



## Newsletter 21 - October 2004

We always appreciate your comments and contributions. Please email any suggestions or news items to the editor of ACCORD NEWS, Suzanne Henderson at [suzanne.henderson@uts.edu.au](mailto:suzanne.henderson@uts.edu.au).

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### Commentary

#### Globalisation threatens traditional agricultural co-ops

**"The need to seek substantial**

The impact of globalisation on the agricultural food sector has brought many challenges to the traditional co-operative, writes Eddie Oczkowski

**levels of additional capital has lead to the emergence of new co-operative forms. These forms still maintain some vestiges of the traditional form and present viable alternatives to full demutualisation and conversion to the investor owned form",**  
**Eddie Oczkowski**

It is reasonably clear that given the structural changes emerging from the effects of globalisation on the agricultural food sector, traditional co-operatives are finding it difficult to survive. The need to generate additional capital to expand and compete in a more competitive global environment has led some traditional co-operatives to modify their organisational form...

[Read the full Commentary](#)

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**ICA Regional Assembly for Europe**

**[Co-ops Learn to Thrive in a Competitive Economy](#)**

**"The co-operative model is infinity flexible and can be adapted and developed to meet local community needs. In this way co-operatives become the bridge between local people and the global market in which we all live,"**  
**Dame Pauline Green, ICA Europe President.**

ACCORD'S Communications Manager, Suzanne Henderson, recently joined delegates from the European and Asian regions, at the ICA Regional Assembly for Europe in Warsaw, 23-24 September 2004.

Suzanne delivered the results of new research, conducted by ACCORD, on the status of co-operative communications globally, and later spoke on the topic of media coverage of the co-operative sector, from the perspective of Australia.

Whilst at the conference, [Suzanne interviewed ICA President, Ivano Barberini](#) who outlined his views on the importance of communications for a flourishing co-operative movement.

The conference titled "Building a Co-operative Europe - Thriving in a Competitive Economy", heard from many speakers including Dame Pauline Green, ICA Europe

President, who spoke to the conference theme, about her ideas for increasing the profile and visibility of co-operatives in Europe. Oleksiy Nestulya, Rector of Poltava University of Consumer Co-operatives, Ukraine, spoke about development assistance to co-operatives in a session titled: *International Partnerships - The Development Agenda*, and [Vanda Giuliano \(read interview\)](#), Chair of the ICA Gender Equality Committee, spoke about why gender equity is good for business, at a session titled: *Gender Perspectives in Successful Co-operatives*.



Vanda Giuliano

A full three-day program offered many interesting perspectives on co-operative development. Ian McDonald, Director General ICA, chaired the session, *Doing business between Co-operatives - Fair trade*. This session concentrated on the increasing importance of fair trade in the global economy and the special role played by co-operatives in this.

[Jo Bibby-Scullion \(read interview\)](#), ICA Youth Network Board member, chaired a session on *Young Entrepreneurs Engaging in Co-operatives* and Nina Jarlback, Chair of KF Board Sweden, chaired a session on *Corporate Social Responsibility - Why bother?* This session demonstrated how co-ops are world leaders in social responsibility and showed that they are uniquely placed to make significant contributions to CSR.



Jo Bibby-Scullion

The newly formed [ICA Communications Committee \(ICACC\)](#) held its inaugural meeting to formulate a strategy for improving co-operative communications across all sectors. It was decided the action plan should focus on the three core areas of uniting, serving and representing co-operatives. One of the first tasks of the committee is to produce a generic communications kit for major co-operative promotions.

Caroline Naett, Secretary General, [European Community of Consumer Co-operatives](#) was elected Chair of the committee. The committee also met with the Communications Manager to the Polish Prime Minister, in

the PM's office, to exchange practical experiences in communications, especially media. More information: [Garry Cronan, Communications Manager ICA](#).



*A Polish folklore dance group at the opening ceremony of the ICA Regional European Conference.*

Links:

- [Conference program](#)
- [Interview with Dame Pauline Green: ICA Weekly Digest, Vol. 1, No 24.](#)

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## ACCORD Projects

### Investment incentives on share capital

In a new research project ACCORD will examine the issue of investment incentives linked to former member entitlements. Co-operatives can re-evaluate their assets and distribute bonus shares to members, effectively permitting members to share in the increase in the net worth of the co-operative during their membership, rather than at the time they leave the co-operative. Co-operatives will need to consider broader management issues regarding the regularity of bonus share and dividend issues that are not matters for legislation, but rather matters for education and managerial discretion. Anyone interested in this project should contact Paul Fitzgerald, Deputy Director, ACCORD, [paul.fitzgerald@uts.edu.au](mailto:paul.fitzgerald@uts.edu.au). A similar project, has been undertaken in the UK. [Read More](#)

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### Co-operative Profile

#### Co-op Kids

Visit the [Co-operative Housing Federation of British Columbia](#) for kids information on Co-ops.



## Social Enterprise Partnerships

**Social Enterprise Partnerships** support ventures and partnerships for social purposes. They produce a regular [newsletter](#) of activities.

