

Introducing

FBLC

Cooperative Corp.



and

FBLC

Community Farms, LLC



Grateful to Almighty God, recognizing His beneficence and His many blessings bestowed upon us through the merits of His Son, Jesus Christ, and acknowledging our obligation to “do good to all and especially to those of the household of faith,” the mission of FBLC Cooperative Corp. is to assist our members in the retention and enjoyment, undiminished, of the great blessings which God has so graciously bestowed upon us and to promote and maintain the economic, social and spiritual wellbeing of one another, our posterity and our community.

Our Story

The story of FBLC Cooperative Corp. begins in 2021 as the world was in the second year of the Covid-19 global pandemic, high inflation was taking hold, gas prices were increasing, and the general culture seemed to be losing it's grip on reality itself.

Understanding Jesus' words about the tumult and trouble that would be seen throughout the world from the time of His ascension until the time of His return, a number of members of Bethlehem Lutheran Church in Standish, Michigan decided to focus less on complaining and determined to do something to help their fellow members and the community at large.

There were many concerns identified, but the overriding concern was that this was not going to be a temporary hiccup in the social and economic structures we all hoped when the global pandemic began. Complaining about the fate of the world and nostalgically yearning for "what used to be" was not going to be enough. We needed a plan so that those who desire to stop talking and get to work could begin acting. There needed to be a framework to acquire the means and tools and resources to allow us to chart a path forward and help each other, those around us, and the generations that will come after us endure the effects of the great shift happening in worldwide governance and western culture and society.

Through a study of the Scriptures, one thing became abundantly clear; the ease and comfort that we considered "normal" as 20th and 21st century Christians, especially the freedom that the church has enjoyed particularly in our nation was, in fact, very unusual and strange in the history of the people of God. Far more common is what Jesus describes when He says, "In the world you will have trouble. But take heart! I have overcome the world." (John 16:33) Further study became necessary. The question to be answered was how we who trust in Christ live out our faith in the midst of this dying world until Jesus returns in His glory to judge the living and the dead.

In Jeremiah's letter to the Babylonian exiles, we read:

Build houses and live in them; plant gardens and eat their produce. Take wives and have sons and daughters; take wives for your sons, and give your daughters in marriage, that they may bear sons and daughters; multiply there, and do not decrease. But seek the welfare of the city where I have sent you into exile, and pray to the Lord on its behalf, for in its welfare you will find your welfare.(Jeremiah 29:5-7)

St. Peter, writes to suffering and persecuted Christians saying:

Beloved, I urge you as sojourners and exiles to abstain from the passions of the flesh, which wage war against your soul. Keep your conduct among the Gentiles honorable, so that when they speak against you as evildoers, they may see your good deeds and glorify God on the day of visitation. ... Live as people who are free, not using your freedom as a cover-up for evil, but living as servants of God. Honor everyone. Love the brotherhood. Fear God. Honor the emperor.

In these passages, a simple but difficult path of faith-filled living is laid out. The Scriptures contain many practical directives related to how a child of God is supposed to live in the world even when the world goes crazy and the social and economic orders of civilization are in chaos.

However, the question that confronted us was, “How do we do these things in the 21st century? in America? in Michigan? in Standish?”

How do we live as sojourners “in the world,” without “being of the world?”

The general outline of Christian life in the world is a simple one. Christians serve God in the world by seeking after the best interests (as God has defined them) of our family and our neighbor.

However, it would seem that God’s direction for living a faith-filled and faith-ful life is something that the world has actively sought to prevent.

As we began what we thought would be a simple exercise: “find a way to work together proactively to help each other, the members of our congregation, and the community weather the times we saw ahead,” we were quickly overwhelmed by a flood of rules, regulations, laws.

It felt as if it was the intention of those who hold the reins of power to prohibit people from coming together to live as God intended. The entire structure seemed designed to force the vast majority of people to depend on the “good will” of large corporations and government rather than being able to rely on God’s “good will” shown to men in the coming of Jesus in the flesh (see Luke 2:8-20). The ideals of cooperation and community seemed to have been left behind.

