

PEOPLE, PLANET, & PROFIT

THOUGHTS WITH MICHAEL PECK

**Why the Triple Bottom-Line is
Key to our Economic Success**



Photo credit: American
Sustainable Business Council.

HOW DO WE CREATE AN ECONOMY THAT WORKS FOR ALL?

People • Planet • Profit Business | Thoughts with Michael Peck

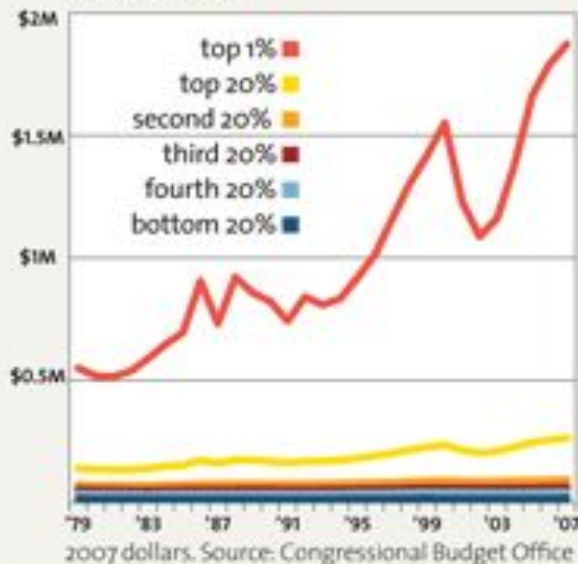
What happens when you put profit over people for generations?

- ❖ Income inequality
- ❖ climate change

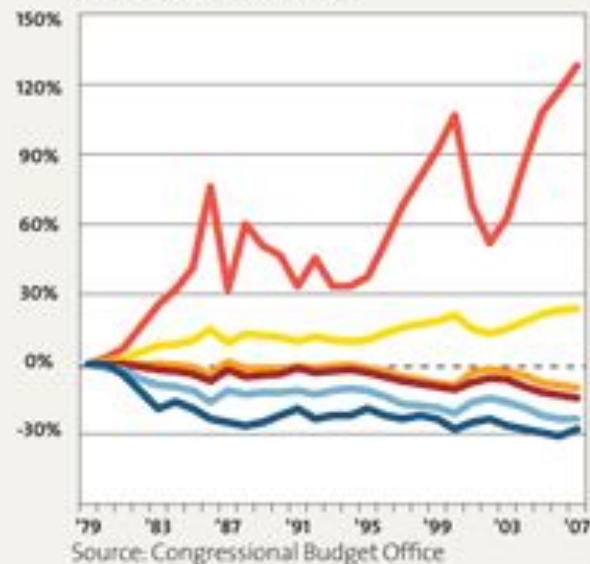
WINNERS TAKE ALL

The superrich have grabbed the bulk of the past three decades' gains.

AVERAGE HOUSEHOLD INCOME
before taxes



CHANGE IN SHARE OF INCOME
vs. 1979, after taxes



**Can we create an
economy that prioritizes
People, Planet, AND
Profit?**

Mondragon's Cooperative Ecosystem

- ❖ transformed an area out of poverty
- ❖ resiliency



Photo credit: Joxe Aranzabal, "Ulgor", CC BY-SA 3.0



Photo credit: Fagor Arrasate, S.Coop, CC BY-SA 2,5

How did they do this?

- ❖ Instead of a co-op standing alone, Mondragon is a co-op of co-ops, a family of co-ops
- ❖ Solidarity Culture is found in both Mondragon and the Labor movement



Worker empowerment based on “one worker, one vote”

- ❖ Share ownership is based on the following Mondragon principles

10 Mondragon Cooperative Principles

Open Admission	Co-ops will not discriminate in hiring
Democratic Organization	One worker, one vote
Sovereignty of Labor	Workers run the cooperative
Participation in Management	Development of adequate systems for participation, transparency, consultation, and negotiation
Instrumental & Subordinate Nature of Capital	Providing and creating jobs is prioritized over increasing the marginal return on investments
Wage Solidarity	Highest paid workers earn no more than 3-7 times more than lowest paid workers
Inter-Cooperation	Working cooperatively with other co-ops is valued and essential
Universality	Solidarity with all those who work for economic democracy
Social Transformation	Support and invest in social change
Education	To promote establishment of these principles

How are we doing this in the U.S.?

- ❖ 1worker1vote is building a national network of unionized worker-owned cooperative businesses to overcome inequality of opportunity, mobility, and income.

