviews and revises the dues structure, supports better communication with and among members, and develops member benefits. In 2013 it worked on clarification of member classes and background research on restructuring the dues formula.

Regional Representatives Committee – This committee comprises the four regional representatives to the Board, and was created to address issues of regional communication and coordination. It met quarterly in 2013 to exchange regional and local updates, and to discuss plans for member engagement.

Executive Committee – The executive committee is the officers of the organization. It reviewed and approved the 2012 financial report and set the budget for 2013. It also coordinated an evaluation of the ED, and offered support with hiring and the strategic planning process.

Elections and Nominations Committee – In 2013 the elections committee was responsible for supporting the at-large election process, which was indeed a contested election, and for recruiting new potential Board members.

Bylaws Committee – The Bylaws Committee reviews the bylaws annually and suggests changes to the Board and members. It suggested no bylaws changes in 2013.

STAFF REPORT

The USFWC reached full-time staffing in 2013, with full-time Executive Director Melissa Hoover, full-time Membership and Advocacy Director Amy Johnson, and part-time Rural Programs Coordinator (RCDG-funded) Joe Rinehart. This staffing enabled us to finally bring the organization to capacity: we increased communication with members and began developing more benefits, we recruited new members, and we began laying the groundwork for policy advocacy. Behind the scenes, we began building the organizational infrastructure necessary to grow, including a new website and database. Finally, we were able to dedicate significantly more time to doing public outreach and building partnerships, providing technical assistance, training DAWN members, and preparing for the launch of the Democracy at Work Institute.

The most significant capacity we built in 2013 was defining the Membership and Advocacy Director role. As a member-driven organization, it was natural that our second hire would be the Membership Director position. The position focuses on three main areas: (1) member retention & recruitment, (2) member benefits & services, and (3) member engagement. Early 2013 focused on building relationships with member workplaces through one-on-one conversations to gain deeper understanding of member needs and identifying how USFWC resources can be most effective in (a) supporting members to develop and sustain thriving businesses and (b) connecting members to support and patron each other. Between in person

member meetings, conferences, other events and new technology infrastructure (website redesign which included a revamped Member Directory, Resource Library, Service Provider Directory, and dedicated member section of the website), the role of the Membership Director is about ensuring members are engaged with the USFWC's work, providing leadership and vision, and taking advantage of benefits and the larger community of members.

As with any organization with two staffers, the Membership Director position also provided administrative and organizational support, fielding public inquiries and supporting special projects throughout the year.

FINANCIAL REPORT

Profit & Loss Statement

From January 1 – December 31, 2013

Ordinary Income/Expense	
Income	
Total Membership Dues	41,061.25
Foundation Grants	30,500.00
Total Government Grants	180,939.63
Total Direct Public Support	7,236.56
Newsletter ad revenue	825.00
Consulting Services	1,215.00
Total Other Types of Income	<u>109.10</u>
 Total Income	 <u>261,886.54</u>
Gross Profit	261,886.54
Expense	
Total Payroll and Staffing Expenses	101,917.64
Total Benefits	10,274.20
Total Contract Services	67,564.62
Total Facilities and Equipment	17,359.92
Total Operations	38,962.82
Total Travel and Meetings	42,211.65
Fundraising Expense	<u>54.03</u>
Total Business Expenses	<u>1,050.00</u>
 Total Expense	 <u>279,394.88</u>
 Net Ordinary Income	 <u>-17,508.34</u>
Net Income	<u>-17,508.34</u>

Balance Sheet as of December 31, 2013

ASSETS

Current Assets

Total Checking/Savings	-9,677.56
Total Accounts Receivable	<u>1,751.00</u>
Total Other Current Assets	<u>672.27</u>

Total Current Assets	-7,254.29
Total Fixed Assets	<u>729.15</u>
Total Other Assets	<u>2,931.50</u>

TOTAL ASSETS	<u><u>-3,593.64</u></u>
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LIABILITIES & EQUITY

Liabilities

Current Liabilities

Total Accounts Payable	<u>4,725.34</u>
Total Other Current Liabilities	<u>-73.39</u>

Total Current Liabilities	<u>4,651.95</u>
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Total Liabilities	4,651.95
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Equity

Opening Bal Equity	6,787.84
Unrestricted Net Assets	2,474.91
Net Income	<u>17,508.34</u>

Total Equity	<u>-8,245.59</u>
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TOTAL LIABILITIES & EQUITY	<u><u>-3,593.64</u></u>
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ACTIVITIES AND PROJECTS

MEMBER BENEFITS

Increased capacity allowed for both the expansion of new benefits and outreach to members regarding existing benefits.

