

Testimony of Cheryl MacArthur  
Executive Director, Montana Cooperative Development Center  
Great Falls, Montana  
Presented this 19th day of January, 2007

Mr. Chairman and members of the committee, for the record my name is Cheryl MacArthur, Executive Director of the Montana Cooperative Development Center or MCDC. The center, governed by a volunteer board of directors, (board membership attached) is located in Great Falls, and we have a Technical Assistant Network with assistants located in Ronan, Thompson Falls, Hamilton, Bozeman, Joliet, Colstrip, Glendive and Havre. I am here to testify in favor of Senate Bill 42.

MCDC is the statewide resource for individuals and groups starting businesses utilizing the cooperative business model. We specialize in producer-owned agricultural cooperatives, but work with numerous projects that vary from community clothing stores to native art marketing cooperatives and bio diesel projects.

Since the inception of MCDC and the Network of partners in 2000 we have utilized the Montana State Legislature's support and appropriation investment which has leveraged over \$3.4 million in federal dollars. These dollars allow us the opportunity to assist and foster groups in the development of cooperatives for little or no cost. Our services are available to anyone in Montana regardless of their location by having a network of qualified economic development practitioners educated in cooperative development.

Together we are strengthening Montana's economy; between the Center, Technical Assistance Network and Mission Mountain Cooperative Development Center we have collectively organized 12 cooperatives with over 544 members, 27.5 full time employees and contributing over \$113 million dollars into the Montana economy.

- Great Northern Growers Cooperative, Central Montana Producers
- Got Socks Community Clothing Store, Colstrip
- Artitudes Art Gallery, Havre
- Montana Branded Beef Association, Statewide
- Montana Bio Industries Cooperative, Eastern Montana Producers
- Bitterroot Valley Food Cooperative, Ravalli County
- Flathead Native Agricultural Cooperative, Western Montana
- Amazing Grains Cooperative, Lewistown
- Flathead Cherry Growers Cooperative, Western Montana
- Western Montana Growers Cooperative
- Montana Natural Beef, LLC
- Montana Poultry Growers Cooperative

We are working with over 18 projects at differing stages all across Montana. We cannot do this work alone and depend on the other organizations listed in SB 42. We focus on co-operative development, but the Small Business Development Centers are in the position to work with groups that choose other business structures. We all depend on Steve Holland and the Montana Manufacturing Extension for optimizing performance in projects that manufacture products in Montana. With many of the MCDC projects

focused on value added Ag; the Growth through Agriculture program is a critical component for success as this program provides funding for feasibility studies, business plan marketing plan development and agriculture business assistance. Small Business Innovative Research and Research Commercialization has stepped to the forefront to provide grant dollars and assistance to projects we work with in the research and development such as Camalina and PrOatina (a gluten-free oat). All of these programs are key to increasing economic development in the State of Montana.

The bottom line is without the support from the state, we are not eligible for the federal Rural Cooperative Development Grant program that funds this cooperative partnership. Again, with the \$65,000 per year statutory appropriation, we have successfully leveraged over \$3.4 million in federal dollars since our center was formed in 2000.

Thank you Chairman and members of the committee for your time and consideration in passing SB 42.

Cheryl MacArthur  
Executive Director

**Montana Cooperative Development Center**  
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