1:1
1worker1vote.org

- Supports the creation of new union worker co-ops (UWC) and union worker co-op networks
- Connect and support existing union cooperatives



1worker1vote brings together the solidarity of unions, the business skills of cooperative owners and the strength of a national like-minded network to Support the creation of new union worker co-ops (UWC) and Union worker Cooperative Initiative networks (UCIs) and connect and support existing union cooperatives.



The U.S. National Network

- ❖ Integrated national network
- ❖ Improving access to capital
- ❖ Education
- ❖ Promoting pro-cooperative policies

9 CO-OP NETWORKS
LAUNCHING

TECHNICAL ASSISTANCE
TO GROUPS IN **20** CITIES

200+ NATIONAL
SYMPOSIUM
ATTENDEES

What brought the Mondragon Model to the U.S.?

- ❖ United Steelworkers 2009 Historic Agreement w/ Mondragon



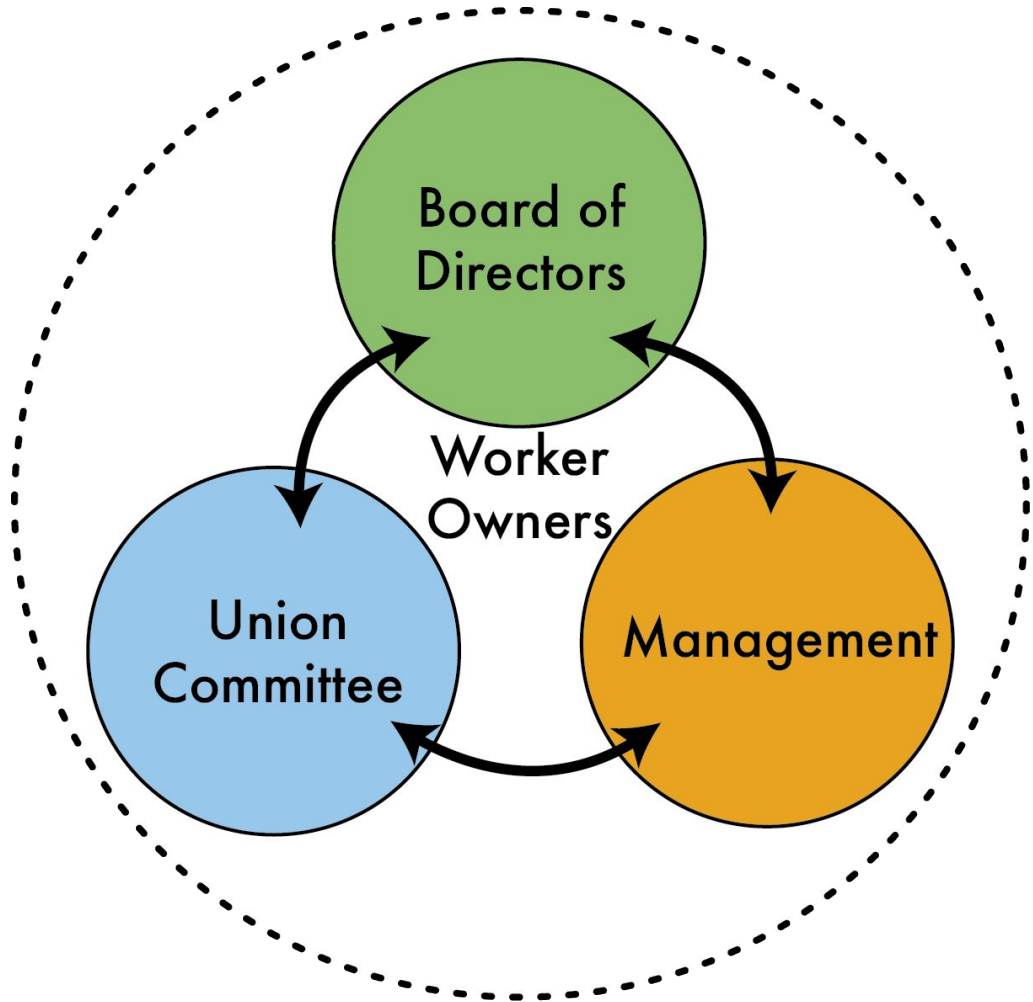
What Is a Mondragon-Style Union Co-op?

- ❖ A for-profit business owned and directed by workers.
- ❖ This business model utilizes the collective bargaining process and is guided by the core principles of sustainability, solidarity, accountability, and community and is based on the Mondragon principles.



