



COOPERATIVE DEVELOPMENT AUTHORITY Region VI Extension Office

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BEST PRACTICES DOCUMENTED

NAME OF COOPERATIVE: LAWAAN ROXAS CITY TRANSPORT COOPERATIVE
(LRCTC)

ADDRESS: LAWA-AN, ROXAS CITY

TITLE OF THE BEST PRACTICES: "OUR MERCHANDISE; OUR BEST WAY TO
GENERATE FINANCES FOR PUV MODERNIZATION".

DESCRIPTION OF THE BEST PRACTICES

Profile:

Traditional PUJ operators/drivers operate their transport business with just a ***simple objective in mind***: "Makabyahe lang kag may gamiton sa adlaw adlaw nga kinahanglanon sang pamilya". But here comes the government program in PUV Modernization that requires the operators/drivers to ***gather and form a cooperative*** for them to have continued operation of PUJ and comply with the requirements towards modernization of public transportation, preferably PUV (Public Utility Vehicle).

As a requirement for ***cooperative registration*** in the Cooperative Development Authority (CDA), the group *initiated and attended the Pre-Registration Seminar (PRS)* with CDA at Islands Hotel last August 29, 2018 and *Cooperative Education and Transport Operations Seminar (CETOS)* with the Office of Transport Cooperative (OTC) last November 24, 2018. Each member was encouraged to have *their CBU (Capital Build-Up)* as capital requirement for cooperative registration with CDA deposited at BDO Bank. *Documentary requirements* from among initiators were prepared and gathered. *Cooperative Articles of Cooperation and By-Laws* was crafted and signed by initiators before it is subscribed by a notary public. Having complied with requirements, the *Lawaan*

*Roxas City Transport Cooperative (LRCTC) were registered with the Cooperative Development Authority on March 1, 2019. Furthermore, it was granted with the Certificate of Accreditation by the Office of Transportation Cooperatives (OTC) on May 30, 2019 after being able to comply with the OTC requirements for accreditation. It is after being able to attend several trainings and seminars that **cooperators were able to internalize the importance of being engaged in a cooperative**, that a cooperative is an endeavor for generating income thus, **an enterprise: “LRCTC Merchandising”** becomes the second activity after the major activity of the transport cooperative “**to convey passengers**”.*

*LRCTC Merchandising started its business activity through home-based a month after the cooperative was registered specifically in the middle of April 2019 with just little and basic items needed for transport operation like tires, oils, and lubricants. Little by little the number of items increased until the cooperative were able to **find a place for the office and merchandising** along the Lawa-an highway last April 2023 selling more than a hundred of different items to include the following: Tires, Oils, Lubricants, Car Battery, Rubber Cups, Oil Filters, Fuel Filters, Industrial Belts, Horns, Carbon Brush, Center Bearing, Diaphragm Kit, Tie Rod End, Kingpin, Wheel Cylinders, & others.*

At first the Board of Directors and Manager volunteer and take turns every day in attending the merchandise to really understand the flow of the business and its daily sales which last for almost three (3) months until they hired a sale's clerk with probationary fee that is increased every after 3 months as agreed by the board. To keep track of the daily sales, a group chat was created wherein the sales record is posted every day for monitoring. Stock Card for each item is also prepared to facilitate inventory of items as to purchases, consignments, sales, and credit. Ideas from each operator and drivers regarding the items they need were also gathered. Feedback on the quality of items were monitored and listened to for improved services. For cooperative member's benefit, the items can be sold in cash or good as cash if they can pay within a week and they can also have the items in credit if they do not have cash available to pay for the item/s they need. To be able to help in selling the merchandise, some BOD brought items with him while driving like rubber cups and brake fluid as they are items that can really help drivers in their day to day driving especially that the PUJ units are old that maintenance is a must.

Context:

Having started the LRCTC Merchandising, members and non-members of the cooperative benefited from being able to avail items/products they need for transport operation especially if they have no available cash to purchase items they need for repair or for maintenance of their traditional jeepneys and they can have them in cash or credit system. With those merchandise, the cooperative income increased and specifically doubled compared to previous years, thus, the interest on share capital of each members also increased this year.

Resources:

In order to carry out the best practices of the cooperative, the basic and the most important resources are the 5 M's to include: Men, Money, Moment, Machinery, and Material. Men with a heart and mind towards making the most out of his capacity towards achieving success in business not only for his own benefit but for everyone's welfare. Money is the life blood of every business, as we do business for money. Moment or time is precious as it has to be available and spent productively for profit and benefit of all. Machinery is a resource that help facilitate every tasks for productivity like computer, printer, and internet technology for facilitated recording of business transactions. Materials are important resources for whatever business undertaking like supplies needed for the cooperative business activities. Most of this resources for now are utilized to the maximum extent possible without incurring much amount as most human resources are voluntarily extended by active officers, computer and other resources are utilized for free and voluntarily.

Number of Years that Practice is Implemented:

As of this year (2024), the Lawaan Roxas City Transport Cooperative (LRCTC) is in its 5th year of existence as a registered cooperative, which is also the 5th year of having transport related items/merchandising as a business activity for members and non-members for their PUJ repair, maintenance and operation.

Proof of Benefits of Applying the Best Practice:

One of the most evident proof of the benefits that can greatly express the application of our best practices is our audited financial report which spells out how our gross income from sales in the statement of operation increased by almost 50% compared with previous year. It is the result of meticulous recording of the daily sales transactions/records as well as having updated stock card preparation to keep track of stocks/items available in the merchandising. We, who are involved in the business management of the cooperative merchandising are well-informed about the daily sales record by having the picture of daily sales in the group chat for reference and review.

**“OUR MERCHANDISE; OUR BEST WAY TO GENERATE FINANCES
FOR PUV MODERNIZATION”**



