

Unit 8 Understanding Cooperatives

Cooperatives in Nebraska



- ❖ Classification
- ❖ Economic Impact
- ❖ Cooperative Convergence
- ❖ Careers



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Classification of Cooperatives

Marketing cooperatives engage in a broad range of activities for farmer members including:

_____ & _____. A marketing cooperative derives at least half its business volume from the sale or processing of farm products.



8.1a

Marketing Cooperatives



8.1b

Service Cooperatives



Farm Credit





8.1f

Marketing Cooperatives in Nebraska

Figures based on 2006 Rural Business Development Statistics	Gross Business Volume (Millions)	Members	Co-ops Headquartered in State
Total Agricultural Marketing Cooperatives		50,200	
Grain/Oilseed	\$2,048.08	45,800	
Other	\$1,188.29	4,400	

8.2a

Farm Supply Cooperatives in Nebraska

Figures based on 2006 Rural Business Development Statistics	Gross Business Volume (Millions)	Members	Co-ops Headquartered in State
Total Farm Supply Cooperatives		25,800	
Farm Chemicals	\$212.73		
Feed	\$307.76		
Fertilizer	\$420.07		
Petroleum	\$1,181.32		
Seed	\$100.04		
Other	\$143.08		

8.2b

Total Cooperatives In Nebraska

Figures based on 2006 Rural Business Development Statistics	Gross Business Volume (Millions)	Members	Co-ops Headquartered in state
Marketing	\$3,236.37	50,200	
Farm Supply	\$2,365	25,800	
Service			
Total	\$5,762.08	76,000	

8.2c

Cash Receipts from Nebraska

2006 Crop	Production Value
	\$3,534,000,000
Sorghum for grain	\$580,777,000
Oats	\$4,030,000
	\$279,684,000
Soybeans	\$1,515,525,000
Sunflower	\$8,186,000

Based on 2006 USDA statistics, Nebraska marketing cooperatives accounted for _____ of the total cash receipts from grain/oilseeds.
2006 Nebraska Agricultural Statistics

8.4a

State Comparison of Cooperative Gross Business Volume

2006 Top 10 states	State	Gross Business Volume 2006 (Million)
1		\$13,599.01
2		\$12,205.87
3	Wisconsin	\$9,518.59
4	California	\$8,308.99
5	Illinois	\$7,499.82
6	Kansas	\$6,247.66
7		\$5,762.08
8	Missouri	\$5,439.92
9	North Dakota	\$4,337.61
10	Texas	\$3,991.58

8.4b

Cooperative Business in a Local Community

Economic Impact

Short Term	Long Term
<ul style="list-style-type: none"> ▪ Taxes ▪ Utilities ▪ Maintenance needs 	<ul style="list-style-type: none"> ▪ Dependability ▪ Business activity ▪ Technology innovation

8.5

Cooperative Business in a Local Community

Economic Impact

Situation: This past year, XYZ cooperative had \$ _____ million in gross sales. The average product margin in the cooperative is _____ percent.

Question: What is the economic impact of XYZ cooperative's sales success on the community?

Assume: That for every \$ _____ of gross sales, \$ _____ is contributed to the local economy.

8.6a

Cooperative Business in a Local Economy

Economic Impact

Answer:

150 million in gross sales	
X .15 average product margin	_____
	million gross margin
\$22.5 million gross margin	
X 1.60	_____
	\$ _____ million impact

8.6b

Cooperative Business Presence

_____ Community Benefits

- Improved Service
-
- Assured source of supplies
- Enhanced business competition
-



8.7a

Cooperative Business Presence

Non-Tangible Community Benefits (cont.)

