

# Tip Sheet: Checklist for a Business-to-Co-operative Succession Plan

This checklist identifies the key success factors and milestones that should be met in order to ensure that there is a successful transition between the original owner of the business and the new co-operative structure. It reflects that both the new co-operative structure and the original owner have needs that must be met in order to have a successful transition.

## Support for business owner

- Awareness of co-operative alternative potential for them and their business
- Owner's personal objectives
- Business objectives, as determined by the owner before the business is transferred
- Transfer plan
- Owner's asset management plan (taxes, investment, estate)
- Employee information

## Support for co-operative

- Creation of steering committee to direct and manage the transition to a co-operative
- Co-operative management and governance training program

- Takeover plan (to ensure a smooth transition to the new model of operations)
- Buyout financing plan
- Business plan (to plan effectively for future growth)
- Preparation for initial general members meeting

## Mediation between owner and co-operative

- Commitment letter for sale to co-operative
- Negotiations regarding value of business
- Due diligence about the state of the business and future prospects
- Business buyout/sale agreement
- Plan for transferring owner's knowledge to new worker owners

### *Getting Advice*

Carrying out an effective co-op development process is crucial for the success of new co-operatives. It requires a broad set of *skills, knowledge and experience*. For most new co-operative entrepreneurs, although they have the vision of what they want their new co-op to accomplish, they often lack some of the required knowledge and experience to move the project forward. Filling this knowledge and experience gap is how an experienced Co-op Developer can be of great assistance.

CCA works closely with its member provincial co-operative associations and we recommend that you contact them first to identify an experienced co-operative developer or use the online co-operative development resource – CoopZone ([www.coopzone.coop](http://www.coopzone.coop)).

## *Organizations providing Co-operative Development Services*

### **The North (Yukon, NWT, & Nunavut) / Le Nord (Yukon, TNO et Nunavut)**

Arctic Co-operatives Limited  
1645 Inkster Boulevard  
Winnipeg, Manitoba R2X 2W7

Telephone: (204) 697-2243  
Fax: (204) 697-1880  
E-mail: [amorrison@ArcticCo-op.com](mailto:amorrison@ArcticCo-op.com)  
Website: [www.ArcticCo-op.com](http://www.ArcticCo-op.com)

### **British Columbia / Colombie-Britannique**

British Columbia Co-operative Association (BCCA)  
Suite 212  
1737 West 3rd Avenue  
Vancouver, British Columbia V6J 1K7

Telephone: (604) 662-3906  
Fax: (604) 662-3968  
E-mail: [general@bccacoop.ca](mailto:general@bccacoop.ca)  
Website: [www.bccacoop.ca](http://www.bccacoop.ca)

### **Alberta**

Alberta Community and Co-operative Association  
#104, 5013 – 48 Street  
Stony Plain, AB T7Z 1L8

Telephone: (780) 963-3766  
Fax: (780) 968-6733  
Email: [acaa@accaa.coop](mailto:acaa@accaa.coop)  
Website: [www.accaa.coop](http://www.accaa.coop)

Conseil de développement économique de l'Alberta  
8929, 82<sup>e</sup> avenue  
Edmonton (Alberta) T6C 0Z2

Téléphone: (780) 414-6125  
Sans frais : 1-888-414-6123  
Télécopieur : (780) 414-2885  
Courriel : [pdg.ceo@lecdea.ca](mailto:pdg.ceo@lecdea.ca)  
Site Internet : [www.lecdea.ca](http://www.lecdea.ca)

### **Saskatchewan**

Saskatchewan Co-operative Association  
301-201 21<sup>st</sup> Street East  
Saskatoon, Saskatchewan S7K 0B8

Telephone: (306) 244-3702  
Fax: (306) 244-2165  
E-mail: [sca@sask.coop](mailto:sca@sask.coop)  
Website: [www.sask.coop](http://www.sask.coop)

Conseil de la Coopération de la Saskatchewan (CCS)  
3850, rue Hillsdale  
Bureau 230  
Régina (Saskatchewan) S4S 7J5

Téléphone : (306) 566-6000  
Sans frais : 1-800-670-0879  
Télécopieur : (306) 757-4322  
Courriel : [dg@ccs-sk.ca](mailto:dg@ccs-sk.ca)  
Site Internet : [www.ccs-sk.ca](http://www.ccs-sk.ca)

### **Manitoba**

Manitoba Cooperative Council  
Unit C, 3059 Portage Avenue,  
Winnipeg, Manitoba R3K 0W4

Telephone: (204) 989-5930  
Fax: (204) (204) 885-8519  
E-mail: [vera@manitoba.coop](mailto:vera@manitoba.coop)  
Website: [www.manitoba.coop](http://www.manitoba.coop)

Conseil de développement économique des municipalités  
bilingues du Manitoba (CDEM)

614, rue des Meurons  
Bureau 200  
Winnipeg (Manitoba) R2H 2P9

Téléphone : (204) 925-2320  
Sans frais : 1-800-990-2332  
Télécopieur : (204) 237-4618  
Courriel : [ltetrault@cdem.com](mailto:ltetrault@cdem.com)  
Site Internet : [www.cdem.com](http://www.cdem.com)

## Ontario

Ontario Co-operative Association  
101 - 450 Speedvale Avenue West  
Guelph, Ontario N1H 7Y6

Telephone: (519) 763-8271  
Fax: (519) 763-7239  
Toll free: 1 888-745-5521  
E-mail: [info@ontario.coop](mailto:info@ontario.coop)  
Website: [www.ontario.coop](http://www.ontario.coop)

