



Shared Capital™ Cooperative

BUILDING ECONOMIC DEMOCRACY

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Executive Director

Shared Capital's Mission

Shared Capital Cooperative's mission is to build a just, equitable and democratic economy by investing in cooperative enterprises.





40 YEARS BUILDING ECONOMIC DEMOCRACY | **Shared Capital Cooperative[®]**

What is a Cooperative?

A cooperative is a jointly owned and democratically controlled enterprise formed by a group of people to meet common economic needs.



BERMUDA CREDIT UNION

CO-OP. SOCIETY



- Open Membership & Nondiscrimination
- Democratic Control – one person, one vote, irrespective of share ownership;
- Continuous Education;
- Not for Profit, Not for Charity, but for service
- Surpluses are spread equitably across the membership and not to an elite class of shareholders;
- Patronage Refund – where supernormal surpluses are made in any financial year, refunds for interest paid on loans may be made; and
- Co-Operation among Co-Operatives.

ACE Hardware

- Purchasing or Retailers Cooperative
- 4800 stores in 60 countries with over \$5 billion in sales
- Founded 1924 by the owners of 5 Chicago hardware stores
- In 1973, restructured as a cooperative
 - sold to its retailers and
- Independent retailers are the exclusive shareholders
- ACE's strategy: to use network power to provide better customer service

Example 3



STORY OF A FOOTBALL CLUB

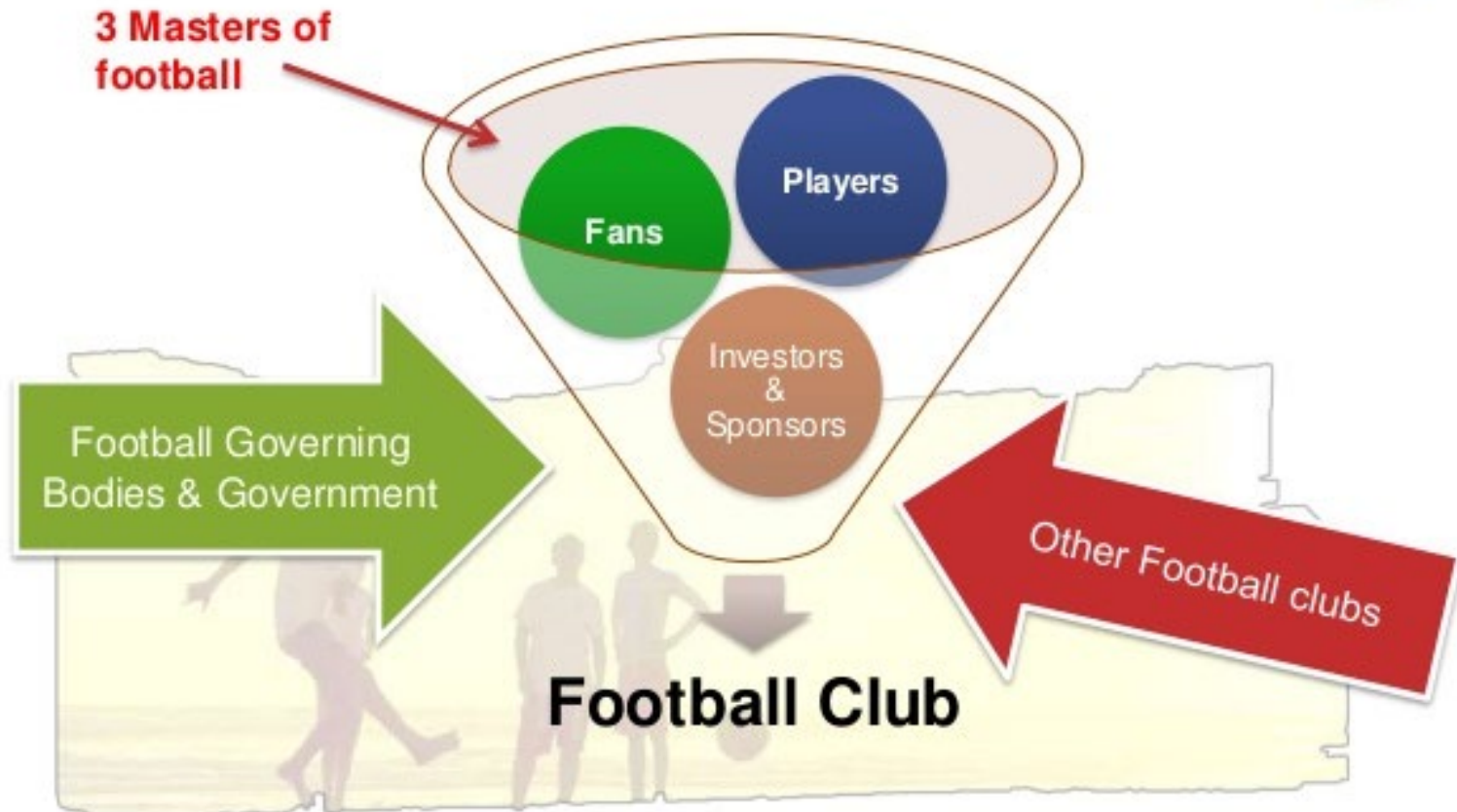


On 22 October 1899, **Hans Gamper** placed an advertisement in Los Deportes declaring his wish to form a football club; a positive response resulted in a meeting at the Gimnasio Solé on 29 November. Eleven players attended and **Football Club Barcelona** was born.





FOOTBALL ECOSYSTEM



Football is a beautiful game but tough business.
When other businesses are driven by profit,
football is driven by passion. Our task is to blend
profit with passion perfectly .



BENEFITS OF COOPERATIVE MODEL



Advantages of the Cooperative Business Model

- Owned by those most committed to your business
- Smaller investments required from broad base of membership
- Market information comes straight from members
- Respond to what members want

Comparison of Business Types

	Sole Proprietor	Cooperative	Public & Private Corporations
Authority & Decision Making	100% Owner	1 Member: 1 Vote	\$\$: Votes
Governance	Owner Only	Board of Directors Elected by Members	Board of Directors Elected by Shareholders
Management	Owner or Hired Manager	Hired General Manager or CEO	Hired General Manager or CEO

Co-op Capital Sources

Source	Senior Debt	Sub-Debt	Equity
Members		✓	✓
Family & Friends		✓	✓
Foundations		✓	✓
Impact Investors	✓	✓	✓
Loan Funds	✓	✓	?
Banks	✓	✓	

Cooperative Opportunities in Bermuda



Sports Club(s) Cooperative

Existing State Within Too Many Clubs

- **Assets** in need of renovation
- **Single/minimal** revenue streams
- **Project/program** management challenges
- **Committed** member base
- **Vague/inconsistent** member benefits
- **Erratic** member communication

Sports Club(s) Cooperative

Vision of What *Could* Be

- **Developed/well-maintained** assets and infrastructure
- **Multiple** revenue streams/cash-flow
- **Members** to be owners/optimum decision-making & forward planning
- **100 members** x \$1,000 = \$100,000
 - What *could* happen with this equity investment for 3 consecutive years?
- **Clear** member benefits & value proposition
- **Consortium** of club cooperatives



Why Would Your Sports Club Become a Cooperative?



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