Projects and initiatives are designed to support one or more of these member benefits:

- 1) Technical Assistance & Business Support
- 2) Cost-saving discounts
- 3) Member-level resource access
- 4) Regional and industry networking

5) Lobbying and advocacy support

Technical Assistance: New members, particularly Startup members, are actively taking advantage of four free hours of technical assistance with a DAWN advisor. Eleven new members in 2013 joined before/after utilizing the DAWN technical assistance. There was only a slight increase with seven existing members taking advantage of free TA hours through the formal channel. However, USFWC staff responded to an increasing number of inquiries from members regarding resources, benefits, referrals, support.

Member-level Resources: The re-designed usworker.coop website included an upgraded Member Directory, 'Find a Worker Coop' directory, Service Provider Directory that is now searchable online, and an expanded Resource Library complete with both practical resources for worker-owners and the first online compilation of academic research on worker cooperatives. We also piloted a member-led webinar program with two members hosting webinars to share their expertise with their peers. ... Also – Spanish language access resources – Summer Fellow worked on translating high priority resources into Spanish for growing Spanish-speaking membership. Plan has been developed to provide Spanish translation of www.usworker.coop website, the major obstacle is funding.

Regional & Industry Networking: Federation partners are maintaining active local worker cooperative communities [provide attachment of report from federation partners – this is about USFWC support for networking/organizing]. Two regional networking calls were convened and in-depth reports offered at member meeting. Other cities, such as Philly/Seattle/Portland/Austin where we do not have Federation Partners, we are seeing development of cross-sector cooperative groups and/or NCBA-supported Cooperative Business Alliances. USFWC seeks to continue collaborating with and supporting local partners while also actively recruiting worker cooperatives in cities with cross-sector groups to become more involved with the national movement building efforts.... Industry networking is being initiated by members: Tech Coop Network, while not formally affiliated with the USFWC, it's 50% made up of USFWC members and is building support infrastructure for the growing tech coop sector; four members piloting Ambassador program – support from USFWC for members doing presentation at industry conference; Opportunity Threads is leading development of supply chain network in North Carolina; ... We see member-initiated efforts at the local level and within growing number of industries and work is underway to strategically support

Discounts: Identified this as an important area of benefits to research and implement. Staff is preparing new benefits for 2014 to include preferred vendors and service provider discounts, retirement, insurance, and other business expenses where we can take advantage of group purchasing.

Lobbying & Advocacy Support: Staff supports individual inquires for advocacy support at the local level. Focus in 2013 was mostly researching advocacy strategies, building relationships with other advocacy-focused organizations, and priming our membership to begin engaging in political strategy development at the local, state, and national levels.

Along with development of new benefits, it's essential to maintain strong member communication and engagement to ensure members are aware of full range of benefits available to members.

MEMBER EMERGING LEADERS

This was the second year of the Emerging Leader Scholarship program, which received more requests from members that we are able to fund. These scholarships are intended for USFWC members who are interested in getting more involved in worker cooperative organizing and support at a local, regional or national level. The scholarship has two purposes: to strengthen the USFWC by supporting the involvement of potential leaders, and to support our member workplaces in sending their members to conferences and events. Additionally, the scholarship is intended to both recognize and support the leadership of people not typically found in organizational leadership positions: women, people of color, young people, low-wage workers, and people from parts of the country without much worker cooperative support.

