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CFNE News

Fall 2009

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COOPERATIVE FUND of New England

Definition of a Cooperative

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity.

Visit us on line at at www.coopfund.coop to learn about our borrowers; print out our loan application; download our prospectus; and find links to our borrowers, other community development organizations, socially responsible investing sites, and cooperative business assistance sites.

OUR MISSION

CFNE advances community-based, cooperative, and democratically owned or managed enterprises with preference to those that serve low income communities through:

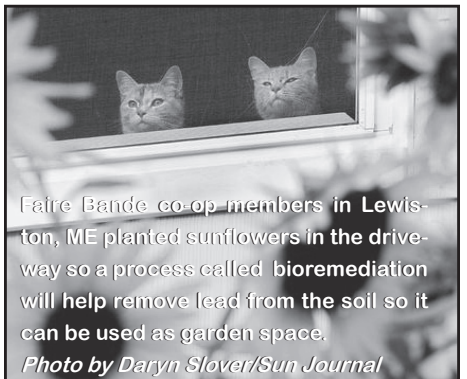
- provision of prompt financial assistance at reasonable rates;
- provision of an investment opportunity that promotes socially responsible enterprise; and
- development of a regional reservoir of business skills with which to assist and advise the above groups.

Loans Approved and Funded

Despite the economic downturn, we continue to fund loans and to support cooperative development. Loans made this year include start-up businesses that are providing local ownership while also supporting their local economy. They are creating and retaining jobs and housing units at a time when they are most needed. At the same time we even received early loan repayment from some borrowers.

Since April, we have funded 15 loans that total over \$871,000 and there is another \$625,000 approved and awaiting funding.

Loans made include: \$117,946 to **Pioneer Valley Photovoltaics (PV2)**, a worker cooperative in Greenfield, MA, to cover installation of photovoltaic energy systems in residences; \$40,000 to **Chatham Real Food Co-op** in Chatham, NY, for start-up working capital; \$200,000 to **Evergreen Manufactured Housing Co-op** in Warren, MA, for the purchase of their property; four loans totaling \$56,113 to **Littleton Food Co-op**, a start-up in Littleton, NH, for equipment purchases in participation with five local banks; \$50,000 to **Franklin County Dial/Self**, a



Faire Bande co-op members in Lewiston, ME planted sunflowers in the driveway so a process called bioremediation will help remove lead from the soil so it can be used as garden space.

Photo by Daryn Slover/Sun Journal

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Outreach and Conference News

Conference participation by CFNE outreach and board members includes the attendance by Erbin Crowell and Betsy Black at Neighboring Food Cooperative Association meetings, the organization by Mary Hoyer of the East Coast Workplace Democracy Conference, attended by Glen Ohlund and Erbin Crowell, as well as Betsy Black's participation in the Green Mountain Power Energy Fair in Shelburne, VT.



Carrie Rice, organizer of the Sustainability Fair at Worcester State College is pictured with CFNE's Mary Hoyer

Photo by Erika Sidor



October is Co-op Month - what better way to celebrate and acknowledge the month than to support your local cooperative and to support the Cooperative Fund of New England! In 2010 we will celebrate our 35th year of operation.

There has been renewed interest in the cooperative model of business amidst the healthcare debate. The increased attention is welcome by those of us who provide financial services and support cooperatives. Although there are many types of co-ops, USDA Under Secretary Dallas Tonsager reiterates that "they are all based on the philosophy of being operated solely for the benefit of the member-owners of the business who use its services..."

Times are challenging and we are working as hard as we can to assist in an economic recovery by supporting cooperatives that provide jobs and housing as well as community based nonprofits that provide for basic human needs. We continue to seek and develop a creative variety of ways to serve cooperatives. Now we do more than make loans. Now we can provide long term equity and patient capital investments in the co-ops we support.