How is a Union Co-op Structured?

- ❖ The Organizational Structure of Union Cooperatives is based on the Mondragon model with the social council replaced with a union committee.



What Unions bring to the Co-ops.

- ❖ Advocating for worker-owners as workers
- ❖ More harmonious, collaborative work environment
- ❖ Access to improved benefits
- ❖ Political advocacy



What the Co-ops bring to the Unions.

- ❖ Framework to counter the “race to the bottom”
- ❖ Proactive solutions for organizing in a political situation
- ❖ A constructive way to respond to layoffs, plant closures, and strikes
- ❖ Model family sustaining jobs workers are fighting for



**What does a network
of Hybrid Shared
Ownership Models
look like?**

A Hybrid Shared Ownership Model Co-op Network

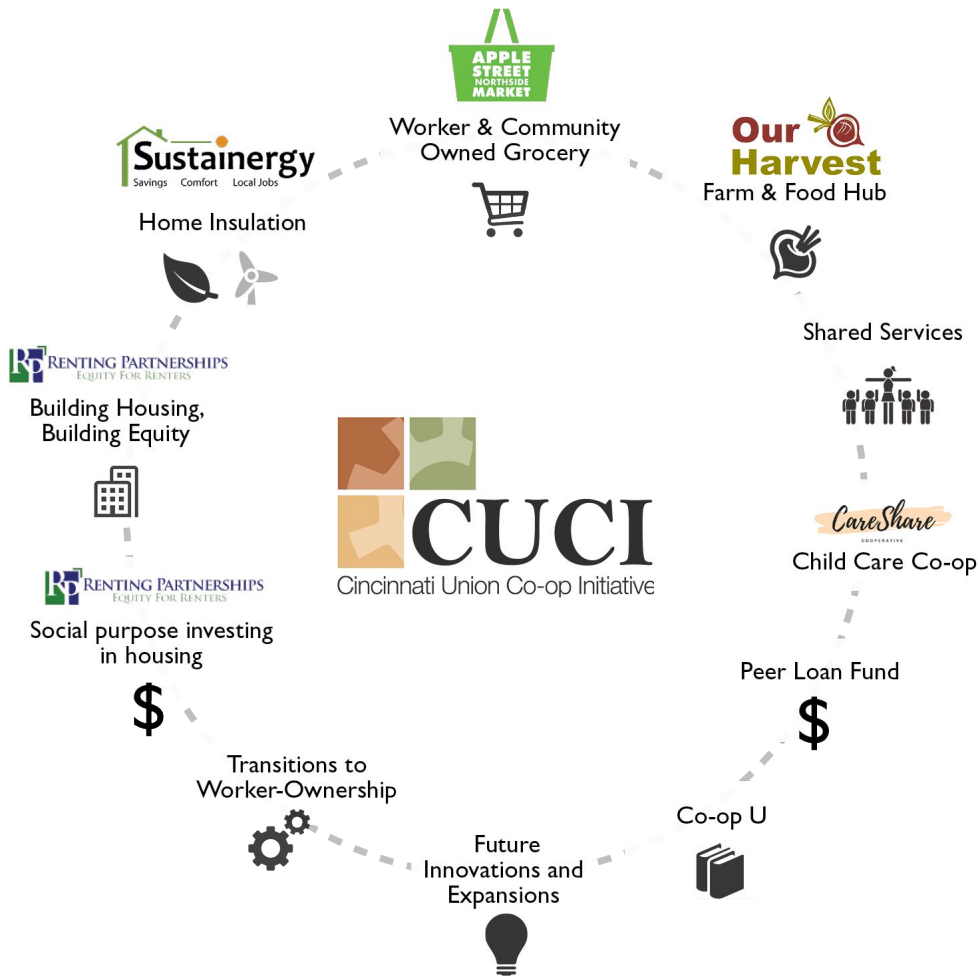
❖ Creates and supports union worker co-ops by:

- Incubating
- Supporting
- Converting
- Expanding Opportunities
- Accessing Capital
- Developing Other Networks



