

# newsletter

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co-operative businesses



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## Welcome

Welcome to the fifth issue of The Co-operative Loan Fund newsletter, which aims to keep you informed about just some of the fund's most recent achievements, and how it is helping to support the growth of the co-operative, mutual and social enterprise sector.

We hope you enjoy this issue

*Sarah Klueter*

Sarah Klueter  
Chair, The Co-operative Loan Fund

## About the fund

The Co-operative Loan Fund supports co-operatives and social enterprises throughout the UK through the provision of accessible, ethical loan finance. Loan applications are welcome from those that require finance to:

- Set up a new enterprise
- Expand an existing enterprise
- Assist employee buyouts or company successions
- Purchase a property or business
- Purchase capital equipment or create working capital

The Co-operative Loan Fund is funded by consumer co-operatives The Co-operative Group and Midcounties Co-operative, together with the Co-operative Bank and Co-operative Insurance Society. It is overseen by a board of directors who represent each of the funders.

The fund is managed by Co-operative & Community Finance, which is authorised and regulated by the Financial Services Authority (FSA) in the conduct of investment business.

[www.co-operativeloanfund.co.uk](http://www.co-operativeloanfund.co.uk)



TSW employees that led the buyout - John Nash, Carrine Williams and Stuart Davies with Norman Watson (second from left) from the Wales Co-operative Centre

## From workers to owners

Employees of one of Wales' most established training organisations have become the new owners of the business, with support from The Co-operative Loan Fund.

TSW Training Ltd (TSW) is a Bridgend-based company that has been operating since 1966. It's a leading provider of management and skills training in Wales and delivers a range of services including bespoke courses, NVQ training and Modern Apprenticeships. Its clients - a combination of local authorities, emergency services, and various private companies - include the Welsh Assembly Government, Royal Mint, and Companies House.

In 2007 the company's then owners, Training Trust (Wales), decided to sell the business which prompted an employee buyout. Carrine Williams, one of the employees that led the process and the new chief executive of TSW, says: "This is a very successful business which has been built up through the commitment

of past and existing staff. We couldn't bear the thought of another owner benefiting from the staff's hard work".

With specialist guidance and support from the Wales Co-operative Centre, financial assistance from The Co-operative Loan Fund, and some personal investment, the 18 staff at TSW now own the business in which they work.

Norman Watson, Business Succession Advisor at the Wales Co-operative Centre who assisted the buyout, says: "Time and time again I see the positive effect that employee ownership has on morale and motivation. In the 15 years I've been doing this work I've yet to see one of the buyouts I've worked with fail."

The clients of TSW have been largely unaffected by the transition, but the staff have gained a strong sense of company commitment and are looking forward to continuing its success.

[www.tsw.co.uk](http://www.tsw.co.uk)

# Financial boost for co-operative businesses

Following an impressive lending year in 2007, The Co-operative Loan Fund is pleased to announce that it has received a new donation of £100,000 from The Co-operative Group. The funding will enable the Loan Fund to continue to provide accessible, ethical loan finance to help communities develop co-operative solutions to social and economic challenges.

The Loan Fund has already provided specialist support to a wide range of initiatives and organisations across the UK, ranging from credit unions and community transport organisations, to co-operative nurseries and alternative energy producers. These include:

- **Unicorn Grocery** - a co-operative based in Manchester that's been in business since 1996. The co-op manages a store that sells local, organic, fairly-traded and wholesome food products. The store also offers a selection of environmentally friendly baby products, cosmetics and household goods made from natural ingredients.  
[www.unicorn-grocery.co.uk](http://www.unicorn-grocery.co.uk)
- **Co-operative and Mutual Solutions (CMS)** - a Lancashire based co-op that provides business advice, consultancy and training to co-operatives and social enterprises.  
[www.cms.coop](http://www.cms.coop)
- **Alphabeds** - a co-operative bed manufacturer based in Carmarthenshire that uses organic materials from sustainable sources to ensure chemical-free comfort and promote sounder sleep.  
[www.alphabeds.co.uk](http://www.alphabeds.co.uk)



Employees at Unicorn Grocery - a co-operative supported by The Co-operative Loan Fund

- **BrightKidz (Safe Kids Walking Ltd)** - an award-winning social enterprise based in Kettering, that promotes walking to school, road safety initiatives and active lifestyles. BrightKidz also manufactures and supplies a range of fluorescent safety walking clothing and accessories.  
[www.brightkidz.co.uk](http://www.brightkidz.co.uk)
- **SHARE Community** - a London-based charity and social enterprise that delivers a range of self-help, training, personal development and educational opportunities and services to disabled people and those facing health-related barriers to employment.  
[www.sharecommunity.org.uk](http://www.sharecommunity.org.uk)

Sarah Klueter, Chair of The Co-operative Loan Fund, says: "We are delighted that the Loan Fund has received further funding from The

Co-operative Group, enabling it to continue to support many worthwhile co-operatives and social enterprises across the UK.

"It's been tremendously successful to date, and in 2007 its resources were lent out at almost maximum capacity, demonstrating a real need for the Loan Fund and its services."

Stephen Watts, Chair of The Co-operative Group's Value & Principles Committee, which awarded the £100,000, said: "Co-operatives offer a better way of doing business because they are owned by local communities and not by stock market speculators.

"The Co-operative Loan Fund has a strong track record in successful lending to start up and expanding co-ops and our recent donation demonstrates our continuing support for these businesses."

# Keeping Autoquip on the road

Autoquip, a co-operative autoparts and accessories retailer, has purchased some new delivery vehicles in 2008 with financial support from The Co-operative Loan Fund.

