

Raising Capital for Worker Cooperatives

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Draft Resource Sheet

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*Please note that many of these resources below are relevant to co-ops in multiple stages of development.

Resources from the Start-up Financing Presentation

Cooperative Equity and Ownership: An Introduction, by Margaret Lund:

<http://www.uwcc.wisc.edu/pdf/Cooperative%20Equity%20and%20Ownership.pdf>

Co-op Networks:

- Valley Alliance of Worker Cooperatives (VAWC) and the VAWC Inter-co-operative Development Fund: www.valleyworker.org
- Democracy At Work Network (DAWN): www.dawn.coop
- Kiva Zip: zip.kiva.org
- Grassroots Economic Organizing: www.geo.coop; includes links to articles on the VAWC Inter-co-operative Development Fund, the DAWN-Kiva Zip partnership, and the Cooperative Fund of New England

Social Investors:

- Locavesting (book), by Amy Cortese
- Local Dollars Local Sense (book), by Michael Shuman
- Slow Money: www.slowmoney.org
- BALLE: <http://bealocalist.org/driving-investment>

Community Development Financial Institutions (CDFI):

- Find a CDFI: http://opportunityfinance.net/industry/industry_locator.asp
- Co-op Focused CDFIs:
 - Cooperative Fund of New England: www.coopfund.coop
 - LEAF Fund: www.leaffund.org
 - Northcountry Cooperative Development Fund: www.ncdf.coop
 - The Working World: www.theworkingworld.org
- CDFIs who lend to worker co-ops in addition to non co-op businesses (a partial list)
 - Chicago Community Loan Fund: www.cclfchicago.org
 - Lower East Side People's Federal Credit Union: www.lespeoples.org
 - Northern California Community Loan Fund: www.ncclf.org
 - One Pacific Coast Bank: www.onepacificcoastbank.com
- Small Business Administration (SBA): www.sba.gov
 - Intermediary Lending Pilot (ILP) Program: www.sba.gov/content/intermediary-lending-pilot-program-0

Resources for converting a privately owned business to a worker cooperative

- Selling your business to an employee-owned cooperative and sheltering you capital gain, by Eric D. Britton and Mark C. Stewart:
http://66.147.242.161/~oeockent/download/succession_planning/shortcoop1042.pdf.pdf
- Selling your business to your employees, to an ESOP and a Worker-owned Cooperative, by John Logue, Bill McIntyre, and the OEOC Staff:
http://66.147.242.161/~oeockent/download/succession_planning/sellingtoemployees.pdf.pdf
- Step by step process for selling your business to your employees, Business Evaluation Issues, by Rosanne Aumiller, Barnes Wendling:
http://66.147.242.161/~oeockent/download/annual_employee_ownership_conference/2006_conference/aumillervaluation.pdf.pdf
- Selling to your employees, Steps in a buyout, OEOC website:
<http://www.oeockent.org/resources-events/selling-to-your-employees/steps-in-a-buyout/>
- The 1042 Rollover Cooperative in Practice, the Select Machine Case, by John Logue:
<http://www.oeockent.org/download/cooperatives/1042rolloverco-opsmncasestudy.pdf.pdf>

Resources from the Financing Mature Co-ops Presentation

- How Equal Exchange sells non-voting shares to outside investors
<http://naturalinvesting.com/blog/2011/01/equal-exchange/>
- The Equal Exchange bylaws that describe our relationship to outside investors:
http://www.usworker.coop/system/files/goodbye_wall_street1.pdf
- How Equal Exchange works with Eastern Bank to sell certificates of deposit to create a line of credit
<http://equalexchange.coop/eecd>
- The law firm that advises Equal Exchange on stock offerings <http://www.CuttingEdgeCapital.com/>
- Good SEC website to learn the terminology and laws regulating small stock offerings:
<http://www.sec.gov/info/smallbus/qasbsec.htm#eod6>
- The best book on how to raise capital for co-operatives Practicing Law in the Sharing Economy by Janelle Orsi
- Equal Exchange's Capital Coordinator: Dan Fireside dfireside@equalexchange.coop