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### The Peppercorn Artists Group

The Peppercorn Artists Group in Richmond (Tasmania) has been

#### What is Social Enterprise?\*

Markets and governments play vital roles in Australian life. But by themselves, neither can create strong, inclusive and prosperous communities. Both need a third sphere of initiative-taking and relationship-forming activity to



*Peppercorn Gallery*



*Members of the Peppercorn Artist Co-op in Richmond (Tasmania) in their gallery*

formed by a local group of artists to re-open the Peppercorn Gallery as a co-operatively run outlet for their work. The Peppercorn Gallery had a long-standing reputation as an outlet for fine art and craft and it is the aim of the group to maintain this reputation.

[Read the full profile](#)

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interact with. Both need a strong civil society in which people - as individuals, families, communities, associations and businesses - interact, form partnerships and generate ventures to achieve social purposes.

\*from [Social Enterprise Partnerships](#)

**The Co-operative Advantage**

**Alternative Money Markets**

As reported by The Australian Financial Review (2/9/04), the new private initiative - Australian Pacific Exchange - will establish a "freer" stock exchange targeting small and growing SMEs. It will be suitable to companies with an unusual capital structure such as co-operatives and could prove useful to the trading of Co-operative Capital Units in trading co-operatives.

A copy of the [Alternative Investment Market \(AIM\)](#) in the UK (though the Australian Pacific Exchange is competitive to the Australian Stock Exchange (ASX), whereas the AIM is a venture of the London Stock Exchange), the new exchange can offer better, cheaper, and a much more personalised and flexible regulatory approach to allocating and trading "employee shares", than the ASX, particularly through the use of the "Nominated Adviser". The "Nominated Adviser" (Nomad) - is the key to reducing the cost and complexity of both investor protection and smaller scale share trading. This could assist the spread of Employee Share Ownership Plans (ESOPs) in small, private and unlisted companies, and equity investing in co-ops through CCUs.

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**Co-ops over the airwaves**

**The story so far.....**

Synopsis 6/09/04

"Ruth watches Sam delivering a calf, and Sam questions Ruth's decision to stick with the milk co-op. Ruth doesn't like Sam's tone, and resents the fact that the matter has been discussed behind her back. She tells David that she doesn't appreciate him discussing her decisions with Sam. David points out that Sam's right: they are losing money with the co -op, and maybe it's time to change. Ruth stands firm, and tells David that she won't feel ganged up on in her own home."

Synopsis 7/09/04

"Ruth talks to Phil about her dispute with David over the co-op. She expects Phil to be on her side, but he points out that times have changed, and it might be in her interests to reconsider. Ruth apologises to David, and promises to give the matter some more thought."

Britain's famous long-running agricultural radio soap, The Archers, has provided the perfect setting to debate the benefits of agricultural co-ops. Catch the storyline at [BBC Radio 4](#) .

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### **'No worries' about the fine print**

The simple philosophy of equality and a 'fair go' is the fundamental idea behind the Muslim Community Co-operative Australia (MCCA). MCCA is the first progressive financial venture of its kind in Melbourne and Sydney. Fully independent, it doesn't 'lend' per se, but shares money, that isn't quite money and 'co-owns' homes with thousands of people.

[Read full article](#)

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### **SME ownership succession**

Employee ownership and the opportunities arising for both co-operatives and employee share ownership from retiring business owners, who wish to sell their business to their employees, has been the subject of a new project that investigates practical solutions in this area. The project has the key objective of researching opportunities in the growing business ownership succession market, and has been exploring potential new business models at the intersection of mutuals with Employee Share Ownership Plans (ESOPs).

[Read full article](#)

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### **ICA News**

#### **[DotCoop welcomes co-op as registry operator](#)**

Oxford, Swindon & Gloucester Co-operative Society Ltd (OS&G) will take over the registry operator business for the .coop TLD, from Poptel Limited. OS&G, based in the UK, has also purchased the .coop registrar business from Poptel.

Stories from the ICA Weekly digest are archived on the [ICA's website](#)

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### **News in Brief**

#### **Australia**

##### **[Community enterprise: What role for government?](#)**

In Australia, in recent years, as the limitations of both state and market in meeting diverse social, environmental and economic needs has become apparent, the contributions of the third (or nonprofit or social economy) sector have received renewed interest. In a paper for the Department for Victorian Communities, Dr Jo Barraket, lecturer for social policy at Melbourne University, and former research fellow at ACCORD, provides a starting point for discussion about the nature of community and social enterprise in Victoria, and the role that government can play in supporting this field of activity.

##### **[UNITY to offload chemist shops](#)**

With the retail pharmacy industry still waiting for clarification on the Bracks Government's proposals to reset ownership limits in Victoria, Australian Unity has signed deals to sell 11 of its 13 pharmacy outlets.

The sale marks the break-up of the state's third biggest pharmacy chain after East Yarra Friendly Society, which owns 44 outlets, and National Pharmacies, the South Australian friendly society, which owns 24 stores in Victoria.