Conseil de la Coopération de l'Ontario (CCO)  
435, boul. Saint-Laurent  
Bureau 201  
Ottawa (Ontario) K1K 2Z8  
Téléphone : (613) 745-8619  
Sans frais : 1-866-290-1168  
Télécopieur : (613) 745-4649  
Courriel : [info@cco.coop](mailto:info@cco.coop)  
Site internet : [www.cco.coop](http://www.cco.coop)

## Quebec / Québec

Conseil québécois de la coopération et de la mutualité (CQCM)  
5955, rue St-Laurent  
Bureau 204  
Lévis (Québec) G6V 3P5  
Téléphone : (418) 835-3710  
Télécopieur : (418) 835-6322  
Courriel : [info@coopquebec.coop](mailto:info@coopquebec.coop)  
Site Internet : [www.coopquebec.coop](http://www.coopquebec.coop)

## New Brunswick / Nouveau-Brunswick

Co-operative Enterprise Council  
P.O.Box 452, Station A  
Fredericton, NB  
E3B 4Y2

Telephone: (506) 472-5475  
Fax: (506) 453-9927  
Email: [info@cecnb.ca](mailto:info@cecnb.ca)  
Web: [www.cecnb.ca](http://www.cecnb.ca)

Conseil Acadien de la Coopération (Nouveau-Brunswick)  
295, boul. St-Pierre ouest,  
C.P. 5554  
Caraquet (Nouveau-Brunswick) E1W 1B7  
Téléphone : (506) 726-4717  
Télécopieur : (506) 726-4001  
Site Internet : [www.acadie.com](http://www.acadie.com)

Coopérative de développement régional - Acadie  
220, boul. St-Pierre Ouest, bur. 212  
Caraquet, (Nouveau-Brunswick) E1W 1A5  
Téléphone: (506) 727-6377  
Télécopieur: (506) 393-6999  
Courriel: [cdracadie@nb.aibn.com](mailto:cdracadie@nb.aibn.com)  
Site Internet: [www.cdra.fcdrq.coop](http://www.cdra.fcdrq.coop)

## Prince Edward Island / Île-du-Prince-Édouard

Prince Edward Island Co-op Council  
6 Alexandra Court  
Stratford, PE C1B 1K8

Telephone: (902) 569-7322  
Fax: (902) 569-7337  
E-mail: [peicc@peicc.coop](mailto:peicc@peicc.coop)

Conseil de développement coopératif de l'Île-du-Prince-Édouard  
C.P. 67  
48, chemin Mill  
Wellington (Île-du-Prince-Édouard) C0B 2E0  
Téléphone : (902) 854-3439 poste 239  
Télécopieur : (902) 854-3099  
Courriel : [michel@ilebranchee.ca](mailto:michel@ilebranchee.ca)

## Nova Scotia / Nouvelle-Écosse

Nova Scotia Co-operative Council  
P.O. BOX 1872  
Truro, Nova Scotia B2N 6C7

Telephone: (902) 893-8966  
Fax: (902) 895-0109  
E-mail: [diannefk@tru.eastlink.ca](mailto:diannefk@tru.eastlink.ca)  
Website: [www.nscouncil.ns.ca](http://www.nscouncil.ns.ca)

Conseil Coopératif Acadien de la Nouvelle-Écosse  
C.P. 667  
Chéticamp (Nouvelle-Écosse) B0E 1H0  
Téléphone : (902) 224-2205  
Télécopieur : (902) 224-2801  
Courriel : [coopacadien@ns.sympatico.ca](mailto:coopacadien@ns.sympatico.ca)

## Newfoundland-Labrador / Terre-Neuve-et-Labrador

Newfoundland & Labrador Federation of Co-operatives  
P.O. Box 13369 Station A  
Co-operator's Building  
Crosbie Place  
St. John's, NF A1B 4B7

Telephone: (709) 726-9431  
Fax: (709) 726-9433  
E-mail: [dearles@nflc.nf.ca](mailto:dearles@nflc.nf.ca)  
Web: [www.nflc.coop](http://www.nflc.coop)

## Worker Co-operative Sector/ Secteur des coopératives de travail

Canadian Worker Co-operative Federation/  
La Fédération canadienne des coopératives de travail  
104-402 30<sup>th</sup> Avenue NE  
Calgary, Alberta T2E 2E3  
Tél: (403) 276-8250 Fax: (403) 338-0226.  
E-mail: [hazel@canadianworker.coop](mailto:hazel@canadianworker.coop)  
Website: [www.canadianworker.coop](http://www.canadianworker.coop)

## Acknowledgements

CCA, CWCF and the project partners on the Business Succession in Rural Communities project would like to acknowledge the Fédération des coopératives de développement régional du Québec, in partnership with the Orion Co-operative, who developed the cooperative succession framework entitled “Relais Coop.” The entire process is based on steps the various stakeholders must take to ensure entrepreneurial succession using the cooperative formula tailored to the needs of businesses interested in transferring ownership and safeguarding regional employment.

This Guide was originally prepared by the Relais Coop project for communities and co-operative developers in Quebec and has been adapted by the Business Succession in Rural Communities project team for use outside of Quebec.

Both projects were made possible through funding under the Innovations and Research component of the Co-operative Development Initiative (CDI), a federally-funded program managed by the Co-operatives Secretariat at Agriculture and Agri-food Canada. The partners gratefully acknowledge the support of the Co-operatives Secretariat in supporting the project.