In 2013, we were able to provide 11 scholarships totaling \$2,000 – for five members to attend the Eastern Conference for Workplace Democracy and six members to attend the Western Worker Coop Conference. 2013 Member Emerging Leaders:

Ana Escalante, Casilda Maldonado, Reyna Luna from EcoMundo, James Bachez, Boston Collective Delivery, David Morgan, Toolbox for Education & Social Action, Jackie Srebrenick, Green Worker Cooperatives, Daniel Owens and Ria Anderson from Design Action Collective, Benjamin Tsai, The Hub Bike Cooperative, Green Lewellin, The Vital Compass, and Ashley Jackson, Red & Black Café.

Money was also allocated from the Rural Cooperative Development Program to support 10 leaders from the South to participate in a leadership development program, including from member organization High Country Cooperation.

MEMBER COUNCILS

The Union Coop Council – submitted by Mary Hoyer, co-chair

2013-2014 was a constructive year for the UnionCo-ops Council of USFWC. We held almost **monthly conference calls**, averaging eleven plus participants per call with a low of five participants and a high of twenty-two participants. Participants from the following states joined the calls: California (12), Colorado (3), Connecticut (1), Massachusetts (4), Michigan (1), Minnesota (2), Missouri (1), Nevada (3), New York (3), North Carolina (1), Ohio (3), Oklahoma (1), Pennsylvania (2), Tennessee (1), Washington DC (1), and Wisconsin (2). Union representatives that have a regular relationship with UCofUSFWC include: United Food and Commercial Workers, United Steel Workers, International Brotherhood of Electrical Workers, AFSCME, and the AFL-CIO. We organized union co-ops **workshops** as follows: Abby Scher facilitated a workshop on unions and co-ops at the Left Forum in New York City in June. Bob Noble facilitated a workshop on unions and co-ops at the Eastern Conference for Workplace Democracy in Philadelphia in July. Attempts were made to include a workshop on union/co-op activity at the AFL-CIO convention in Los Angeles in September, but we were unsuccessful (again). Mary Hoyer presented a workshop on worker co-ops at the UMass Boston Labor Center in October. Dennis Olson facilitated a workshop on unions and co-ops at the Blue Green Alliance in Washington DC in April. Libby Sholes facilitated a workshop on unions and co-ops at the California Center for Cooperative Development in Berkeley in May. In terms of **conferences and webinars**, several members of the UC Council attended the Union Co-ops Conference in Cincinnati, meeting folks from around the country and from Mondragon, and attended a webinar sponsored by the Institute for Policy Studies, in which union pension folks discussed funding for worker co-ops affiliated with unions. Kristen Barker with CUCL and Mondragon USA presented a workshop at the Jackson (MS) Rising conference.

We heard **reports** on the Rocky Mountain Employee Ownership Center about on-going outreach to labor unions in the Denver area which prompted Dennis Olson from UFCW to visit; the taxi cooperative in Denver which started in 2009 and has 262 members; the NoCal Workforce Development Conference, which increasingly is considering worker equity models in places of employment as a model; the national co-ops bill sponsored by Chakah Fattah and the national worker co-op legislation being sponsored by the Sustainable Economies Law Center; some interesting connections with other AFL-CIO leaders; continuing work in Las Vegas and Los Angeles; and on One Worker/One Vote, the project to promote unionized worker co-ops using the United Steel Workers/Mondragon model. In terms of **organizational development**, we updated goals for the group for 2013-2015. We began working on our revised website. We completed, passed, and submitted our Charter to the USFWC as an affiliated organization. We raised funds from UC participants to place an ad for our group in the Dollars and Sense labor issue and to place an ad in the USFWC conference program book in support of the conference. **Other:** We sent out announcements about registration for the USFWC conference in Chicago, as well as a number of other co-op conferences around the country and in Canada. We sent interesting articles to participants. We began discussion of worker right of first refusal to purchase workplaces, this time to include in collective bargaining agreements a la the United Steel Workers / Mondragon model.

The member council of housekeeping and day labor cooperatives initiated at the National Conference in Boston in 2012 became inactive in 2013, although staff is committed to supporting new activity when there is renewed interest and leadership capacity.

No new member councils were established in 2013. Although not formally connected, the USFWC recognizes the organizing efforts of the Tech Coop Network, www.techworker.coop.