Research led us to the thoughts of GK Chesterton and Hilaire Belloc’s model of “Distributism,” as well as a review of some of the foundational thinking behind the so-called “free market” economy that brought forth

great prosperity and innovation in the past. There were many helpful ideas and thoughts. What became most clear was how much our economic and social structures have negatively impacted individuals, families and communities in the last century and a half. What wasn't obvious was a path forward that would permit us to organize and implement a plan to practically live "in the world," without being "of the world."

It had to be out there. There had to be a way to carry out our duty as both resident aliens commanded by God to, "do good to everyone," loving and serving our neighbor in daily life while actively engaging in "seeking the welfare of the city," in which we live in exile until Christ's return.

Eventually, our research, led us to the "cooperative association," or "cooperative corporation."

What is a "Cooperative Corporation"?

Most people are familiar with the standard "stock based" corporation.

The "stock based corporation" is structured around the giving of "capital" (money) to others with the expectation of a return, or "profit," on the investment. The contribution of "capital" and the "return on investment," are the foundational concepts of the "capitalist" system.

When the investors are moral and righteous people, they understand their duty to invest in such a way that their money creates jobs that improve the lives and living conditions of those who work. When the investors are amoral or, as has been increasingly the case, immoral and greedy, they will see it as their right to receive the maximum profit on their investment without regard for the good or harm done to workers or customers to earn that profit.

One result of this drive to profit maximization is the effective creation of "wage slaves" along with the destruction of families brought about primarily by arbitrary schedules and overbearing and invasive management structures. With the advent of "ESG" capitalism, large investors and their hired boards and managers have begun flexing their muscles to control even more of the world even outside the corporation they manage by using corporate power to control others even outside their corporate walls based on "Environmental Social, and Governance" criteria. One example of this effort was seen during the Covid 19 pandemic when corporations set about forcing people to be injected with a vaccine against their will or lose their job. They did so, "for the good of society." Even after court cases declared government vaccine mandates illegal and even after

the discovery that the vaccine quickly loses its effectiveness for many and only briefly stops the spread of the virus, the coercion and threat to people's livelihood has persisted and in many ways intensified.

While it is the most common corporate structure, the "stock based corporation" that is based on capital investment rather than effort and participation in the business, this is not the only corporate structure in existence. There is a structure that focuses primarily on the participants. It's a structure that can take into account the wellbeing of the individuals and families involved rather than being driven by profit maximization at their expense. It is a corporate structure that is very much in harmony with Christian ideals and values. It treats people as individuals who have value, worth, and dignity in their own right. It also values and rewards honest labor and dethrones "the almighty dollar."

Unlike a stock based corporation where the core unit is the dollar, the "cooperative association," or "cooperative corporation," places the member as the core "unit" of consideration. The legal framework mirrors the natural and normal operation of groups that live in community.

The cooperative association upholds the New Testament directive, "If anyone is not willing to work, let him not eat" even better than the modern corporation with its many layers of managers who do little except push paper while raking in money from the blood sweat and tears of those who do the actual labor. A cooperative can also leave room to care for those who are willing but may be unable to be industrious. The structure of a cooperative can be much more effective at avoiding dependency-creating "hand outs," and can encourage everyone to look out for others with a "hand up."

In a cooperative, the members have value worth and dignity as individuals. Generally, in a stock based corporation, the person who contributes the most dollars has the most power. But in a cooperative, each active member is an "owner" with voice and power. Stock corporations base voting power on the how much money a person has at stake. In a cooperative, each member receives no more than one vote. Instead of profits earned by the sweat and effort of members flowing primarily to the benefit of disinterested investors, the surplus in a cooperative is given to those who actively participated in the effort of gaining the surplus *based on the amount of their participation in earning the surplus.*

Many people in agricultural communities are familiar with cooperatives. There are "marketing cooperatives," "producer cooperatives," "supply cooperatives," and even "credit cooperatives." Some people are also familiar with "food cooperatives" that outwardly look like grocery stores, but are

instead “member owned” with prices kept low by bulk buying, and, often, members given refunds based on how much they spent if the store took in more than it cost to run the operation.

There are also “worker cooperatives” where, instead of a salary, the workers receive the the profits made by the company based on the amount of work that they have done. In cities, you can find “Housing cooperatives,” where, the residents of a housing community or an apartment complex are the actual owners of the complex or apartment building itself, and “Home Owners Associations,” where people in an area maintain sidewalks, parks and other community resources on a cooperative basis.

