Hi Everyone,

I wanted to share a few link that might be helpful during this process.

The Ohio Cooperative Development Center (OCDC) has a really great “co-op formation kit” here: <http://ocdc.osu.edu/FormationKit/section_headings.html>

If you haven’t seen the Monroe Farm Market Website, check this out: <http://monroefarmmarket.locallygrown.net/>.

They have their Bylaws and Member requirements at the bottom of their homepage.

We can all post to this thread, so please share your thoughts or questions as we go along.

-Joe

Thanks Joe. This looks like a good start. I scanned the material and will review it in greater detail as I get time.

Dan

Hello Folks,

In an effort to deepen my understanding of what a co-op is, I stumbled upon some pretty interesting documents, worth a quick scanning, if not a complete reading.

[Starting a Co-op](http://journeytoforever.org/farm_library/AD38.pdf)

[Cooperatives in the 21st Century](http://learningstore.uwex.edu/pdf/A1457.PDF) (especially beginning page 31)

A couple thoughts:

Regarding our name, I’ve been thinking about cooperatives with successful brand names that aren’t explicitly linked to a specific place: Ocean Spray, Land O’ Lakes, Stonyfield Farms, Cabot Creamery, Florida’s Natural.

In other words, I like the idea of finding something a little more original than Pocahontas County Growers Cooperative...something that sounds intriguing and attractive when paired with “Blueberries” or “Heirloom Tomatoes” or “Honey.”

So far, I’ve come up with “Birthplace of Rivers,” “Eight Rivers,” “Headwaters”

For example, the official name of the organization would be “Birthplace of Rivers Growers Cooperative” while an individual product would be branded “Birthplace of Rivers Blueberries.”

I can’t seem to move my brain from the water-theme. ;-)

Regarding members, I would be willing to be listed as a founding incorporator and to serve as an interim member of the BOD.

Regarding stock, I don’t know how to think about number of shares and share valuation because I really don’t have a sense of what our immediate capital needs are and thus what our target initial capital investment should/would be. Joe, it would help if you could sketch out a 2013 budget with minimum operating costs/capital investments enumerated. I’d like to see what your costs were in 2012, the % growth you envision for 2013, and how much working capital you think it’s going to take to get there. Certainly there is an ideal target investment in storage, preparation, transportation, insurance, and branding...and a minimum amount needed to simply move ahead beyond 2012 income levels. Also, how does money available from granting organizations contribute to a valuation of shares....or does it?

That’s all I’ve got for now. Thanks! Dawn

 Before I chose the current branding and packaging or my berries I toyed with an natural yogurt and ice cream brand made with my berries. I was going to market it as "Mountain Mommas" (for the goats milk).

I like both the mountain and water themes. Dan

Hello All,

 Sorry I was unable to attend the meeting. I am still figuring out what the Google docs deal is, till then I will just be replying to all.

I am very happy to have this group forming. My farm is on the northern border of Greenbrier Co. / on the Pocahontas Co., so I am a lot closer to some of you than other farmers in my county and am happy to create a group that is truly regional. I am committed to the Lewisburg Farmers Market, but have produce available mid-week for sale within the co-op and am very interested in alliances with other farmers concerning infrastructure, marketing, and sustainability in general. Thank you for your time and energy, please feel free to contact me and I hope to meet with you all soon.

Happy Fall,

Michael Buttrill

Bootstraps Farm

Wednesday October 24.

Hi everybody,

I wanted to share a couple of things to answer questions and move the conversation forward. I’ll continue to run the delivery route through the end of November as long as there are still products for sale. I anticipate that we’ll finish the year with $9,500-10,000 in total sales. I have to say congratulations to all the growers-- that is a solid foundation to build on. Given the established relationships we already have (NRAO, Elk River/fiddlehead, Pretty Penny, Gesundheit! and variety baskets) and the huge potential from the public school system, we could sell a lot more fresh produce than is currently being grown.

Next season I think it is reasonable to expect a 50% increase in sales and I want to set the minimum sales goal for $15,000. There are three main ways to achieve that growth: 1) season extension/coordination 2) increased production 3) better per unit price. Just to put things in perspective, the Fresh Fruits and Vegetables Program (FFVP) alone could purchase $11,500 per year, just for Marlinton Elementary. If we accepted 25 CSA customers for 30 weeks at $18/wk that would be another $13,500 in sales.

 Each week we drove about 160 miles. I spent an average of 2.5 hours per week coordinating the route and 7 hours per week on pickups and deliveries. I anticipate those numbers to be relatively similar next year. There is definitely the potential to extend the route into the Lewisburg area. I would consider the Greenbrier County restaurant scene and potential CSA customers among the most attractive markets to expand into.

Dan, I am also the proud owner of some dairy goats whose wonderful milk can, unfortunately, not be sold. I see a local dairy as a huge opportunity and a wide open market. Although the capital investment requirements are a wee bit higher than the fresh produce business.

Dawn, I would say that the grant resources will be mostly focused on personnel, training and organizational development. In that sense there won't be a direct impact on the value of the initial shares. The impact will be to help the co-op get off the ground by freeing up member resources for other uses, such as long term capital financing.

The overall value of stock is determined by the BOD and should reflect a combination of the equity contributed by producer members and buyer members. At least 50% of the overall equity should be held by producers. So if we invest $5,000 in refrigeration and packing equipment and $2,500 in common stock held by producers, another $7,500 of shares could be sold to buyer members. If all goes well and the co-op can manage more debt, we can increase the total number of shares as a way to finance expanded operations.

We can change the exact details of the terms, but for example, buyers could pay for their vegetables with 50% cash and 50% stock, or 100% cash while retaining the shares.

An important note: the general public cannot own shares. Only members of the co-op are permitted to purchase shares. This greatly simplifies reporting and accounting requirements.

The amount of capital investment required will depend on what capabilities we need, or want to develop. For example, we could operate fairly close to the ground in 2013, say $10,000 of stock. Then we decide that we have enough business to justify raising $100,000 in 2014 for a portion of the investment for a dairy, or brewery, or flash freezing facility, whatever direction we decided to pursue.

I hope this helps answer some of your questions. In terms of determining a total share value, that just depends on how much producers are willing to contribute and how much we plan to produce next year.

Unfortunately, cash is not one of my major assets, but I can contribute $1000 for start-up capital. I would also be happy to serve as an interim board member and incorporator.

Keep those questions coming and does anyone have proposed location for our next gathering, mid-November sometime?

Thanks to everybody for their ideas and input, Joe