ECONOMIC DATA PROJECT

Each year we gather economic data from our members. We are still gathering 2013 data from members.

	Respondents	Number of Workers	Gross sales	Gross compensation
2008	42	1,371	\$181,285,596	\$ 49,817,858
2009	55	1,345	\$178,606,397	\$ 54,811,812
2010	52	1,424	\$179,028,952	\$ 56,811,595
2011	55	1,386	\$180,982,888	\$ 52,665,497
2012	58	1,619	\$214,868,444	\$ 56,579,379

RURAL WORK

We were again awarded the Rural Cooperative Development Grant late in 2013, but at a much lower level than previously. With this funding, we provide technical assistance to rural cooperatives and cooperative developers. We also use RCDG funding to support the DAWN peer advisor training program, and we are developing a toolkit for conversions and buyouts.

PARTNERSHIPS & COALITION BUILDING

The USFWC maintained membership with the National Cooperative Business Association, CICOPA (the international worker-cooperative arm of International Cooperative Alliance), Cooperation Works!, and the Data Commons Cooperative. In 2013, USFWC joined the American Sustainable Business Council and the New Economy Coalition.

LEGISLATIVE and LEGAL WORK

- Attended monthly Legislative Update conference calls and supported the NCBA-led effort to maintain RCDG funding the Farm Bill. NCBA was also able to establish the creation of an interagency cross-sector cooperative working group, as part of the passed Farm Bill, that would allow cooperative sectors to coordinating educating government agencies on how to support/engage with cooperatives. USFWC is monitoring.
- Joe and Amy did DC Hill Visits in May 2013 – visiting NY state also.
- 2013 was about relationship building and understanding the current landscape, researching past policy and advocacy efforts in the US, and studying success factors of other countries with supported cooperative economies and government recognition of (and support for) the business model.
- Staff participated in a working group of worker cooperatives, lawyers, accountants, and coop developers to craft and introduce a worker cooperative specific state statute in California. A new model LLC worker cooperative statute was drafted with plans to introduce in 2014.
- Receive ongoing inquires about state statutes – Rhode Island and Washington DC and Florida
- Having agency level conversations including Small Business Association, US Department of Agriculture, and Internal Revenue Service
- One of the projects of the Summer Fellowship program was researching strategies for advancing coop-friendly policies and regulations and advocacy strategies to get there. Research laid to foundation for a preliminary version of a policy agenda for the USFWC in 2014.
- We are also developing ongoing relationships with other organizations doing this work ... Sustainable Economies Law Center is developing policy guides and sample legal documents for worker cooperatives. And ALICE Law is compiling a section of worker cooperative supporting legislative examples and samples from across the country. These collaborations and partnerships allow us to offer our members access to additional resources that we don't have capacity to offer all in-house. And these relationships build strong foundations for advocacy and organizing work planned for the coming years.

CAPACITY-BUILDING

Starting in Fall of 2010, the Board of Directors identified a need to build capacity in the US Federation, and set out a three-year plan to make the USFWC a more sustainable organization. The cornerstone of this capacity-building project is reaching full-time staffing, a goal we had reached at the start of 2013. Our next-stage capacity-building work focused on fundraising for the Democracy at Work Institute, while at the same time developing sustainable revenue streams for the USFWC.

In November 2013, we hired Praxis Consulting Group to do a daylong Board training to build the Board's capacity and understanding of its role and legal responsibilities.

Sustainer Drive – Fall 2013 we launched our first coordinated grassroots fundraising campaign. Sustainer members are individual supporters that to a monthly contribution of \$10 or more. A total of 75 individuals signed up to be our founding Sustainer Members, providing the Federation with reliable, grassroots revenue support. Twice a year, staff and board will coordinate a campaign to invite new Sustainers to join. As a national organization with supporters across the country, creating a way for individuals who want to see worker ownership advance have an easy, direct way to support this movement. Our workplace members renew at a staggering rate of 95%, they pay dues generously and willingly, and the staff does a lot with our budget. But increasing income from individual supporters with the resources to donate – our goal of 1,000 sustainers by December 31, 2015 would mean \$120,000 or more a year for the Federation's operating budget.