There are also “electric cooperatives” and “telephone cooperatives,” where members of a community pool their resources to provide for electrical generation and telephone services in their own community. There are many other types of cooperatives.

Isn't a Cooperative like socialism or communism?

Unfortunately, many unhelpful philosophies and ideas have been tied with cooperatives over the years. The model has been adapted by those with socialistic and communist philosophies to promote their ideology. However, socialism and communism are not an inherent part of the legal framework and operation of a cooperative. The association of these ideas with cooperatives is simply because the cooperative framework is easier for socialists and communists to manipulate for their own purposes.

Simply put, a cooperative is a legal framework to organize a corporation around the needs of the active participants and for their direct benefit. It is a democratic system where those who are involved hold the power to oversee the management and direction of the corporation. By law, a cooperative corporation must limit the how much someone who does not actively participate can receive from the profits or surplus. Most cooperatives also strictly limit the power and control of those who invest money but but do not actively participate in the cooperative.

What is FBLC Cooperative Corp.?

FBLC Cooperative Corp. is a “multi-stakeholder cooperative.” The structure of the cooperative allows for worker-member/owners like an employee owned corporation as well as user-member/owners who can pool their resources to obtain the best price through bulk buying. There are also partner-member/owners who are typically businesses or organizations in the community who can use the structures and services of the

cooperative to purchase from or sell to fellow members of the cooperative or market their goods and services to the public *through* the cooperative. FBLC Cooperative Corp. also makes provision for “supporting members” who recognize the benefits of the cooperative for the community and help to make funds available to the cooperative and its initiatives because they value the benefit to the community as a whole.

The benefits of a cooperative structure are not always immediately apparent. The stock based corporation dominates our thinking. And, we are so used an economic life that is organized to make us feel helpless, defenseless and overpowered by others. The world of organized corporations seems to be run by those who see their employees as cogs in a money making machine with their customers as ATM's. They take labor and the products and services produced in exchange for just enough money for their employees to buy goods and services to live on (usually from other faceless inhumane corporations). If you look carefully, the stock of the corporations that wield the most influence in the world is owned by many of the same investors. They are simply slowly bleeding money out of the system into their own wealth portfolios as they rely on others to produce things and improve efficiency that improves their “bottom line.”

This version of “capitalism” capitalizes on the basest of human desires and feeds the sins of greed and covetousness. The mouse on the wheel is given just enough cheese to keep the wheel spinning, but never gets ahead.

Because we have for generations lived our lives in this system of dependence, it is difficult to wrap our head around being a member of an organization that is structured and organized differently. An organization that not only considers our economic wellbeing, but is intentionally structured to allow its members to look out for and care for one another.

A cooperative is not designed for members to exploit one another or profit from the labor of others. It is actually designed to deter such behavior. Properly structured, a cooperative recognizes the dignity of the individual, allowing members to voluntarily associate and work together to achieve shared goals and purposes. A cooperative provides a framework to reward hard work so that members can take pride in their labors and also enjoy the benefits and proceeds of their own efforts. Many cooperatives also provide the option to use those proceeds to help and assist other members.

Having incorporated in March of 2022, FBLC Cooperative Corp. is still very early in the process of our development. There is much work to be done to accomplish the lofty goals that have been set. But the members of FBLC Cooperative Corp. have begun that work.

Doing what we see needs to be done.

FBLC Cooperative Corp. is a multi-stakeholder cooperative that exists, “to assist our members in the retention and enjoyment, undiminished, of the great blessings which God has so graciously bestowed upon us and to promote and maintain the economic, social and spiritual wellbeing of one another, our posterity and our community.”

Members may propose projects and initiatives to the board of directors that they believe would promote those aims.

In some cases, it may be a small group purchasing project. For example, there may be members who want to pool their resources and purchase an entire pallet of canning jars for the fall canning season to save money over purchasing them at a retail store. In other cases, it may be the creation of an entirely new business enterprise like FBLC Community Farms, LLC.

Our first initiative – FBLC Community Farms, LLC.

FBLC Cooperative Corp. began because the founding members looked at what was happening as inflation was increasing, food and fuel prices were sky-rocketing, and supply chains were collapsing, all with no obvious end in sight. Every week new information brought to light indicating it was likely to get much worse before it got any better.