Co-op month is the ideal time to bring the initial funding of Cooperative Capital Fund (CCF) to a close. As we near the end of our initial funding period for CCF I encourage everyone to consider placing funds as a charter investor. Don't miss this opportunity! Investment opportunities in CFNE remain available. As you may already know none of our investors has ever lost a penny.

We need your help and support. Visit www.coopfund.coop to keep posted on our progress and consider CFNE when year end donations are made. Thank you for your continued support!

— REBECCA DUNN

PEOPLE AT CFNE

At the November annual meeting, the Cooperative Fund board welcomes new board member Margaret Atkinson. Margaret brings extensive nonprofit board experience to CFNE, as well as a commitment to the cooperative movement. Since 1995, she has worked with Green Mountain Spinners, a worker co-op based in Putney, VT, where she currently serves as marketing director. Recently, she coordinated the writing and production of the Spinners' new knitting book *99 Yarns and Counting: More Designs From The Green Mountain Spinners*. She also has capitalization experience with community development financial institutions (CDFI's) from working at the the Institute for Community Economics.



Margaret Atkinson

Margaret says, "I bring to CFNE the perspective of a person involved in a cooperative business whose membership is more oriented towards the day to day operation of a business as apposed to the participation in the cooperative "movement." Margaret is interested in seeing how CFNE can fit into the broader activities of co-ops in the area." Long ago I made a choice to have a rich life over just making money," says Margaret. "Co-ops show the world that people working together in equality can be successful."

We also want to acknowledge Val Hall's time served on the Board. She works for the State of New Hampshire and was, former manager of Concord Food Cooperative. We will miss her presence at our meetings and appreciate her many contributions.



Val Hall

CO-OP MONTH

October is Co-op Month – a time to celebrate our community co-ops, to reflect on the benefits of working together for a more sustainable, democratic economy, and to promote cooperative values such as honesty, solidarity, social responsibility, and caring for others. It's these values that make co-ops an integral part of the communities in which they operate. Co-ops are community owned and democratically controlled, putting people before profits, generating jobs, and keeping resources local.



CFNE CO-OP TO CO-OP CONNECTIVITY

CFNE and the Neighboring Food Co-ops Association (NFCA), a group of almost twenty food co-ops in western New England, have been working together to promote co-ops to shoppers during Co-op Month. A special "Celebrate Co-ops" card promotes the principle of cooperation among co-ops and lists some of the major co-op food brands available in our region including Organic Valley, Cabot Creamery, Deep Root Organic Co-op, and Equal Exchange. A "shelf-talker" marks co-op products available on the shelves.

Celebrate Co-ops!

GO CO OP

This is a Co-op Product. For more information on why co-ops matter, please visit www.go.coop.

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If you would like to be added to CFNE's mailing list or would like information about either investing or borrowing from CFNE, please email us at

cfne@cooperativefund.org

CFNE Investors

Trillium Asset Management Corporation encouraged us to get CARST™ rated (an evaluation process offered by Opportunity Finance Network), which we did in 2008. Recently, when a loan to CFNE matured from one of Trillium's clients, Trillium recommended that the client double their investment in us, and they did.

Consider promoting cooperatives in perpetuity. You can support the work of the CFNE through a bequest for a specific dollar amount, a percentage of your estate or specific assets from your estate through planned giving, or a donation of your retirement assets. The first step, once you decide you'd like to help, is to contact your attorney for advice about making a charitable bequest or planned gift.



LJ Taylor, Betsy Black, and Jen Gutshall at the June CFNE board meeting held at Equal Exchange, CCF investor and past CFNE borrower in West Bridgewater, MA

CFNE Board

The next meeting of the Board and the annual meeting of CFNE is scheduled for November 9th in Manchester, New Hampshire. It will be at the office of CCA Global Partners, the largest cooperative in the country. Howard Brodsky, one of the founders of CCA Global, was recently inducted into the Cooperative Hall of Fame in Washington, DC.

The board meeting agenda includes such issues as the finalization of a conflict of interest policy, committee reports, strategic planning session follow up, a preliminary budget review for 2010, and election of officers.