Staff Retreat – June 2014 – developed road map for scaling/ developing two related, but distinct, organizations – USFWC and Institute.

CICOPA AND INTERNATIONAL REPORT

Report by USFWC International Liaison Rebecca Kemble

The USFWC continues to participate in the international worker cooperative movement through our membership in CICOPA, the worker coop sector of the International Cooperative Alliance, as well as through direct relationships with other worker coop federations in other countries.

In October I traveled to Brazil for the ICA-Americas conference. This is the regional body of the International Cooperative Alliance. Most of the work done was in preparation for the ICA general assembly in Cape Town, South Africa the following month. CICOPA-Americas is the most active regional body in CICOPA meeting by phone every two months. We took advantage of the face-to-face meeting to develop proposals and strategize for upcoming elections.

In November we participated in the ICA Cape Town meetings where 1,400 people from 88 countries gathered to discuss details of the Blueprint for a Cooperative Decade, hold sectoral general assembly meetings and elect new board members. CICOPA held two days of meetings and ratified a strategic plan for implementing the Blueprint. (see attached power point presentation).

Later in the month I attended the Canadian Worker Cooperative Federation annual conference in Edmonton, Alberta. Their small, informal conference was packed with innovative and interesting programming. People from credit unions, housing coops and provincial coop associations were active participants in the conference. Canadian worker coops are reeling from drastic funding cuts from the government and the elimination of the Cooperative Development Ministry, but their integration into pan-sectoral cooperative organizations at the provincial and national level has been of great assistance.

In March of this year I represented the USFWC and CICOPA Americas at the Organization of American States in Washington, D.C. at the event, "Cooperatives in the Americas: Driving Economic Growth with Equity and Inclusion." This coop summit was organized by the National Cooperative Business Association, ICA-Americas, the OAS, the National Cooperative Bank and the National Rural Electric Cooperative Association. The event featured three panels with speakers from all across Latin America and the Caribbean and from all cooperative sectors. It was intended to inform and educate policy makers at OAS

about cooperatives and how they form the basis of sustainable and just economic development. I spoke on cooperation between coops and coop-to-coop trade.

That our colleagues from Latin America chose me to represent them at this event is indicative of the strong, trusting relationships we have built over the past three years. Building these international associational networks has laid the groundwork for future trading partnerships between and among coops in the region.

Additionally, USFWC's consistent presence at these international events has raised our profile within the NCBA and the US cooperative world. Because of this, I have been invited to participate in NCBA/CLUSA's Cuba Working Group, which plans a study tour to Cuba this July.

USFWC 2013 TIMELINE OF ACTIVITIES

- Jan** Full-time staffing achieved with two staffers: Executive Director and Membership Director
- Feb** Annual Economic Data Survey
- March** Member 1:1 Contact – Phone conversations with cross-section of membership to gather understanding
- April** Member Webinars: Hosted two member-led webinars: work exchange & project planning
- May** Coop Hall of Fame: Steve Dawson with PHI is the first individual from worker cooperative community inducted into the Coop Hall of Fame
Lobby Day on the Hill
- June** Eastern Conference for Workplace Democracy, Philadelphia PA, annual member meeting
6/19/13 – Creating Jobs through Cooperatives act – reintroduced
- July** Summer Fellows Pilot: Research Library, Spanish-Language Access, Marketing & Communications, Policy & Advocacy
- Aug** Supported NCBA-led campaign to save USDA's Rural Cooperative Development Grant Funding
- Sept** Western Worker Coop Conference; workshop on creating coop-friendly policy environment
Denver – employee ownership / cooperative event
Received 501c3 paperwork for DAWI
- Oct** Coop Month – coordinated with New Economy Coalition
Re-designed www.usworker.coop with critical backend information management tools
Melissa ran for the NCBA Board of Directors
- Nov** Board retreat
Launched the Democracy at Work Institute
Member Organizing Strategies: Regional & Industry – action plans developed to be executed in 2014
- Dec** "Sustainer Drive" – First grassroots fundraising drive. 75 individuals joined as monthly Sustainer members, donating \$10 or more per month towards USFWC general work.