



Virginia Cooperative Council

www.virginia.coop

VIRGINIA COOPERATIVE COUNCIL'S OFFICIAL NEWSLETTER

Spring 2018

Are we in a “Co-op moment?”

What's it like to watch history being made? The members of Virginia's cooperative community may be experiencing that this year, according to Doug O'Brien, president and CEO of the National Cooperative Business Association.

“Just in the last year and a half or two years, some of the entities and organizations that haven't thought about rural places and haven't thought about cooperatives are starting to think about them,” said O'Brien after his remarks to the Virginia Cooperative Council's annual meeting March 7.

“Some of it is, I think, there was a lot of light shown on rural politics in 2016. A lot of people who weren't paying attention started paying attention. People live there, and they vote, and there are outcomes,” he said.

Rural America provided the foundation for President Trump's election in 2016, in part because it shared economic struggles with other rust-belt communities. By declaring that “We are in the middle of a cooperative moment,” O'Brien believes cooperatives are a strong candidate to help these marginal communities rebuild their economies.



Doug O'Brien, head of the National Cooperative Business Association and the Cooperative League of the United States of America, believes 2018 could be a “Cooperative Moment.”

“People began to look at rural places and realized that co-ops have been a solution in the past and they wonder can that cooperative business model can be applied in the future?” he said. “We're talking about some big foundations and policy makers that are very intrigued by the cooperative business model, but know very little about it.”

Increasing the visibility of cooperatives is his top job, O'Brien said, not only for prospective new businesses, but to keep current ones thriving.

“It is a huge challenge when you get into successive

continue on page 4



Board of Directors: From left, 2018-2019 VCC Board, advisors and staff: Dr. Kim Morgan, Ag Econ VT; Laura Jackson, MD & VA Milk Producers Association; LaVeta Nutter, Virginia Dept. of Education; Adam Shiflett, Farm Credit of the Virginias; J.T. Anderson, Farm Credit of the Virginias; Brad Brown, Augusta Cooperative Farm Bureau; Jim Belfield, Colonial Farm Credit; Allen Taylor, Southern States Front Royal Cooperative; Richard Johnstone, VMD Association; Eric Paulson, Virginia State Dairymen's Association; Allen Melton, Virginia Cooperative Council; David Lipscomb, Mecklenburg Electric Cooperative; Jessica Sentelle, MidAtlantic Farm Credit; and Chandler Vaughan, FFA. (Not pictured: Dr. Tonya Price, Assistant Professor and Extension Specialist 4-H; Brian Wolfe, Rappahannock Electric Cooperative and Jim Hunsberger, Culpeper Farmer's Cooperative)

Ag Econ scholarships paying dividends at Virginia Tech

Dr. Kimberly Morgan, assistant professor of agricultural applied economics, reported that the Virginia Foundation for Cooperation's scholarship funds are making a difference for six agriculture economics majors at Virginia Tech. Each of them received a \$2,000 grant from the Virginia Foundation for Cooperation.

These are some of the top up-and-coming students in the university, and they're truly grateful for the support, Morgan said. One of the students, Ben Garber, is a prime example, she said. "No one ever gets to see how hard you play until someone gives you a sandbox," she said, quoting Garber.

In addition to Garber the scholarship recipients include Chandler Vaughan, Amber Bradley, Zach Jacobs, John Hunt and Ethan Wagoner. They are among the 231 applied agricultural economic students at Tech, a number that continues to grow each year. Fifty-five percent of the students taking classes in the applied economics department are agribusiness majors, she added.

The department continues to grow, adding four new professors and a department head in the past year. Dr. Matthew Holt is the new leader of the department. A new faculty position fully focused on agribusiness is planned for this year, she added, and another faculty position for international marketing is currently open.

"Y'all are getting some great applicants" for future scholarships, Morgan said. For the students, it's not all trips to national meetings like the annual U.S.D.A. Agricultural Outlook Forum. "The students have been working with a lot of clients, helping producers figure out what problems need to be solved to connect consumers and agribusinesses," she explained. "We're gathering so much information that frankly sometimes we're overloaded," but that's a good problem to have, Morgan said.

Dr. Kimberly Morgan of the Agricultural Applied Economics Center talked about how scholarships from the Cooperative Council are making a difference.



Financial Statements for 2017

Virginia Cooperative Council, Inc.

