A Cooperative's Role in a Rural Community

1

Kansas Co-op Council

- Established in 1944
- The growth and diversification of cooperatively structured businesses in Kansas created a need for an organization that would represent all types of cooperatives in the state. The cooperative business model was under significant pressure in the early 1940's. As a response the Committee of Kansas Farm Organizations (CKFO), formed the Kansas Cooperative Council (KCC) in 1944 to defend the cooperative business model before the legislature and on Capitol Hill.

3

Mission

"Our Mission is to promote, support and advance Cooperatives through education, advocacy and promotion."

Co-op

4

Vission

"Developing Co-op Leaders. Advancing Cooperative Success."

Co-op

5

KCC Anti-Trust Policy *Approved 7-11-11*

- It is the policy of the Kansas Cooperative Council (KCC/Council), and it is the responsibility of each Council member, to comply with federal and Kansas anti-trust laws. No activity or discussion at any Council activity, including but not limited to, all meetings of the board of directors and its committees as well as Council-sponsored conventions, trade shows, training seminars, conferences, task forces and local and regional state meetings, may be engaged in for the purpose of creating an agreement among Council members to:
  - raise, lower, or stabilize prices;
  - regulate production;
  - allocate markets;
  - encourage boycotts;
  - foster unfair trade practices;
  - assist monopolization; or
  - violate federal or Kansas anti-trust laws.
- Any questions regarding the applicability or intent of this Anti-trust Policy or concerns regarding any activity or discussion at any KCC meeting or event should be promptly brought to the attention of the Council's Pres./CEO.

6

So…Is This a Co-op Product?

7

What About This?

8

What About This?

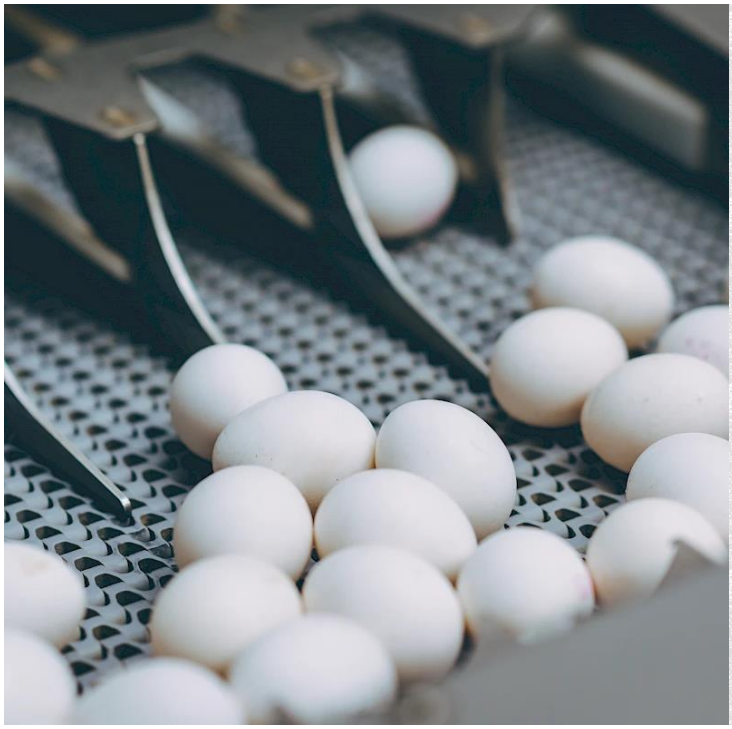
9

So Is This!

10

And This!

11



What About these?

12

How About This Place?

13

This Is!

14

Finally, What About This?

15

Adapted from AaronHall.com

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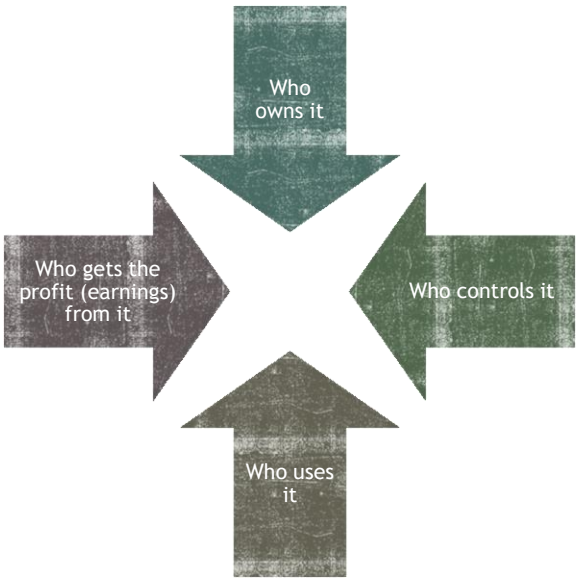
What Is a Cooperative?

