



Press Release

++ Embargoed until 00:01 on Thursday 12 January 2012 ++

CO-OPERATION NOW DOMINANT FORCE IN GLOBAL BUSINESS OWNERSHIP

***New research shows co-operative member owners outnumber
shareholders by three to one.***

10 January 2012

There are now three times more members of co-operatives than individual shareholders worldwide, according to a new report issued today (12 January) to mark the launch of [International Year of Co-operatives 2012](#).

The report, '[Global Business Ownership 2012](#)' reveals that, despite only seven per cent of the world's population living in a country without a stock market, just 328 million individuals are direct shareholders compared with the one billion who are members of a co-operative enterprise.

The figures underline the scale of commitment from consumers and workers to retaining ownership and control of businesses which are dedicated towards sustainable, long-term success.

In the UK, where the world's first co-operative enterprise started, 14.9 per cent of the population has direct ownership of shares, compared with 21.1 per cent who are owners or members of a co-operative.

More than six million people are members of the Co-operative Group, the UK's biggest mutually owned business which has a turnover of more than £13billion and aims to boost that number to 20 million by 2020.

Ed Mayo, Secretary General, [Co-operatives UK](#) and author of the report commented, "In a tough economy, mass ownership is a perfect business strategy because you have your customers and workers inside. The idea of sharing profits with those who are involved in the business is now widely recognised but our research shows that few companies do it as well as the co-operative sector. What is more, in the high growth 'BRIC' economies, co-operative member ownership is now five times the level of shareholder ownership. Ownership is best shared, not divided."

These global figures are released against a three-year growth in the UK's co-operative economy, which has outperformed the UK's GDP by 21 per cent and has seen an 18 per cent growth in membership between 2008 and 2010.

Peter Marks, Group Chief Executive, The Co-operative Group, has presided over a major renaissance in the Group's fortunes, which has seen it significantly grow its core business in recent years whilst maintaining corporate leadership in ethics and sustainability.

"These figures are testament to the fundamental appeal of the co-operative principles which combine commercial ideals with social enterprise and support," he commented. "Co-operation is working for millions of people across the globe and our membership is growing every day."

The report also showed that

* In the rest of Europe, three countries have over half of the population in co-operative membership - Ireland (70per cent), Finland (60 per cent) and Austria (59 per cent).

* Among the fastest growing BRIC countries (Brazil, Russia, India and China) there are four times as many co-operative members as direct shareholders with 15per cent of their collective populations being co-operative members compared to 3.8 per cent being independent shareholders.

* Across Asia and the Americas, the countries with the highest proportions of populations in co-operative ownership are India (242million) China (160million) and the USA (120million). One in five people across the Americas, north and south, are members of a co-operative. In Africa, one in thirteen people are members of a co-operative, a figure six times higher than the number of shareholders.

Pauline Green, President of the International Co-operative Alliance (ICA) comments, "The co-operative business model is **not** business as usual. Co-operatives are people based enterprises and have a proven track record at local community level and at global level. The largest 300 co-operatives in the world are together worth \$1.6trillion and compete in some of the world's most competitive markets. However, the reality of the co-operative model is that shared ownership and shared control combine to allow financial success to work comfortably with social responsibility, with the principle of 'one member, one vote', ethical values and with the participation and engagement of their one billion owner members. In the words of the UN, together co-operatives help to build a better world."

For more information on United Nations 2012 International Year of Co-operatives visit the ICA at www.2012.coop or the United Nations at <http://social.un.org/coopsyear>.

- E n d s -

For more information, for a copy of the report or to interview Ed Mayo, Peter Marks or Dame Pauline Green please contact

Rachel Griffiths M: 07793 200888

rachel.griffiths@reputationconsultancy.co.uk

Dave Smith T: 0161 827 5614 M: 07702 152771 dave.smith@co-operative.coop

Table 1: Business ownership worldwide – share companies and co-operative enterprise

Form of ownership	Numbers of people
Share owners – direct ownership	328m
Share owners – indirect ownership	565m
Member owners – direct ownership	1,000m

Table 2: Co-operative member ownership and share ownership as a percentage of population – by region

Region	Co-operative members	Indirect shareholders	Direct shareholders
Africa	7.4%	4.1%	1.3%
Americas	19.4%	16.7%	9.2%
Asia Pacific	13.8%	6.9%	4.4%
Europe	16%	12.9%	7.5%
Worldwide	13.8%	8.7%	5%

Notes to editors:

The United Nations General Assembly has declared 2012 as the International Year of Cooperatives, highlighting the contribution of co-operatives to socio-economic development, particularly their impact on poverty reduction, employment generation and social integration. The Year will highlight the strengths of the co-operative business model as an alternative means of doing business and furthering socio-economic development.

With the theme of “**Co-operative Enterprises Build a Better World**”, the Year seeks to encourage the growth and establishment of co-operatives all

over the world. It also encourages individuals, communities and governments to recognise the agency of co-operatives in helping to achieve internationally agreed upon development goals, such as the Millennium Development Goals.

Co-operatives UK works to promote, develop and unite co-operative enterprises. It has a unique role as a trade association for co-operatives and its campaigns for co-operation, such as Co-operatives Fortnight, bring together all those with a passion and interest in co-operative action.

Any organisation supportive of co-operation and mutuality can join and there are many opportunities online for individuals to connect to the latest co-operative news, innovations and campaigns. All members benefit from specialist services and the chance to network with other co-operatives. www.uk.coop

The Co-operative Group is the UK's largest mutual business, owned not by private shareholders but by over six million consumers. It is the UK's fifth biggest food retailer, the leading convenience store operator and a major financial services provider, operating The Co-operative Bank, Britannia and The Co-operative Insurance. Among its other businesses are the number one funeral services provider and Britain's largest farming operation. As well as having clear financial and operational objectives, the Group has also set out its social and sustainability goals in its groundbreaking Ethical Plan, which specifies almost 50 commitments in these areas.

Co-operatives are businesses owned and run by their members. Whether the members are customers, employees or residents they are everyday people who have an equal say in what the business does and a share in the profits. As well as benefiting their members, co-operatives act together to build a better world through co-operation.

There are over 1.4 million co-operatives across the globe, working in everything from farming to football, healthcare to housing. Between them they have around 1 billion members and over 3 billion people secure their livelihood through co-operatives.

In the UK, there are 5,450 independent co-operative businesses. Together they have a combined turnover of over £33 billion and have outperformed the UK economy as a whole, growing by 21% since the start of the credit crunch in 2008. They employ 236,000 people and are owned by 12.8 million people, that's over one in five of the UK population.