

WBO CFI
WORKERS BUYOUT



CFI

COOPERAZIONE FINANZA IMPRESA

CFI – MARCORA LAW

1. CFI – Cooperazione Finanza Impresa - is a private institutional investor, in form of cooperative, promoted in **1986** by the three main Italian Cooperative Confederations to manage the **Marcora Law** (L. 49/1985) whose main objective is provide financial and management support to cooperatives established through business transfers to employees, well known in Italy as **WBO** (workers buyout).
2. Main stakeholder and financial partner: **Ministry of Economic Development.**
3. **Main partners:** Italian Cooperative Confederations and Mutualistic Funds.
4. CFI: a **private** company with a **public** stakeholder. This model has allowed to operate with an entrepreneurial approach, ensuring slim and flexible procedures, managerial autonomy and, at the same time, ensuring public control over the respect of mission and of the main operation rules set up by the Law, updated during the last 30 years.
5. CFI provides **equity capital** and/or **debt capital**, taking into consideration the characteristic of the project and the financial-economic asset profile of the cooperative.
6. Since 1986 up to december 2016 CFI has invested 205 millions euros to support more than **300 cooperatives** and to create/save **14.500 jobs**, and skills otherwise lost.

CFI – MARCORA LAW

7. In particular, during **its first period** of activity, between 1986 and 2000, CFI invested approximately 86 million euros in the equity capital of **160 worker cooperatives** set up by workers of enterprises in crisis; more than 6.000 jobs were saved.
8. **Since 2003** CFI has also been financing start up, **development**, consolidation and repositioning projects in existing cooperatives, not only workers cooperatives but also social cooperatives.
9. In this last period, due to the economic downturn, CFI has been focusing its capital and efforts on **WBO projects**, its original mission and main field of know-how, and for which it can avail itself of the competences of a well experienced team.
10. Since 2011 up to december 2016 CFI has carried out 78 interventions in **54 WBO** deals plus 18 in start up out of a total of 185 projects approved with a total investment of 47 million euros.
11. Total CFI investment 2011-2016 in wbo and start up has been around **19 million** euros, jobs saved have been more than **1.200. 15.000 for each worker**.

CFI – MARCORA LAW

12. More than **300 cooperatives** are CFI's equity capital stakeholders, besides the Ministry of Economic Development.
13. CFI's **portfolio investment** for the current year is composed by 128 cooperatives, including 40 social cooperatives and 88 workers cooperatives, out of which 50 are the outcome of WBO.
14. CFI's **equity capital** has reached 84 million euros; its total net assets are 100 million euros.
15. CFI's Board of directors includes representatives of the three main Italian cooperative confederations and of the Ministry of Economic Development.
16. CFI team: **13 people** + board of directors.
17. **Average year investment** during the period 2012-2016
 - 10 millions of euros
 - 40 financial interventions
18. The **main objectives** are promoting the cooperative model, creating and supporting WBO, saving or increasing jobs/competences, keeping solid the net equity capital in order to finance projects and leverage investment with other financial partners.⁴

CFI – MARCORA LAW

19. CFI provides **technical assistance**, swot business analysis, business feasibility studies for assessing the viability of new worker cooperatives, and participate with risk capital or loan capital to the project.
20. The organization works **closely with employees** of enterprises, local labour and business representatives, cooperative associations and consortia and local experts before deciding to invest in or assist a wbo project.
21. CFI, in close collaboration with mutualistic fund and cooperative federations, has given an important contribution to build up an **effective system** to create and boost WBO projects: different actors involved with an approach well known, which has been further implemented since these last 4 years.
22. Although CFI has been working for 30 years facing mainly the crisis of enterprises and repositioning of existing cooperatives, with the aim of saving jobs, **the capital of the main stakeholder** – the Ministry of Economic Development – is **still well protected** by reserves – moreover the State has economic returns in term of taxation and labour contributions paid by cooperatives that are the outcome of wbo, without mentioning the social benefit in term of jobs saved.