



2022

ANNUAL REPORT

SETTING THE STAGE FOR SCALE



LOOKING FORWARD AND BACKWARD

The experiment of Co-op Cincy has now lasted 11 years. We've learned from successes and setbacks in developing a network of worker-owned businesses, and we've distilled structures that increase our co-ops' chances of success.

Since our founding, our network has grown to 14 co-ops employing more than 100 people, of which 75% are people of color and 66% are women. In 2022, Cincinnati was ranked #4 in the country among the top 25 cities for employee ownership. In Greater Cincinnati, there are currently about 5,000 workers employed in businesses with 100% employee-owned ESOPs (employee stock ownership plans).

We're determined to build on this success to collectively create an economy that works for all, especially those who've been historically excluded. We envision 80,000 worker-owned jobs in this region in 50 years. We imagine thriving communities. We picture people creating a world based on solidarity, one that affirms Rev. Dr. Martin Luther King Jr.'s words: "We are caught in an inescapable network of mutuality tied in a single garment of destiny."

How can this come to be? What gives us hope and a blueprint for action? Several things:

Mondragon serves as a guiding light and a proven



Staff members after a strategic planning session.

example of what's possible, showing us how a community of worker co-ops can move the needle on poverty, unemployment, and inequality.

U.S. history points to what is doable and how co-ops can solve significant problems and scale. Rural electric co-ops, owned by residents, electrified 75% of the United States. Member-owned credit unions, which offer affordable financial services, have more than 110 million members.

Additionally, there is a remarkable, centuries-old history of cooperative efforts among African Americans, one detailed by Jessica Gordon-Nembhard's book *Collective Courage*.

Collective action is alive and well. Movements for civil rights, labor, the environment, and social justice are helping remove structural barriers and open up new possibilities.

CO-OP CINCY HAS 4 STRATEGIES TO MOVE THE NEEDLE ON POVERTY AND INEQUALITY, BROADEN OWNERSHIP, AND CREATE THRIVING COMMUNITIES

1

HELP BUSINESS OWNERS SELL THEIR BUSINESSES TO WORKERS

Our Business Legacy Fund has partnered with Seed Commons, a national loan network, to create a multimillion-dollar fund that enables small- and mid-sized businesses to become worker-owned.

2

SUPPORT START-UP CO-OPS

Over the years, we have strengthened our ability to help start-ups. We offer a variety of co-op business boot camps, including Power in Numbers, which supports Black-led startups.

3

SUPPORT OUR GROWING NETWORK OF CO-OPS

We provide weekly coaching on culture building, financial literacy, business analysis, and business planning. We also help our co-ops solve challenges, access financing, and grow.

4

SUPPORT POLICY, NETWORK, & SOCIAL MOVEMENTS

Policy can enable a more inclusive economy—or thwart it. We partner with organizations at the local, state, and national levels to support important legislation and social movements.

2 LOCAL BUSINESSES BECOME WORKER-OWNED FUND COMPLETES FIRST TRANSITIONS

SHINE NURTURE CENTER

Katie McGoron founded Shine Nurture Center in 2015 with the goal of creating a childcare center where children could play outside and eat healthy food.

After the business gained a solid foundation, she decided to pursue a graduate degree.

In February 2022, she finished selling the business to 5 employees with the support of our Business Legacy Fund, which provides financing and technical assistance. This is the Fund's 1st completed transition!

"For the workers, this transition has opened the door to building wealth for their families in a way that would never have been possible," said Ellen Vera, Co-Director of Co-op Cincy.

Shine's worker-owners currently run the childcare center while Co-op Cincy provides weekly coaching and loan access.

"I've definitely been celebrating all month and telling my kids, 'Your Momma owns a business!'" said Mary Wilder, one of the new worker-owners.

Before now, paperwork had discouraged Mary from owning a childcare center. She changed her mind because Shine was "such a wonderful place to work."

"If I plan on being here for 10 years, why not be an owner?" she said.

With the support of our loan fund, the worker-owners purchased the center's building in October.

HERITAGE HILL

Brandon Z. Hoff started Heritage Hill in 2019 after noticing a lack of diversity in the world of collegiate merchandise. He planned to supply apparel to historically Black colleges while enabling students to make products for their schools.

"The goal was to unify the Black entrepreneurial community with the Black consumer."

Brandon began working with the Business Legacy Fund in 2021. He was looking for a way to "participate in capitalism without being predatory."

With the Fund's support, he finished expanding ownership to 2 of his employees in March of 2022.

"I really want people who work in the company to have an opportunity to benefit from the company," he said.

As Brandon pointed out, the cooperative model has a long history in the Black community. "This has been very important for Black Americans, since there has been a history of disenfranchisement and discrimination. Black people have had to work together."



Shine Nurture Center's worker-owners celebrate after the business transitions.