It is a Business Structure!



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User – Owner Principle	The people who own and finance the cooperative are those who use it.
User – Control Principle	The people who use the cooperative are those who control it.
User – Benefit Principle	The cooperative's sole purpose is to provide and distribute benefits to members on the basis of their use.

User Principles

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The Philadelphia Contributionship

First Cooperative in the United States

- The first recognized cooperative business in the U.S. was a mutual fire insurance company. It was founded in 1752 by Benjamin Franklin and continues to operate today.

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First Agricultural Cooperative in Kansas

- Founded in 1901
- Oldest ag-cooperative

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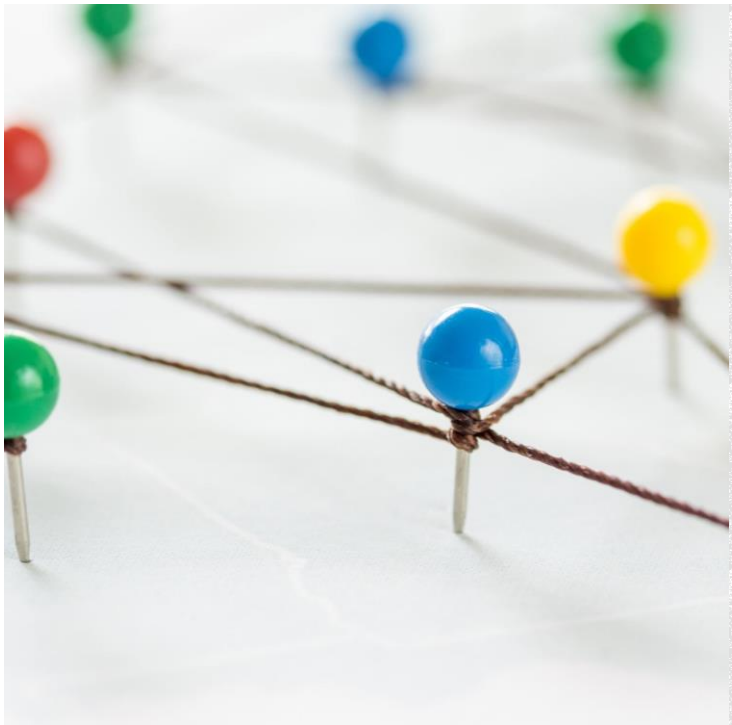

Cooperatives Trends

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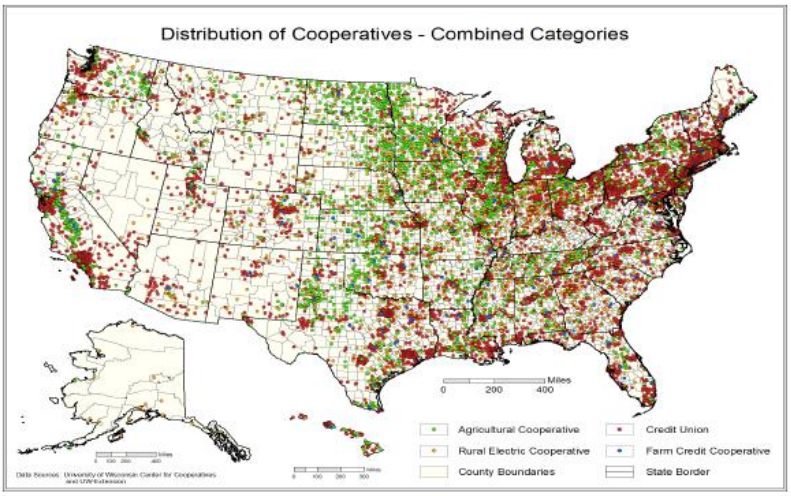
22

Cooperatives are everywhere



Source: University of Wisconsin Center for Cooperatives

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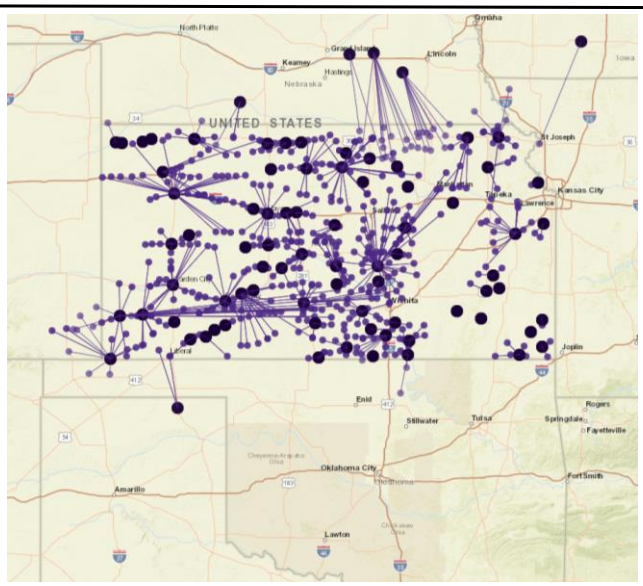
81 local, farmer co-ops with a Kansas HQ – January 2016



