



BUSINESS COUNCIL
OF CO-OPERATIVES AND MUTUALS

David Gallop
CEO
Football Federation Australia
Locked Bag A4071
Sydney South NSW 1235

7th, June 2018

Dear Mr Gallop,

As Australia's peak body for co-operatives, The Business Council of Co-operatives and Mutuals (BCCM) would like to formally offer our strongest support for the United for Macarthur A League bid.

United for Macarthur's bid is for a community-based and owned club in a co-operative model. A co-operative model of ownership would mean the projected 20,000 footballers in the region would have their talent nurtured and supported locally.

The 2016 Senate Inquiry into Co-operatives and Mutuals noted the positive benefits of community-owned sport. The member owned focus delivers sustainable competition, supporter engagement, and community value. Importantly at this time, the community model helps deliver highly accountable and transparent sports ownership.

Some of the most successful sporting clubs in the US and Europe such as Real Madrid, FC Barcelona and the NFL's Green Bay Packers use co-operative ownership. The co-operative model can secure sustainability for Australian A-League football: supporter trusts revived the viability and success of many sporting clubs in the competitive British football scene.

The Bundesliga, German's top flight football league's famous 50+1 ownership rule means members are in control at nearly every club. It announced record revenues in 2015-16, with 16 of 18 clubs reporting a profit, which in turn led to a record profit after taxes of €206.2 million. By focusing on developing talent locally, the national team became world champions in 2014. The Bundesliga clubs over 2015-16 spent €109.9 million on supporting young players, amateurs and academies.

Member ownership is strongly embedded in AFL, and other Australian sporting codes have noted its potential, including the Newcastle Knights.

The majority of AFL clubs are owned by their members, particularly the core of Victorian clubs: AFL statistics show 1 in 28 Australians are members of the 18 AFL clubs across the country. Members guarantee vocal supporters at the grounds and provide critical financial support, both directly via payments and indirectly via sponsor attention.

AFL research shows powerful community return for every dollar spent on a club, with the social ROI for those Australian Rules clubs examined totalling \$4.40 for every \$1 spent. This includes "increased social connectedness, wellbeing, and mental health status; employment outcomes; personal development; physical health; civic pride and support of other community groups".

The co-operative difference also means that surpluses generated are reinvested back into the local community through donations and sponsorship. Ernst & Young's Sticky Money report estimates for every dollar spent with a regional co-operative, 76 cents is reinvested into the local community.

The BCCM strongly supports United for Macarthur A League bid as the benefits for this fast-growing region are indisputable.

Yours sincerely,



Melina Morrison
CEO, Business Council of Co-operatives and Mutuals

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