Course Syllabus
AAE 323 Cooperatives

Instructors: Anne Reynolds (atreynol@wisc.edu) and Brent Hueth (hueth@wisc.edu)

Time and location: Tu & Th 9:30 – 10:45 a.m.; 1221 Computer Science

Course webpage: https://learnuw.wisc.edu

Office hours: Anne Reynolds: Tuesdays, 11:00 – Noon; Other hours by appointment
Room 235, Taylor Hall; 263-4775

Course Description
Cooperative businesses exist in a wide variety of sectors within the U.S. economy, and represent a distinctive model for organizing labor, capital, and knowledge to produce goods and services. Studying cooperatives aids understanding of all aspects of industrial structure and business organization, and challenges conventional thinking about what it means for an economic system to be “capitalist”. Fundamentally, a cooperative firm represents a unique form of business ownership where “patrons”, rather than financiers, are business owners.

Course Objectives
- Understand the unique role and characteristics of cooperative organizations
- Apply understanding of cooperative principles to the management of cooperatives
- Develop interpersonal skills and tools for future work and study

Evaluation
Evaluation will be based on these four factors:
- Individual performance: 15%
  ○ This will include unit tests and participation in class
- Team performance: 30%
  ○ All team-work will be in class. Evaluation factors will include team responses to unit tests and case study activities
- Peer evaluation: 15%
  ○ There will be two opportunities to evaluate fellow team members
- Final Exam: 40%
Course Schedule

Please note that this schedule may be changed and updated.

Unit 1: Introduction to cooperatives

September 6
Course overview and objectives
Introduction to cooperatives

September 8
Pirate shipboard governance: Cooperation and constitutions

READINGS
Peter Leeson “Opportunism and organization under the Black Flag”, Organizational Dynamics, 40(1), 2011

September 13
Quiz on Readings, Unit 1: Introduction to Cooperatives
Review and discussion

READINGS


September 15
The meaning of cooperative membership – Case study of Kinecta Federal Credit Union

READING
Peter Tufano & Andrea Ryan. “Blue ocean or stormy waters? Buying Nix Check Cashing”, Harvard Business School Case Study, 2009 (copies distributed September 8)

September 20
Dan Milbrandt, Chief Lending Officer, Summit Credit Union, will discuss management and issues related to the case study

September 22
Starting a Cooperative : Case study of Fifth Season Cooperative
READINGS
Courtney Berner. “A case study of the Fifth Season Cooperative: from conception to incorporation, now what?” University of Wisconsin Center for Cooperatives, 2010


Unit 2: Ownership, management & decision-making

September 27
Quiz on Readings, Unit 2: Ownership, management & decision-making
Review and discussion

READINGS
Brett Fairbairn. Three strategic concepts for the guidance of co-operatives: linkage, transparency and cognition. Centre for the Study of Co-operatives, University of Saskatchewan, Canada, 2003


September 29
Cooperative ownership: Case study of Organic Valley

READING

October 4
Cooperative decision-making: Case study of Willy Street Grocery Co-op

READING
Courtney Berner. Willy Street Grocery Cooperative: Case Study, University of Wisconsin Center for Cooperatives, 2011

October 6
Lynn Olsen, Willy Street Cooperative will discuss management and membership

October 11
Case study: The conversion of GoldKist cooperative
READING:
October 13

GoldKist conversion case study, continued

Review assignment: Observations of cooperative websites and locations to see how they communicate with members

**Unit 3: Cooperative Finance**
Unit 3 taught by Brent Hueth

October 18

READING

October 20

READING

October 25

READING:
Murray Fulton. “Financial model of the co-op”.

October 27

READING

November 3

Ocean Spray: Hypothetical Scenarios

READING
Vincent Amanor Boadu, Michael Boland & David Barton. “Ocean Spray Cranberries at the crossroads”, Arthur Capper Cooperative Center Case Study Series No. 03-01.

**Unit 4: Focus on governance**

November 8

Quiz on Readings, Unit 4: Focus on governance
Review and discussion
READINGS


Bruce Reynolds “Election and voting policies of agricultural cooperatives”, *Rural Cooperatives*, pp 14 – 17, May/June 2004

**November 10**
Cooperative governance – Case study on Landmark Cooperative

**READING**

Anne Reynolds. “Benefitting from the board: A case study”. University of Wisconsin Center for Cooperatives, 2008

**November 15**
Governance challenges: Short cases
Update on the New Leaf Market in Green Bay

**November 17**

**November 22**
Guest speakers: Matt Early, founder and member of Just Coffee, and Joao Peschanski, author of the case study on Just Coffee

**Unit 5: Legal, social & policy environment**

**November 29**
Quiz on Readings, Unit 5: Legal, social & policy environment
Review and discussion

**READINGS**


Monica Juarez Adeler. “Enabling policy environments to support cooperative development: A comparative experience”. Winnipeg Inner City Research Alliance, University of Winnipeg, Winnipeg, MB. 2009


**December 1**
Legal and policy environment: Energy cooperatives
Guest speaker: Share Brandt, Vice President, Cooperative Network

December 6
Guest speaker: Bob Carlson, CEO, Landmark Cooperative

December 8
Coffee cooperatives, global trade and social policies: Costa Rica

December 13
Review for exam

December 15
In-class section of the final exam (cumulative)
Receive take-home section of the exam

December 22
Take-home section of the final exam is due by 9:25 PM

Other Resources

Robert Cropp. “A glossary for cooperatives”, University of Wisconsin Center for Cooperatives, 2005

University of Wisconsin Center for Cooperatives website: www.uwcc.wisc.edu
National Cooperative Business Association website: www.ncba.coop
University of Saskatchewan Centre for the Study of Cooperatives:
www.usaskstudies.coop
U.S. Federation of Worker Cooperatives: www.usworker.coop