- Local leadership development
- Goods & services to nonmembers

Tangible Community Benefits


- Increased efficiency
- Economies of scale



8.7b

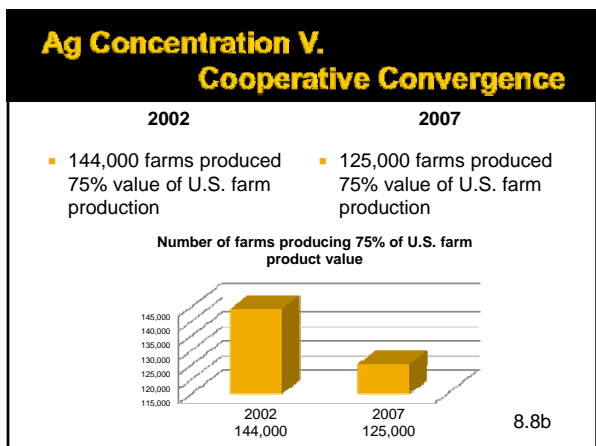
Ag Concentration V. Cooperative Convergence

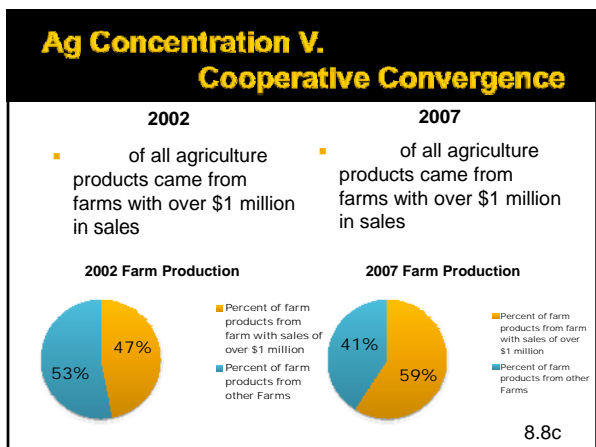
- : to come together and unite in a common interest or focus

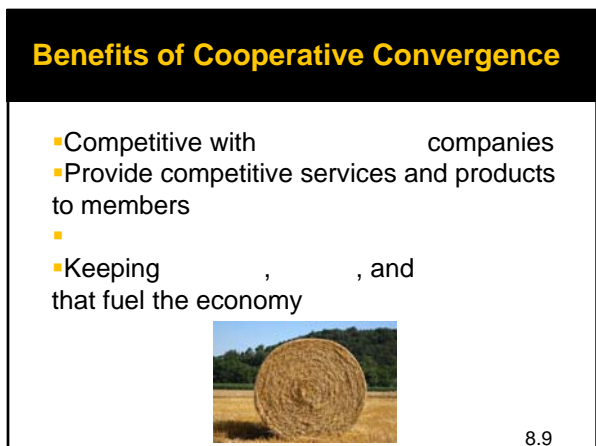


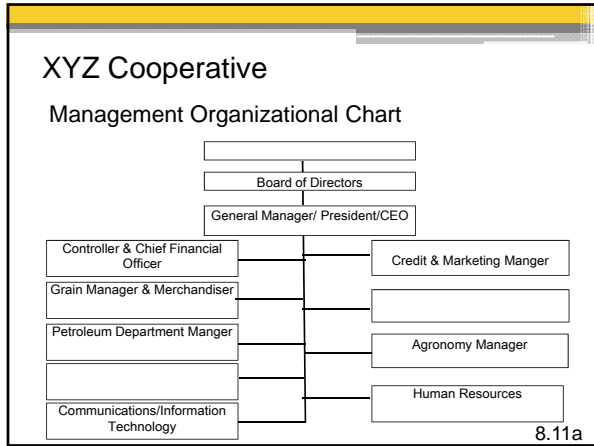
- : gather into one body, mass, or force (power was concentrated into a few hands)

