

# CO-OPERATIVES : COMPETITIVE BUSINESS MODELS



Address by Mr. Alban D'Amours, President and Chief Executive Officer  
Desjardins Group, Québec, Canada



Conjuguer avoirs et êtres

ICA General Assembly  
Cartagena, Columbia, September 22, 2005

A collage of images including hands raised, a group of people, a smiling couple, and a hand holding a coin.


# Address overview

- ❖ The cooperatives: Players to be reckoned with
- ❖ The undeniable benefits of cooperative enterprise
- ❖ Desjardins' financial and business performance
- ❖ Desjardins' business model and key success factors
- ❖ Developing and consolidating solidarity in the cooperative world



# The cooperatives: Players to be reckoned with

- ❖ Seven cooperative groups figure on the select list of the world's 50 biggest banks
- ❖ Several cooperative groups enjoy superior credit ratings just as high as those of their traditional banking competitors
- ❖ The competition itself and a recent study allude to the competitiveness of cooperative banks



# The undeniable benefits of cooperative enterprise:

## Three unique qualities:

1. Collective ownership of inalienable assets
2. Shared democratic power
3. Sharing of economic rent with local communities



# Sharing of economic rent with local communities

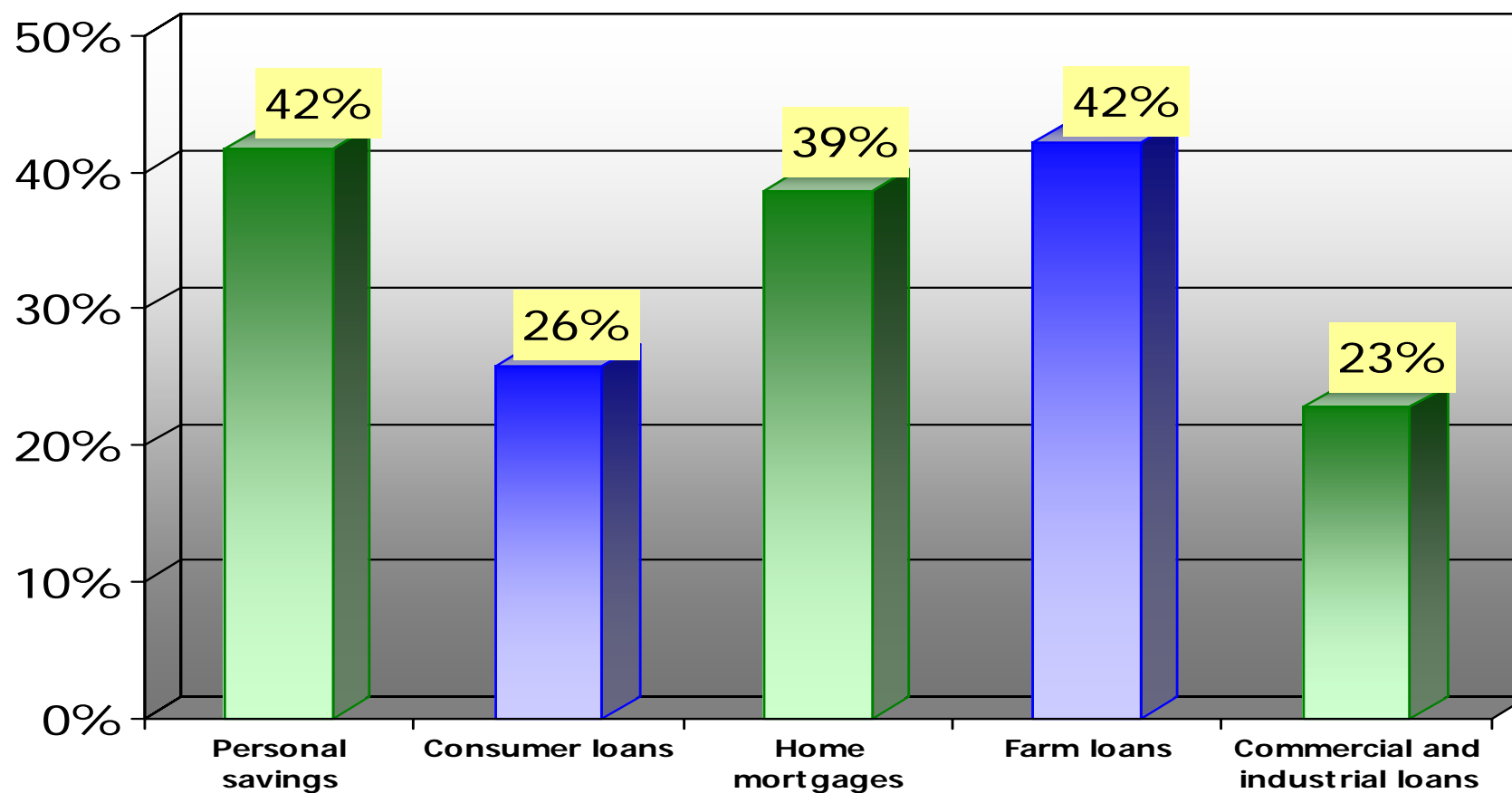
In the past 3 years,  
52 % of Desjardins caisses' surplus earnings have  
been returned to the members and communities  
in the form of patronage allocations, sponsorships,  
corporate donations and educational bursaries

= 1,2 billion US dollars

# Desjardins' solid financial and business performance

- ❖ A ROE (return on equity) of 15,8 % in 2004
- ❖ Largest financial institution in the province of Québec with 90 billion US dollars in assets (sixth largest bank in Canada)
- ❖ In Québec, 70 % of the population are members of a Desjardins caisse

# Desjardins' 2004 market shares in Québec in the financial intermediary sector



# Desjardins' business model and key success elements

- ❖ The strength of a network set-up
- ❖ Self-discipline
- ❖ Search of organizational efficiency
- ❖ A culture of change



# Conclusion

Let's commit now and together  
to developing and consolidating  
solidarity in the  
cooperative world