(Note: this is only a summary)

Starting asset balance Jan. 1, 2017	\$211,882
Income from dues and contributions	\$49,519
Investment portfolio balance Dec. 31, 2017	\$148,378
Expenses, VICE, NICE and other	\$73,931
Total Asset balance Dec. 31, 2016	\$192,923

Virginia Foundation of Cooperation, Inc.

(Note: this is only a summary)

Starting asset balance Jan. 1, 2017	\$611,624
Investment interest plus change in market value in 2017	\$21,084
Expenses (scholarships and fees)	\$27,154
Total Asset balance Dec. 31, 2017	\$612,785



Richard Johnstone and his wife Blair visited friends at the VCC meeting.

2018 Virginia Institute for Cooperative Education is coming fast!

This year's "VICE" event is only weeks away, and the educational team is hoping to build on last year's momentum for another exciting youth event, said Allen Melton, Virginia Cooperative Council executive secretary. He urged member cooperatives to nominate their candidates as soon as possible.

"The program is so popular that we're starting to get requests from past students and instructors to come back and help the September before the event. I'm not sure if it's the program or the food," but the strong interest is welcome, he said.

As always, the VICE program includes a full weekend of instruction in the cooperative business model, condensed from a collegiate level course on cooperatives. Competition between teams and a liberal dose of fun activities keep the students fully engaged.

Forty-five students from across the state attended VICE last year, and Melton hopes to see attendance rise to 50 in 2018. This year's VICE is set for April 13-15 at Grave's Mountain Lodge in Syria, Va. Melton and other VCC members have been busy recruiting students and the Virginia State FFA Association has also been a strong recruiting partner, he said.

It's a lot of fun, food and education, Melton said. "These students aren't just looking at their phones. They're engaging with each other. The youth for the most part don't know one another, they come from different parts of the state. But by the end of the weekend there are a lot of new friendships," he said.

To nominate a student for the 2018 VICE program visit the council's website and review the needed forms at www.virginia.coop and click on Youth Activities. Or contact Melton at 804-281-1211.

Five participants from the annual VICE competition will go on to this year's National Institute for Cooperative Education June 26-28. After several years of being hosted at Virginia Tech, last year's NICE was held at the University of Kentucky. Despite losing the home field advantage, Virginia participants placed very well, Melton said, including the Outstanding Male Scholar, Diaz Tompkins. Everyone came home a winner and had fun, Melton said, although the food was not as good as at Tech. And he had

one request for this year's NICE.

"We could really use some donated airplane tickets," he joked. "Otherwise we'll have to rent an Enterprise van again" and drive 12 hours to UK.

More information on the NICE program is also available on the council's website on the youth activities page.



45 students attended the 2017 VICE event, and it's safe to say they enjoyed every minute of the competition, fun and fellowship





“Co-op moment”...continued from page 1

generations (of members) to convince people that cooperatives are the unique business model to fix this particular problem.

“But our great-grandfathers and grandmothers, they did it, and it wasn’t easy for them to do it. They took a huge risk, and a lot of them, depending on where they lived, really had no choice. Because they had to take that risk to access that market.”

One of those high risk areas has been expanding broadband Internet service to rural residents. The cost of laying fiber-optic cable “the last mile” to individual homes and businesses continues to be prohibitive in general, despite years of effort on the part of policy makers and some businesses. As of March 2018 only one Virginia rural electric cooperative had an active effort to provide broadband service to its members. Other co-ops have explored various options, including offering wireless Internet service, but the technology changes so fast that it’s difficult to project costs and recover expenses.

While rural Americans faced similar challenges a century ago and formed electric cooperatives, even they needed political help to accomplish that task, he said. Similar support will be needed to solve the broadband challenge, O’Brien said.

“Whether that’s from the Federal Communications Commission, whether that’s from some type of infrastructure spending, whether that’s from some Farm Bill program, that is probably going to be part of it. But we’ve got no choice but to build out broadband, because if we don’t do that in rural communities, those places that don’t have broadband, they can’t participate. They’re just going to fall farther and farther behind.”

He applauded the Virginia Cooperative Council for its dedication in developing future cooperative leaders through the Virginia Institute of Cooperative Education. And O’Brien invited VCC members to join NCBA for their Co-op Month Celebration on the Washington D.C. Mall on Oct. 6-7, 2018.