We're proud to announce that CCF has reached its minimum level of investment and has begun accepting applications. CCF's first investment was recently approved to Rising Tide Community Market, a 30-year old food co-op based in Damariscotta, ME. The co-op moved to a new location in July, and funds from CCF will provide working capital and support cash flow.

"Moving to our new location was a huge leap of faith for everyone involved," says co-general manager Scott Cooper, pictured on page 1 with co-general manager Maryanne Serebinski. "But thanks to the Co-op Capital Fund's investment, we're excited about continuing to grow and serve our community better."

Investors Wanted!

There is still time for you or your organization to become a charter investor in this innovative new fund. Between now and December 14, 2009, CCF is seeking additional investments from individuals, social investors, foundations, and co-ops. The minimum investment is just \$1,000. Organizations already supporting CCF include Berkshire Co-op Market, Cabot Creamery Co-op, Equal Exchange, Hanover Food Co-op, Hunger Mountain Food Co-op, Middlebury Natural Foods Co-op, City Market (Onion River Food Co-op), South Mountain Company, Upper Valley Food Co-op, and Willimantic Food Co-op.

For more information, or to download a prospectus, please visit:
www.coopcapital.coop or call 800-818-7833.



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The Cooperative Fund of New England (CFNE) was founded in 1975 by co-op activists and social investors to provide financial and technical assistance to food cooperatives. Since then, the organization has expanded its focus, offering development loans and technical assistance to a wide range of co-ops and nonprofit groups that share CFNE's vision of equality, justice, and social responsibility. A "virtual" organization, CFNE serves the New England region through an administrative office in North Carolina and four outreach offices in New England. CFNE is well rated by CARS™ and is a certified US Treasury community development financial institution (CDFI).

Other News

PASS THE WORD

The financial services we now provide to augment CFNE **loans** and CCF **patient capital investments** include:

1. The co-op member loan pass through program is a vehicle to direct co-op member loans to our borrowers.
 2. The co-op member donor program is a vehicle to direct member donations to CFNE and our borrowers.
 3. Matching funds can assist with the cost of borrower technical assistance.
- Call our office for more information:
1-800-818-7833.

MICHAEL MOORE MOVIE FEATURES WORKER CO-OPS

Michael Moore's new documentary, "Capitalism: A Love Story," explores the root causes of the global economic meltdown and takes a comical look at the corporate and political shenanigans that culminated in what he describes as "the biggest robbery in the history of this country" - the massive transfer of U.S. taxpayer money to private financial institutions. But it also promotes an alternative to business as usual: worker co-ops. Try to see it.

Loans Approved and Funded

FROM PAGE 1



ReNew Building Materials
Salvage groundbreaking, in
Brattleboro, VT
Photo by Greg Lesch

community nonprofit providing services to at-risk youth in Greenfield, MA, to help meet cash flow needs; \$30,000 to **Collective Copies**, a worker cooperative in Amherst, Florence, and Belchertown, MA, for equipment purchases; \$252,000 to the **Intervale Center** in Burlington, VT, to refinance their composting equipment; \$15,000 to **Plainfield Food Cooperative** in Plainfield, VT, for cash flow management; \$75,000 to **HAP**,



Anna, Joe, and Maggie enjoy their perch over the Hudson River during an all-school field trip for Bethlehem Children's School
Photo by Deb Mantelth

Inc. (Hampshire Hampden Housing Partnership), a nonprofit housing developer in Springfield, MA, for equipment financing; and \$20,000 to **Fiddleheads Food Co-op**, a new retail store in New London, CT, for equipment purchases. Loans have been repaid by **SunBuild**, a solar energy co-op in Boston, MA; **Deep Root Organic Co-op** in Johnson, VT; **Harvest Food Cooperative** in Cambridge, MA; and the **Community Development Corporation of Southeastern Massachusetts** in New Bedford, MA.