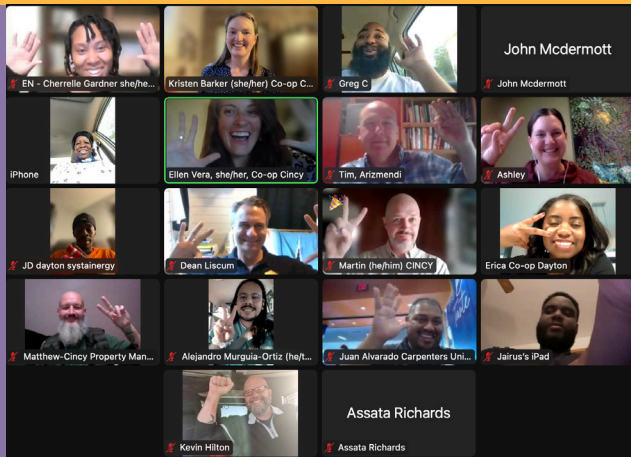
Brandon Z. Hoff (center) with Heritage Hill's team.

CITY FUNDING

After a lengthy process, the City of Cincinnati awarded us \$100,000 in funding! This is the **1st time the city has given us direct financial support**. Half is earmarked for our loan fund, which enables worker-owned businesses to access financing, removing a key barrier to long-term success. The rest funds our coaching program, enabling us to help worker-owned businesses develop a solid foundation, tackle challenges, and grow.



Staff and supporters at City Hall after speaking at a City Council Budget Committee meeting.



A Construction Co-op U class in October.

CO-OP BOOT CAMPS

In 2022, we offered our **1st Construction Co-op U**, a boot camp that helps teams develop a worker-owned business in a construction-related field. The course was based on the success of Sustainergy, the 2nd oldest co-op in our network, which offers residential energy efficiency and solar power services. We also held our **3rd Power in Numbers**, a co-op boot camp for Black-led teams. And we partnered with Aiken High School to provide a **co-op and agricultural training program for refugee high school students**.

COOPERATIVE MANAGEMENT

We held our **2nd Cooperative Management Certificate** course in partnership with **Xavier University's Xavier Leadership Center**. In the 12-week program, we explored the power of cooperative structures to align incentives and make our businesses profoundly accountable to workers, environments, and communities. Participants acquire a detailed understanding of how to structure and run businesses that implement cooperative and democratic organizational models.



Araceli Ortiz of Cincy Cleaning Co-op holds her certificate after finishing the course.

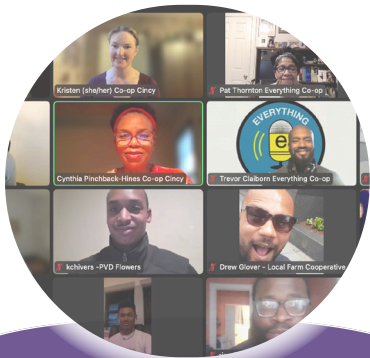
Brandon Z. Hoff of Heritage Hill chats with local reporter and author Dani McClain during a co-op tour.



NETWORK TOURS

In 2022, we started offering **monthly tours of the co-ops in our network**. Attendees included city officials and curious community members. The free tours are part of our efforts to spread awareness about the co-op business model and how it's taking off in Cincinnati. Among other things, participants learned how the cooperative model supports family-sustaining jobs.

OUR WORK



TRAIN & TRANSITION

Train teams to run co-op businesses and transition existing businesses to worker-ownership



SUPPORT & STRENGTHEN

Support co-op business start-ups and strengthen existing co-op business network



NETWORKING & EDUCATION

Deepen partnerships while expanding awareness of worker-ownership

WHERE WE'RE GOING

- » **Co-op U:** Provide 4 co-op boot camps: 1 general course, 1 for Black-led teams, and 2 for refugees. The general Co-op U will be focused on Ohio but open to teams from around the country.
- » **Cooperative Management Certificate:** Offer our 3rd course in partnership with Xavier University's Xavier Leadership Center.
- » **Business Legacy Fund:** Help 2-3 larger, more established businesses become worker-owned and broaden awareness of the the worker-owned business model through our outreach and search process.

WHAT WE'VE DONE

- » **Co-op U:** Provided 3 co-op boot camps: 1 focused on construction-related businesses, 1 for Black-led teams, and 1 for refugees.
- » **Cooperative Management Certificate:** Offered our 2nd course in partnership with Xavier University's Xavier Leadership Center.
- » **Business Legacy Fund:** Helped 2 businesses become worker-owned and engaged numerous companies in the outreach and search process.

WHERE WE'RE GOING

- » **Co-op Start-ups:** Help launch 3-5 co-op businesses through our boot camps.
- » **Loans:** Loan approximately \$2 million to the co-op businesses in our network through our partnerships with the Seed Commons loan network and others, helping our growing network of co-op businesses develop and thrive.
- » **Network:** Develop our co-op network by strengthening the structure of the Executive Committee and deepen ties among our co-ops through monthly co-op socials.

