

Cooperatives: Invest in Cooperation!

The Cooperative Fund of New England

...is a revolving loan fund serving co-ops, democratic worker-owned businesses and community organizations. Investors include individuals, socially responsible investment firms, faith-based organizations, and cooperatives. A certified Community Development Financial Institution, CFNE has an over 30 year track record of success, including:

- Over \$15 million in investment lent out for community development.
- More than 400 loans made to new or expanding co-ops and community organizations.
- The creation or retention of more than 5,800 jobs and 2,900 units of housing.
- Throughout its history, no investor has ever lost money in CFNE.

The Cooperative Capital Fund

...was launched in 2007 to augment CFNE's loan services by providing new capitalization options that perform like equity without altering the unique nature of a co-op as a member-owned and -controlled enterprise. The goals of the Cooperative Capital Fund (CCF) are to:

- Provide co-ops with patient, equity-like capital for start-up and expansion.
- Offer an investment vehicle for co-ops and others to support co-op development.
- Provide co-ops with funds to leverage resources from other sources.



Construction starts at the new River Valley Co-op Market in Northampton, MA. The timbers in the photo were produced by the Massachusetts Woodlands Co-op in S. Deerfield, MA.

Why Should Co-ops Invest in CFNE & CCF?

CFNE and CCF are investment options that help co-ops, individuals and organizations put the principle of "Cooperation among Cooperatives" into action by:

- Putting your resources to work helping people help themselves through cooperation.
- Enabling you to receive a return without compromising your values.
- Reducing risk through diversification of investment across many projects.
- Building the cooperative economy across all co-op sectors and industries.
- Entrusting your resources to an organization with a 30-year record of integrity, success, and impact.

Cooperation Among Cooperatives

Since the founding of the modern co-operative movement in 1844, co-ops have been guided by an evolving set of principles that identify their unique purpose, structure, and way of working together.

The 6th Principle of the Cooperative Identity, "Cooperation among Cooperatives," notes that "cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures."

Co-ops in our region have a long history of collaboration and mutual support and have been proactive in ensuring that there is financial and technical support for cooperative development. Back in 1975, for example, a group of activists and social investors founded the **Cooperative Fund of New England** (CFNE) to provide loans to start-up and expanding co-ops that were underserved by mainstream lenders.

In 1994, leaders from across co-op sectors established the **Cooperative Development Institute** (CDI) to provide education, training and technical assistance to co-ops in our region. CDI supports cooperative enterprise across the Northeast.

And in 2006, CFNE began a dialogue with co-op leaders to assess the evolving financial needs of the movement. In response to this input, the Fund launched the **Cooperative Capital Fund** (CCF) to supplement its lending activities with a source of patient, equity-like investment for under-capitalized or expanding co-ops.

When it came time to support this new effort, co-ops again stepped up to the plate: CFNE needed to raise matching funds for a grant that would help develop CCF, and cooperatives from across the region made contributions both large and small. Now, with this new fund successfully launched, co-ops are becoming investors, making their resources available for a new wave of cooperative development in communities across our region.