Source: https://accc.k-state.edu/map.html

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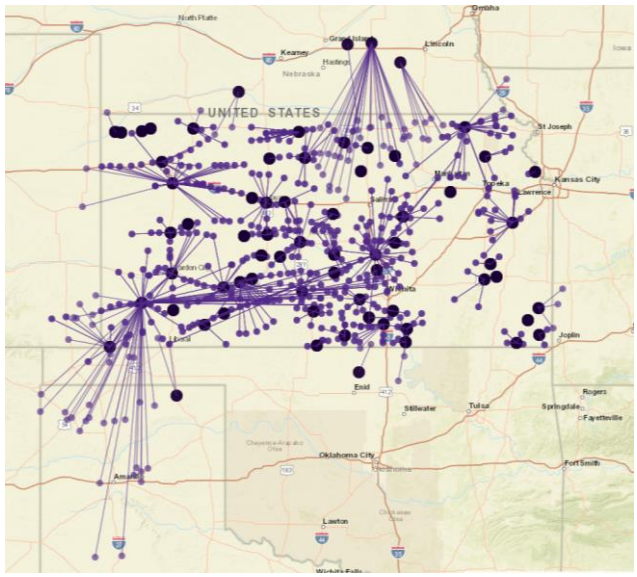
61 local, farmer co-ops with a Kansas HQ – January 2023



Source: https://accc.k-state.edu/map.html

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The impact of farmer cooperatives extend out to other sectors of the Kansas economy

- Co-ops also have a "ripple effect" in rural communities and across the state of Kansas
- In 2017, K-State determined that
  - For every co-op job, 1.15 other jobs are created
  - For every $1 of output value created by the cooperative, an additional $0.75 is created in the Kansas economy
  - Total income for Kansas cooperatives was nearly $680 million. As the income worked through the Kansas economy, an additional $437 million of income was generated

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Kansas Co-ops Are Vital to Rural Communities

- Provide over 4,500 jobs to Kansans
- Pay over $308 million in salaries and benefits to employees
- Pay over $21 million in property taxes
- Store over half of all grain produced in Kansas
- Support associations dedicated to protecting Rural Kansas

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What If They Were Gone?

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Cooperative Board Leadership

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Understanding Member Roles

30

Co-op Director Responsibilities

- Provide manager supervision
  - Select, direct, evaluate, compensate CEO and possibly terminate
  - Evaluate CEO on policy compliance
- Provide organizational leadership and strategic direction
  - Help prepare strategic plan and evaluate progress
- Establish and adhere to a policy-based governance system
  - Link members, board and management
- Assess business climate
- Determine benefit distribution

Co-op

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Director Candidates

How is representation allotted

- At-large system
- Geography
- Business Volume
- Commodity

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How to get involved

- Are you a member?
- Meet the board
- Previous involvement
  - Committee
  - Associate board member
- Election process at annual meeting

Co-op

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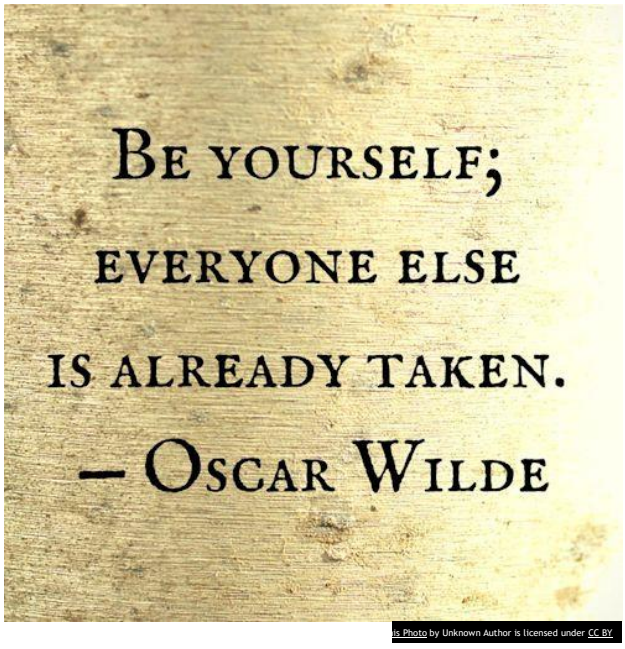

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KCC
KANSAS COOPERATIVE
COUNCIL

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  - Twitter: @KSCoopCouncil

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