WHAT WE'VE DONE

- » **Co-op Start-ups:** Helped support 9 teams in the process of becoming co-ops through our boot camps.
- » **Loans:** In partnership with Seed Commons and others, raised \$1.3 million+ in 2022 and \$6.4 million+ since our founding for our co-ops in loans, grants, and equity. Helped Shine Nurture Center and Renting Partnerships purchase buildings.
- » **Network:** Held in-person co-op network meeting and began Executive Committee meetings.

WHERE WE'RE GOING

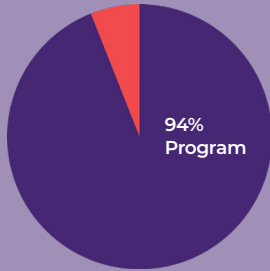
- » **Ohio Worker Ownership Network (OWN):** Expand our loan fund statewide and lay the foundation for statewide co-op development and joint fundraising.
- » **Networking:** Offer our first fully in-person Union Co-op Symposium since the start of the pandemic while maintaining and strengthening connections with local, national, and international partners.
- » **Education:** Lead a tour of the Mondragon cooperative association in the Basque country of Spain, bringing a delegation of civic, business, philanthropic, and faith leaders, plus worker-owners from our network, to learn from a proven model for cooperative economic development and equitable growth.

WHAT WE'VE DONE

- » **Ohio Worker Ownership Network (OWN):** Held our 1st statewide gathering of co-ops and co-op developers with the goal of strengthening the cooperative movement in Ohio. Also met quarterly with OWN members.
- » **Networking:** Held our 1st fully in-person Annual Dinner since the pandemic's start and our 2nd in-person Co-op Fest.
- » **Education:** Offered regular tours of our co-ops, promoting awareness of the co-op model and our growing network.

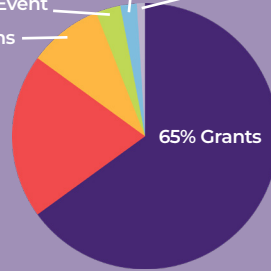
FINANCIALS

6% Administration



**TOTAL
2022
EXPENSES**
\$ 668,653

2% Co-op Contributions
3% Annual Event
9% Donations
20% Financial Sponsorships
1% Technical Assistance



**TOTAL
2022
INCOME**
\$570,465

\$1.3 MILLION +

**RAISED FOR CO-OP
BUSINESSES IN 2022**

100+

**PEOPLE EMPLOYED BY
CO-OP NETWORK**

**75% PEOPLE OF
COLOR, 66% WOMEN**

STAFF

Kristen Barker
Co-Director

Ellen Vera
Co-Director

Mary Steele
Bookkeeper

Paloma Correa
Co-op Culture & Business
Developer

Cynthia Pinchback-Hines
Racial Justice Educator &
Co-op Developer

BOARD

Katy Heins, *President*
Senior Field Organizer at
Center for Community
Change

Flequer Vera, *Vice President*
CEO of Sustainergy

Ty Fields, *Treasurer*
Founder & President of
STARS Youth Enrichment
Program, Inc

Kristen Barker, *Secretary*
Co-Director of Co-op Cincy

Phil Amadon,
Emeritus Member
Co-Founder of Co-op Cincy

Zahki Davis, Business and
Finance Associate at Taft
Stettinius & Hollister LLP

Clancy McGilligan
*Communications &
Development Program
Manager*

Christopher Bennett
*Business Legacy Fund
Acquisition Program
Manager*

Mona M. Jenkins
*Cooperative Food Justice
Coordinator*

Zachary Dutton
Office & Project Manager

Brian Griffin, Executive
Secretary-Treasurer of
*Cincinnati AFL-CIO Labor
Council*

Jamie Love, Director
of Programs at Climate
Innovation at Movement
Strategy Center

David McLean, Sub-district 5
Director at USW

Clement Tsao, Labor &
Employment Attorney
at Branstetter, Stranch &
Jennings, PLLC

Ellen Vera, Co-Director of Co-
op Cincy

Adrienne Wiley, Executive
Director at The Healing
Center

SUSTAINING DONORS

Co-op Cincy deeply appreciates the support of our Sustaining Donors!

TRANSFORMATIVE FUNDERS

Seed Commons
LKC Foundation
Greater Cincinnati Foundation
Christ Church Cathedral
Capital Impact Partners
Hamilton County
U.S. Office of Refugee Resettlement
PNC Foundation

SOLIDARITY SPONSORS

Cincinnati AFL-CIO
United Steelworkers Sub-district 3
National Cooperative Bank
United Food & Commercial Workers
Cincinnati Federation of Teachers
Intrust IT
Co-op Dayton
Cincinnati Development Fund
Catholic Charities Southwestern Ohio
Steve Sleigh
Eric Britton
Sustainergy

1worker1vote is building a national network of shared ownership, regional, and municipal ecosystems starting with unionized worker-owned co-ops. The goal: overcoming structural inequalities of opportunity, mobility, and income, and building pathways out of poverty and toward prosperity.

