

# COOPERATIVE'S IMPACTING MONTANA



Tracy McIntyre , Executive Director

Montana Cooperative Development Center

[www.mcdc.coop](http://www.mcdc.coop)

# WHO IS THE MONTANA COOPERATIVE DEVELOPMENT CENTER?

**Mission:** To promote and develop cooperatives to meet the economic and community need of Montana.

We serve all 56 counties and the 7 Native American Reservations as the statewide recognized cooperative development center.

We are an economic development organization utilizing the cooperative business model to address needs of communities, businesses and individuals of Montana (and beyond).



## WHAT IS A COOPERATIVE:

It is, in simple terms, an enterprise created by a group of people who join forces and work together to solve a problem or reach a goal they all share.





Cooperatives' Impacts are  
Across the Globe!

## Co-ops Are:

- Global form of business
- State controlled
- All adopt the 7-guiding principles

## As per the International Cooperative Alliance:

3 million co-ops world wide

- 1.2 billion in membership
- 12% of people on Earth are co-op members –Brazil has the most cooperatives

Co-ops employ 280 million people across the globe- that is 10% of the worlds populations

72% of co-ops survive the first 5 years of operations vs. 43% of companies

**MONTANA  
COOPERATIVES  
DIRECTLY  
CONTRIBUTE OVER  
\$1.6 MILLION IN  
FAMILY INCOMES**

Montana Bureau of Business and Economic Research



Montana Bureau of  
Business and  
Economic Research

**MONTANA  
COOPERATIVES  
PROVIDE 24,752  
JOBS IN THE  
STATE**

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*Montana Cooperatives provide an  
economic output of \$7.1 billion  
annually in the State.*

MONTANA BUREAU OF  
BUSINESS AND ECONOMIC  
RESEARCH

**COOPERATIVE'S ECONOMIC  
IMPACT TO MONTANA**

# Cooperatives are autonomously owned by their Members

Co-ops are capitalized by members first and foremost

## Common Stock:

- Has voting rights
- Return on amount of usage of the cooperative (patronage)
- Can run for and elect leadership
- Has active voice in management of the business
  - Part of the Democratic Ownership
- Should be supportive and engaged

## Preferred Stock:

- Non-voting
- Investment Opportunity (wants to see the co-op succeed)
- Receives “dividend” first if co-op is profitable
- No additional ownership

## Cooperatives can:

- 1) Create other cooperatives
- 2) Partner with other businesses and cooperatives
- 3) Own other businesses
- 4) Incubate other businesses
- 5) Receive tax benefits compared to other corporations

## Cooperatives Cannot:

- 1) Be owned by another corporation/business/entity
- 2) Complete major changes without membership approval

# HOW DOES MCDC WORK?

WE CAN  
**CO-OP**  
*that!*

MONTANA COOPERATIVE DEVELOPMENT CENTER



# PHASES IN FORMING A COOPERATIVE



- Exploratory: Will A Cooperative work for your community/need
  - Host an introduction meeting with Interested Parties
- Planning Phase:
  - Form a Steering Committee
  - Identify the actual need- feasibility
  - Build a business plan and DRAFT by-laws
- Legal Phase:
  - File with Secretary of State and Montana Securities
    - Blue Sky Exemption
  - Obtain subscription pledges
- Operational Phase:
  - Collect the \$\$ from members
  - Begin Operations



# HOW DOES MCDC WORK?



# CONTACT US!

## General:

[mcdc@mcdc.coop](mailto:mcdc@mcdc.coop)

406-727-1517

[www.mcdc.coop](http://www.mcdc.coop)

- Davey Madison, Program Director (all types)

[davey@mcdc.coop](mailto:davey@mcdc.coop)

- Nicole Borner, Co-op Specialist (investment, housing, hybrids)

[nicole@mcdc.coop](mailto:nicole@mcdc.coop)

- Sophie Nelson, Equity Manager (Native American and Women-led)

[sophie@mcdc.coop](mailto:sophie@mcdc.coop)

Tracy McIntyre, Director

cell: 406-868-0757

[tracy@mcdc.coop](mailto:tracy@mcdc.coop)