The effect of these things on our local, rural community, concerned us greatly. There was a strong desire very early in the discussion, to increase the food security of our friends and neighbors with the hope and expectation to benefit the community at large. Thus the idea for FBLC Community Farms, LLC was born.

FBLC Community Farms, LLC intends to promote the aims and purposes of FBLC Cooperative Corp. by improving food security for cooperative members and their families as well as members of our local community. FBLC Community Farms will focus on sustainable farming by developing and implementing methodologies that draw from a variety of sources including organic farming, permaculture, and human scale food production.

Why not just start a farm?

There are a number of unique characteristics of the cooperative structure that make it easier to start a new venture with limited funds and a lot of “sweat equity.” Also, the organizers of the Community Farms project shared the ambitious goals of the cooperative as a whole and desired to do far more than merely, “start a farm.”

It is hoped that the farm project will serve as a revenue source to help expand and fund future initiatives of the cooperative and even serve as a revenue source some other community organizations. The initial members who manage and work the farm have other sources of income for their daily needs and are intending to keep the proceeds from farm operations within the cooperative and use them to underwrite the other efforts and benefit the community at large.

This is how the cooperative becomes a tool for member-directed community development. Community members who are part of the cooperative can share and pool resources and get more done together than they can separately, benefitting themselves and the community at large by providing goods, services, and even jobs.

Why not just a coop farm? Why a separate LLC?

The laws and regulations that govern a cooperative prohibit the cooperative from doing over 50% of their transactions with non-members unless certain conditions are met. This would mean a large amount of waste especially in these early years when the number of cooperative members is small. Creating a separate legal entity permits farm operations to sell produce to non-members without restriction while allowing the worker-members of the cooperative the benefit of cooperative membership.

Creating a separate legal entity also reduces the exposure of coop resources that are not dedicated to the farm. In our litigious society, and the constant vaguaries of laws and regulations that can lead to significant fines and penalties, a separate entity provides protection for the coop and its members.

How will the farm operate?

The specifics of the operations of the farm will be primarily under the control of the managers of the LLC assigned by the Board of Directors of the Coop. According to the project plan approved by the Board, the coop

members who have been assigned to manage the farm are in the process of securing two plots where they intend to grow a variety of vegetable products especially those suitable for storage. They intend to make these products available to members of the cooperative as well as to members of the public and hope to be able to provide some of the fruit of their labor to area churches and non-profits for distribution to community members facing food insecurity.

How will the startup costs of the farm be funded?

It is anticipated that proceeds from operations will provide ongoing funding. But the Cooperative structure of FBLC Cooperative Corp. provides a unique funding structure to get things started.

Cooperative funding for member initiatives varies from project to project. In some cases, the scale of the project does not require a significant investment and the project is short lived so members simply underwrite the cost directly.

In other, larger, initiatives, the cooperative has a funding mechanism that permits individual members to underwrite the project in order to provide necessary initial funding. When a project is approved, a project account is set up for members to designate some of the capital they have contributed to the cooperative to the project so that the coop can provide a low or no interest loan.

Proceeds from the interest on the loan, if any, help fund the general operations of the cooperative, are reinvested into other projects, and a limited amount may be returned to the underwriters as a dividend.

Why participate in a Cooperative?

Although legally, Michigan law requires the cooperative to be a “for profit corporation,” participation in the cooperative is not primarily an investment of money for profit or financial gain. Rather, the cooperative is formal structure to enable members to work together toward common goals and purposes while participating in the benefits and even financial rewards of those endeavors.

Financial benefits are derived primarily from the efforts of participants and the savings that come from working together to take greater control of our supply chain or negotiating for better prices as a group. The “surplus” derived from our joint activity is shared with those who participate through something called, “patronage.”

“Patronage” is the share of profits that are tied to the participation of a particular member once necessary expenses are paid and operational reserves are met. The most common form of patronage is the profit earned by worker-member/owners who participate in profitable projects or initiatives. Patronage refunds are also earned on purchased goods and services when the actual cost was lower than the expected cost.

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Can I participate in as a member of FBLC Cooperative Corp.?

A cooperative succeeds based on the participation of members. FBLC Cooperative Corp. is no different. Those interested in joining the effort can speak to a current member and request that they recommend and endorse you. You can also speak to one of the members of our Board of Directors for more information about the process of becoming a member.