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#### **UK**

### Desperately seeking support

Two recent reports suggest that despite the official enthusiasm for social enterprise practical support is hard to find.

The first report, *Turning big ideas into viable Social Enterprise*, was commissioned by Triodos, the UK's leading social bank. The second report, titled *Social Enterprise in the balance - Challenges for the voluntary sector* has been published by Charities Aid Foundation (CAF).

### Co-operative capital

Co-operative Capital is a research project that is developing a new approach to long-term investment in co-operatives, aiming to help younger, fast growth co-operatives fill funding gaps of between £1 million and £20 million.

Launched in October 2002 by the New Ventures Panel of Co-operatives UK, the project is funded by Co-operative Action and supported by The Co-operative Bank. The project culminates with the launch of a book, *Co-operative Capital*, at the *Power to the People?* conference in London on 14 October 2004.

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### **Other territories**

#### International accounting body still getting it right for co-ops!

Co-operatives News, New Zealand Co-operatives Association Inc

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### **What's On**

#### **In Australia**

#### **What Kind of Third Sector, What Kind of Society?**

7 October 2004, Room B.423, Faculty of Business

University of Technology, Sydney (UTS)

Haymarket Campus, Quay Street, Haymarket

RSVP to [cacom@uts.edu.au](mailto:cacom@uts.edu.au) or phone 02-95145104 / fax 02-95145583

#### **International Ethical Investment Association Conference 2004**

Telstra Dome, Melbourne, Australia, 14 & 15 October 2004

Website: <http://www.eia.org.au>

#### **Community Economic Development Conference 2004**

##### **Building Capacity in Communities**

Central Coast Leagues Club, Gosford NSW, 17-19 October 2004

Further information: Ph 1300 368 783, Fax 02 6650 9700

Email: [info@eastcoastconferences.com.au](mailto:info@eastcoastconferences.com.au)

WWW: <http://www.regionalcommunities.nsw.gov.au>

#### **Where To Now ?**

##### **Corporate Social Responsibility in the next political term**

20 October 2004, Wentworth Hotel, 61 - 101 Phillip Street Sydney

Further information: Green Capital - Total Environment Centre

Ph: 02-9279 2945, Fax: 02-9299 4411, Email: [green.capital@tec.org.au](mailto:green.capital@tec.org.au)

WWW: <http://www.tec.org.au>

#### **Advocacy & Accountability and Recruitment of Third Sector Executives**

Centre for Australian Community Organisations and Management (CACOM)

21 October, Room B.423, Faculty of Business, Graduate School of Business

University of Technology, Sydney (UTS), Haymarket Campus, Quay Street

RSVP: [cacom@uts.edu.au](mailto:cacom@uts.edu.au) or phone 02-95145104 or fax 95145583

#### **Bursting at the seams?**

**Social sustainability and Sydney's future**

1 & 2 November 2004. Crowne Plaza Hotel, Parramatta  
Further information: Shelter NSW, Ph: 02-9267 5733  
Email: [flora@shelternsw.org.au](mailto:flora@shelternsw.org.au)

### **Making Links**

Conference for people working with websites in non-profit and community sector organisations in Australia.

Sydney, 8 & 9 November 2004

Website: [http://www.communitybuilders.nsw.gov.au/events/20040629\\_845.html](http://www.communitybuilders.nsw.gov.au/events/20040629_845.html)

### **Australia New Zealand Third Sector Research Conference**

Building Bridges & Strengthening Bonds

Broadening our Understanding of Third Sector Across Regions & Diversity

24-26 November 2004, Queensland University of Technology, Gardens Point Campus, Brisbane

Website: <http://www.business.uts.edu.au/cacom/seminars/2004/nov24.pdf>

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### **Overseas**

#### **Agriculture Cooperatives Study Tour, Korea,**

**6-9 October 2004**

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E-mail: [andrew.k@icaroap.org.sg](mailto:andrew.k@icaroap.org.sg)

Website: <http://www.icaroap.coop>

#### **The Co-operative College 2004 International Programme: "The importance of Women in Co-operatives Today" - a programme about women for women**

**4-9 October 2004**

Place: Manchester, United Kingdom

Website: [Co-operative College](#)

#### **3rd Asia-Pacific Regional Research Conference**

30 November 2004, Lotus PSK Hotel, Chiangmai, Thailand

Website: <http://www.icaroap.coop/evDetails.asp?id=33> (News Archives)

#### **The Co-operative College 2004 International Programme: English Through Co-operation - language training programme**

**6-10 December 2004**

Place: Manchester, United Kingdom

Website: [Co-operative College](#)

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### **About this Newsletter**

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We welcome your comments on our newsletter and any suggested topics or items for inclusion in the next issue, due for publication in November. If you have any items of interest please ensure that these are forwarded to [suzanne.henderson@uts.edu.au](mailto:suzanne.henderson@uts.edu.au) by 27 October 2004.

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