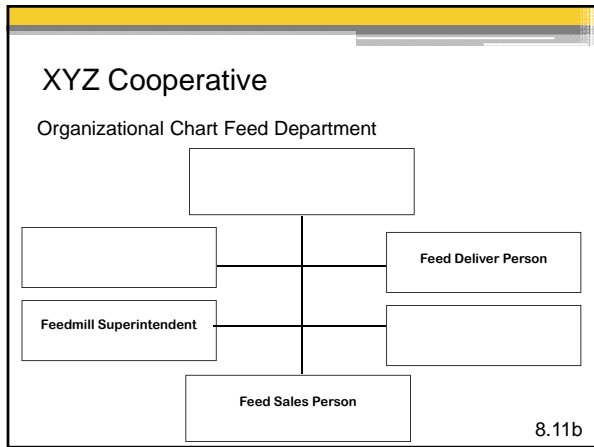
8.8a

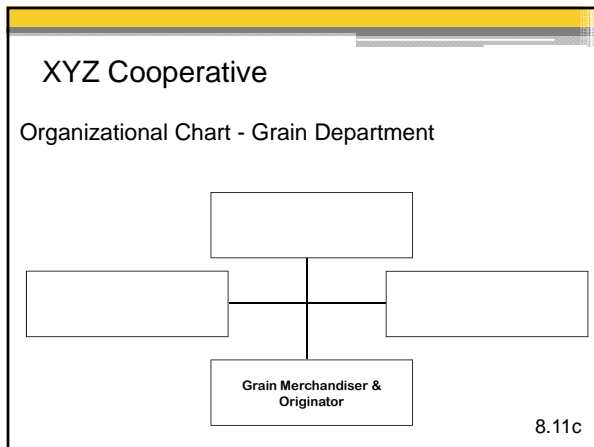












Career Opportunities- _____ & _____ Cooperatives

- ❖ Grain Bookkeeper
- ❖ Grain Merchandiser
- ❖ Accounts Payable Bookkeeper
- ❖ Propane Sales Person
- ❖ Sales Bookkeeper
- ❖ Grain Marketing Clerk
- ❖ Custom Applicator
- ❖ Tire Sales & Service
- ❖ Feedmill Superintendent
- ❖ Petroleum Station Manager
- ❖ Feed Sales Person
- ❖ Vehicle Service Specialist
- ❖ Computer Feed Sales
- ❖ Petroleum Station Manager
- ❖ Tire Department Manager
- ❖ Chemical Manager
- ❖ Convenience Store Manager
- ❖ Scale Operator
- ❖ Petroleum Sales Person
- ❖ Feed Delivery Person
- ❖ Hardware Department Manager
- ❖ Mechanic
- ❖ Crop Management Specialist
- ❖ Feedmill Operator

8.12

Nebraska Cooperative Career Opportunities

Business, Marketing and Management

- Chief Financial Officer
- Grain Bookkeeper
- Grain Marketing
- Credit Manager
- Accounts Receivable Manager
- Marketing Manager
- Operations Manager

Human Services and Resources

- Human Resources Manager
- Education Coordinator
- Legal Consultant
- Training Manager
- Safety Director

Health Services

- Wellness Coordinator
- Employee Assistance Program Manager

Environmental and Agricultural Systems

- Agronomy Manager
- Feed Manager
- Farmer
- Rancher
- Agronomy Sales
- Feed Sales
- Crop Consultant
- Floater Operator

Communication and Information

- Cooperative Technical Support
- Cooperative Advertising
- Web Designer
- Communication Specialist

Industrial, Manufacturing, and Engineering Systems

- Vehicle/Equipment Service Specialist
- Petroleum Station Manager
- Scale Operator
- Transportation

Essential Knowledge & Skills

- Academic Foundations
- Communications
- Employment and Career Development
- Ethics and Legal Responsibilities
- Information Technology Applications
- Leadership and Teamwork
- Problem Solving and Critical Thinking
- Safety, Health, and the Environment
- Systems
- Technical Skills

8.13

Nebraska Cooperative Career Opportunities

Career

- Cooperative Chief
- Financial Officer

Post Secondary

- Internships
- Ag Conferences
- Community College
- Academic Transfer
- B.S. Agribusiness
- B.S. Ag Economics
- B.S. Economics
- M.S. Agribusiness
- Master of Business Administration

High School Activities

- Agriculture classes
- Economics classes
- Business classes
- FFA Activities
 - FFA Cooperative Speaking
 - Farm Management
 - CDE
- FBLA
- Student government
- 4-H

Middle School Activities

- Explore career opportunities
- Job shadow
- 4-H

8.14