Kevin Clay, one of the founding members of the Bristol-based co-operative, says: "The loan provided to us by The Co-operative Loan Fund has enabled the business to purchase to newer vans, which have improved the company image and ensured reliability for our parts delivery service. Without this loan, the old vans would have continued to breakdown and have a serious impact on our trade sales."



Autoquip's Bristol-based premises

Although Autoquip has been established for almost 30 years, it faced closure in 2004 when its then owner decided that he no longer wished to operate the business. To avoid the closure and consequent job losses, both Autoquip's

owner and its employees sought succession advice from Avon Co-operative Development Agency and financial help from Co-operative & Community Finance. The business was successfully purchased by the

employees in November 2004 and has since moved to new premises.

Contact Autoquip on 0117 958 5555 or email [autoquip@aol.com](mailto:autoquip@aol.com)

# Supporting sustainable fuels



The Co-operative Loan Fund has recently given financial assistance to Welsh Biofuels - the UK's leading manufacturer of high quality wood pellet biofuel - a sustainable alternative to fossil fuels.

The company, based in Bridgend, has been developing the biomass industry in Wales and the UK and trading for over seven years.

As well as supplying a range of wood pellets and boilers, it also offers biomass consultancy, resource assessment, plant design and installation and project management.

Welsh Biofuels successfully delivers its services to clients in the industrial, corporate, public, and domestic markets. Examples include:

- The implementation of a renewable energy and energy efficiency dissemination programme for local authorities and housing associations across Wales.
- Provision of feasibility and engineering services for the first wood fuelled school in Pembrokeshire.
- Feasibility and system specification for large scale biomass scheme for major new equestrian centre.

[www.welsh-biofuels.co.uk](http://www.welsh-biofuels.co.uk)

## Co-operative consumer

Co-operatives offer products and services varying from breakfast cereal to bed frames, so why not support the sector by indulging in a little ethical retail therapy? In this regular feature we highlight just some of the excellent co-operatives that the Loan Fund has supported and what they have to offer.

### Belgrano Services

If you live in North West Wales, why not have your car's next MOT test performed by an expanding employee-owned business?

Belgrano Services is an employee co-operative based in Abergele, Wales, that provides MOT testing, as well as garage and 24 hour recovery and rescue services. The business, which has been operating for over 25 years', became a co-operative in 2003 when its employees purchased the business to prevent its closure. The employees also secured a high street bank mortgage for the business's land and premises.

*Call 01745 833225*



### NS magazine

If you want to learn more about co-operatives, social enterprises and community-owned organisations, why not subscribe to NS magazine?

NS is published by an Industrial & Provident Society and aims to promote the principles and practice of democratic enterprise, common ownership, co-operation and community control within the social economy.

It's published six times each year, and regularly features sector news, case studies, opinion pieces, conference reports, and events listings.

*[www.newsector.co.uk](http://www.newsector.co.uk)*



### The Bike's The Business

Need something delivering in the Brighton and Hove area? For an ethical and environmentally-friendly solution, get in touch with The Bike's The Business.

The employee co-operative provides an eco-friendly courier service by solely using bicycles and trailers for deliveries. It also offers distribution services, and can deliver anything from mail to magazines.

Its services are priced extremely competitively, and it offers same day delivery.

*[www.thebikethebusiness.co.uk](http://www.thebikethebusiness.co.uk)*



# Co-operative events

8 March 2008

## Social Enterprise and the Railways

Swindon

This conference has been organised by the South West Co-operative Party to discuss social enterprise, mutual principles and the railways.

Speakers will include Lord Berkeley, Chairman of the Rail Freight Group, who has recently proposed reorganising Network Rail along mutual principles.

*For further information contact Tim Pearce on 0797 042 1590 or email [t.pearce@party.coop](mailto:t.pearce@party.coop)*

14 March 2008

## Digital Inclusion Wales

Cardiff

This free conference, which is being hosted by the Wales Co-operative Centre and the Welsh Assembly Government, aims to help develop and sustain a digital inclusion movement in Wales.

The Conference will highlight the social and economic benefits of digital inclusion to the voluntary, public, and private and community sectors and how bridging the digital divide in Wales remains an important challenge to all involved.

*Go to [www.communitiesatone.org](http://www.communitiesatone.org) for further information*

27 - 29 June 2008

## Co-operative Congress

Blackpool

The leading annual event for all co-operative enterprises, held by Co-operatives UK, will offer a range of inspirational debates and thought provoking workshops developed around the theme of Going for Growth - growing a sustainable co-operative sector

*For further information contact the the Congress Administration Team on 01323 637710 or email [cooperatives2008@confpeople.co.uk](mailto:cooperatives2008@confpeople.co.uk)*

11 - 12 July 2008

## 7th Annual Co-operative Education Conference

Northamptonshire

This annual conference, held by the Education Department of the East of England Co-operative Society, aims to attract delegates including teachers, youth and community development workers, and co-operative practitioners from across the UK. The event will focus on the application of co-operative values and ways of working and learning, and will explore co-operative interaction between education, government, business, communities, the third sector and young people.

*For further information contact Pam Walker on 01473 280316 or email [p.walker@eastofengland.coop](mailto:p.walker@eastofengland.coop)*

## Apply for a loan

If you would like to apply for a loan from The Co-operative Loan Fund, please go to [www.co-operativeloanfund.co.uk](http://www.co-operativeloanfund.co.uk) to download and print an application form, or contact the fund managers, Co-operative & Community Finance, on 01179 166750.

Complete the form, and send it with two copies of your most recent business plan to:

**The Co-operative Loan Fund, c/o Co-operative & Community Finance  
Head Office  
Brunswick Court  
Brunswick Square  
Bristol BS2 8PE**

*Further details about the fund, loan security, and lending terms are available online at [www.co-operativeloanfund.co.uk](http://www.co-operativeloanfund.co.uk)*

