### Stage One: Developing the Cooperative’s Business Concept

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<tr>
<th>ORGANIZATIONAL DEVELOPMENT</th>
<th>RESULT</th>
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<tbody>
<tr>
<td>Form an Organizing or Steering Committee with people who have the appropriate level and diversity of skills needed, and a fierce level of commitment. Identify your mission and core beliefs or values.</td>
<td>A committed group of people who agree on what they want this business to be, how it will function, and who will benefit.</td>
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<th>BUSINESS DEVELOPMENT</th>
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<td>Define the cooperative’s business concept. What services or products will the cooperative provide to its members that could make a significant economic difference to the benefit of its members? Create a written project development plan and budget. Conduct market research to determine the need for your cooperative’s services and products and complete a feasibility analysis to validate your business concept.</td>
<td>A clear written plan and budget for each stage of your cooperative business’ development. A completed market feasibility study that indicates the potential for a viable cooperative business which can provide a significant benefit to its members.</td>
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<td>Prepare presentation materials that vividly describe your cooperative’s business concept, potential market feasibility and member benefits. Share this information with potential members.</td>
<td>A growing interest from potential cooperative members.</td>
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<td>Secure resources and funding for Stage One, and begin securing resources and funding for Stage Two.</td>
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NABC is a designated USDA Rural Cooperative Development Center
www.agbizcenter.org

NABC is an equal opportunity employer and service provider.
### Stage Two: Developing the Cooperative’s Business Plan

**ORGANIZATIONAL DEVELOPMENT**
Establish your Founding Board and take the steps necessary to incorporate.

**RESULT**
A legally incorporated cooperative with an established Board of Directors.

**BUSINESS DEVELOPMENT**
Create a Marketing and Business Plan that establishes how your cooperative will launch the business, what it will cost, and where the funding will be sourced.

Raise equity from your cooperative’s members and secure financing from other resources.

**RESULT**
A Marketing and Business plan that effectively describes how business will be launched, and which can be used to raise member equity and other financing.

**MEMBER DEVELOPMENT**
Recruit members to join the cooperative.

**RESULT**
Enough members, product, and funding to launch the cooperative.

**RESOURCES AND FUNDING**
Secure resources and funding for Stage Two, and Three.

**RESULT**
Funds to cover the costs of Stage Two.

### Stage Three: Launching Your Cooperative Business

**ORGANIZATIONAL DEVELOPMENT**
Ensure sound written Board Operating Policies are developed. Ensure the Board develops a vibrant planning culture.

Set up Administrative and hire management

**RESULT**
Management of operations is established.

**BUSINESS OVERSIGHT**
Through sound policies, a viable business plan, and routine oversight the Board can fulfill its fiduciary responsibilities in terms of its relationship with business operations.

**RESULT**
The Board hires a competent manager to manage according to a clearly understood set of expectations.

**MEMBER DEVELOPMENT**
Make certain that new members are oriented to their roles and responsibilities.

**RESULT**
Members educated about their rights and responsibilities as co-op members.