

# Employee Ownership and International Diplomacy: Meeting with a Representative of a Thai Worker Cooperative

by James Colligan



*(L to R): Jittra Cotshadet, coordinator of Try Arm Worker Cooperative; and James Colligan, consultant, Beyster Institute*

On November 3 of this year, I had the pleasure of meeting with a visiting Thai delegate named Jittra Cotshadet. Ms. Cotshadet is a coordinator of the Tri Arm Worker Cooperative in Thailand, and was meeting with professionals in America through the U.S. Department of State's International Visitor Leadership Program. The purpose of our meeting was to exchange ideas and best practices within the realm of employee ownership, specifically those related to her worker cooperative and the host of challenges it faces in the current Thai political climate. I'm pleased to say we had a vibrant conversation covering many of the issues facing her cooperative and generated strong ideas to increase its success.

I was pleased to host Cotshadet and her interpreter in the conference room of the Beyster Institute's offices in downtown La Jolla. As Cotshadet listened to my description of our institute and began to describe the situation facing her worker collective, I soon realized that we shared very fundamental values. Cotshadet coordinates the Try Arm Worker Collective which manufactures ladies' lower undergarments and exclusively employs a group of ex-employees of a multinational Thai garment corporation who were all laid off by that company. She described the trials her collective faces in the Thai political climate, at the center of which looms a government run primarily by wealthy owners of capital who favor large corporations and their owners over the average working man. I learned that many of the incentives offered by the U.S. Government

to ESOP-owned companies in the States have no equivalent in Thailand. The Thai business climate makes redistributing capital ownership to the workers very difficult to accomplish.

It is no surprise that everything the Tri Arm Worker Collective has to show for itself is hard-fought. Cotshadet relayed to me the trying story of how her collective of laid-off workers petitioned the Thai government for seven weeks to finally secure state-issued sewing machines and similar capital with which the workers produce the lower undergarments it sells. The workers collectively own this capital equipment. She also shared proudly that Tri Arm competes directly with the multinational which originally laid-off the workers, offering these undergarments of equal quality at a more competitive price. She informed me that the collective invests much of its profits into promotion and education of worker collectives, both in Thailand and abroad. Cotshadet's detailed description of her cooperative's operations and the nature of their industry segment in Thailand enabled me to prescribe best business practices based on my experiences in America.

I was able to contribute advice on best business practices to Cotshadet in two primary areas: marketing of their products and reinvestment of their profits. In terms of marketing Tri Arm's products, Cotshadet informed me that the collective includes a small card in each package of undergarments describing the employee-owned structure of their operation. I remarked to her that the fact that the employees own their company themselves is a prime differentiator for Tri Arm that consumers would champion. To this end, I suggested that Tri Arm boldly advertise on the outside of their packaging that they are a worker collective so that consumers would learn of their employee-owned structure before purchasing the goods, and could choose to support such a collective.

In terms of reinvesting their profits, I discussed with Cotshadet that while spending their profits on promotion and education related to worker cooperatives is noble and intelligent, that it may not be the wisest investment at this point in Tri Arm's development. Cotshadet relayed to me that she wishes Tri Arm could compete with the multinational corporation in the women's brassiere segment as well, but that they don't have the proper machinery to manufacture these garments. To this point, I suggested that Tri Arm consider investing some or all of its profits in machinery to produce brassieres in order to enter a new segment, develop their brand and increase their overall profits. This short-term investment in capital would produce far greater profits in the long term for investment in promotion and education in worker collectives.

My meeting with Jitra Cotshadet was a rich, rewarding learning experience for me, as I hope it was for her. Of all that the Tri Arm Worker Collective has going for it, I believe the most powerful force is Cotshadet's unwavering drive to fight for what she believes is right for her workers and workers everywhere in Thailand and beyond.

###