Cincinnati's Hybrid Shared Ownership Model Co-op Network

- ❖ 5 co-ops & organizations
- ❖ Loan fund and Co-op U
- ❖ Transitions program

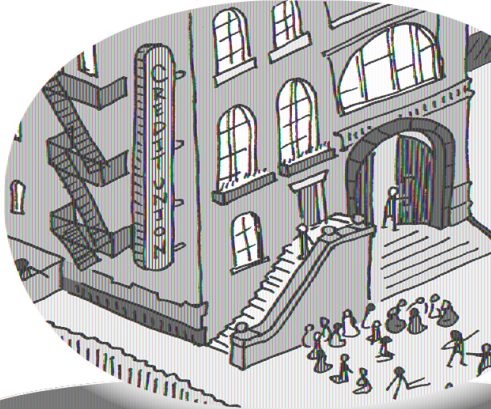


CUCI Services



Business Analysis & Planning

Guide established businesses and
through the process of creating
co-op from concept to launch



Networking & Sourcing

Attract and secure people and
money to launch and grow
union co-ops



Popular Education & Culture Building

Develop curricula, training, & events
to teach workers about running
community-minded co-op businesses

Our Harvest

Farm & food hub

Founded: 2012

- ❖ 9 workers
- ❖ 1st Mondragon modeled union co-op in the US





Home insulation &
mold remediation

Founded: 2014

- ❖ 5 workers
- ❖ Most profitable CUCI Co-op





Affordable housing model enabling renters to build equity

- ❖ 10+ year, third-party tested model
- ❖ Addressing gentrification



Large-Scale Union Co-ops in the U.S.

- ❖ Cooperative Home Care Associates (CHCA) – 2,000+ workers
- ❖ Lobster 207 500+ workers
- ❖ Green Taxi Cooperative



How do you start a Hybrid Shared Ownership Model Co-op Network?

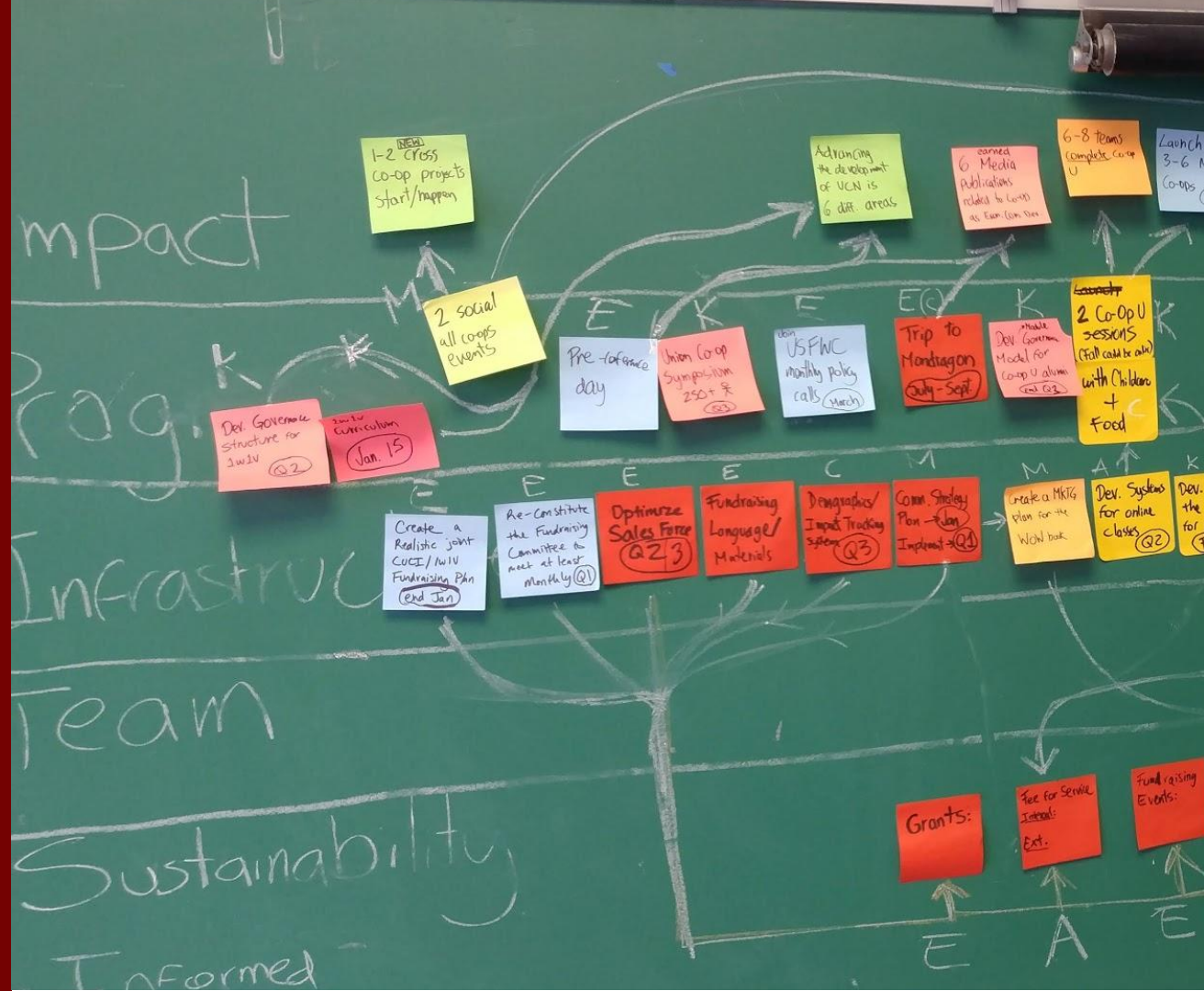
RESEARCH & RELATIONSHIPS

- ❖ Study the USW Union Coop Template, the Mondragon Model, and Coop History
- ❖ Establish deep relationships with the Labor Movement and other key organizations in your area



What are our strategies?

- ❖ Strategy #1: Support the launch of new co-op businesses
- ❖ Strategy #2: Transitions to Worker Ownership
- ❖ Strategy #3: Supporting Existing Co-ops



Strategy #1: Support the launch of new co-op businesses

- Co-op U (12 week co-op development course)
- 1 on 1 technical assistance
- Co-op Loan Fund



Strategy #2: Transitions to Worker Ownership

2/3 **OF ALL
U.S. SMALL
BUSINESSES**

**ARE OWNED BY
BABY BOOMERS**

.....

80% **ARE AT RISK OF
SHUTTING
DOWN**

Strategy #2: Transitions to Worker- Ownership

- Valuations
- Feasibility Assessment
- Business Planning
- Cooperative Culture Building



Strategy #3: Supporting Existing Co-ops

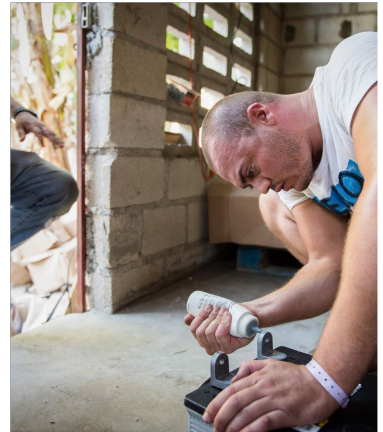
Provide wrap-around
support:

- Culture-building
- Financial Literacy
- Business analysis
and planning



Opportunities in Bermuda

- ❖ Sports Club(s)
- ❖ Solar
- ❖ GenYZ Events Management
- ❖ Vertical Farming
- ❖ Healthcare
- ❖ Procurement
- ❖ Staff/Agency Hiring Hall
- ❖ Elderly Care
- ❖ Maintenance



Assets in Bermuda

1. Entrepreneurial culture
2. Cooperative underpinnings
3. Supportive Government/BEDC
4. Education infrastructure
5. Strong island identity
6. Economic need
7. Ideal island size
8. Informal co-op laws
9. Access to decision-makers
10. Strong public interest



Entrepreneurship speaker presentation at Bermuda's Global Entrepreneurship Week

Immediate Challenges

1. Individualistic capitalism
2. Informal entrepreneurship sector
3. Traditional power structure
4. Over-reliance on two major industries
5. High cost of living
6. Lower wage job sector
7. Government regulations
8. No co-op development existing
9. Few co-op-minded communities
10. Evolving co-op history
11. Few co-op leaders and projects



Systemic Challenges

1. Potential change in political priorities
2. No clearly identified financing for cooperative businesses
3. Lack of identified & broader community leadership
4. Perceived solidarity deficit in Bermudian culture
5. Democratizing existing economic, power and cultural infrastructure hierarchies



Mondragon Exportable Tools

- ❖ **SAIOLAN**
(large-scale co-op incubation)
- ❖ **BILBAO INNOVATION
FACTORY**
(a single space driving
university training and
innovative business
initiatives)
- ❖ **GATZENPRESA/ LABORAL
KUTXA**
(wrap around technical
assistance from business
idea through the life of the
business & access to
financing for historically
excluded individuals)



Start your OWN Hybrid Shared Services Model Co-op Network!

Need Help? Work with us!

1worker1vote.org | mpeck@mapagroup.net

cincinnatiunioncoop.org | info@cincinnatiunioncoop.org