Co-ops Build a Better World

DEEP ROOT ORGANIC CO-OP

valley green feast

ORGANIC VALLEY Family of Farms

Northeast Organic Farming Association (NOFA)

Regional Conference // 10th August 2012

Amherst, MA

Co-ops Build a Better World

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Neighboring Food Co-op Association

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Outline

- 2012: International Year of Co-ops
- What is a co-op?
- Co-ops & local economies
- Some examples from the food system
- Discussion

2012: International Year of Co-ops

Co-ops “in their various forms, promote the fullest possible participation in the economic and social development of all people, including women, youth, older persons, persons with disabilities and indigenous peoples, are becoming **a major factor of economic and social development** and contribute to the eradication of poverty.”

United Nations Resolution 64/136

2012: International Year of Co-ops

Contribution of co-op to:

- Poverty reduction
- Employment generation
- Social integration
- Fairness & globalization
- Conflict resolution, reconstruction & reintegration
- **Food security**

Co-operatives Build a Better World

"Co-operatives are a reminder to the international community that it is possible to pursue **both economic viability and social responsibility**."

UN Secretary-General Ban Ki-moon

2012 International Year of Co-operatives

International Year of Co-ops

Theme:

Co-operative Enterprises Build a Better World.

International Year of Co-ops

UN Goals for the Year:

- Increase public awareness about co-ops
- Promote formation and growth of co-ops
- Encourage governments to establish policies, laws and regulations conducive to the formation, growth and stability of co-ops

A Co-operative Decade?

"The real opportunity, of course, is to use 2012 to help achieve a longer-term vision. ICA is committed to turning the International Year of Co-operatives into a **Co-operative Decade**, with the goal of the co-operative being the fastest-growing model of enterprise by 2020."

Charles Gould, Secretary General
International Co-operative Alliance

What is a Co-op?

"A co-operative is an autonomous association of persons united voluntarily to meet their **common economic, social, and cultural needs and aspirations** through a jointly-owned and democratically-controlled enterprise."

International Co-operative Alliance
www.ica.coop

The Basic Idea

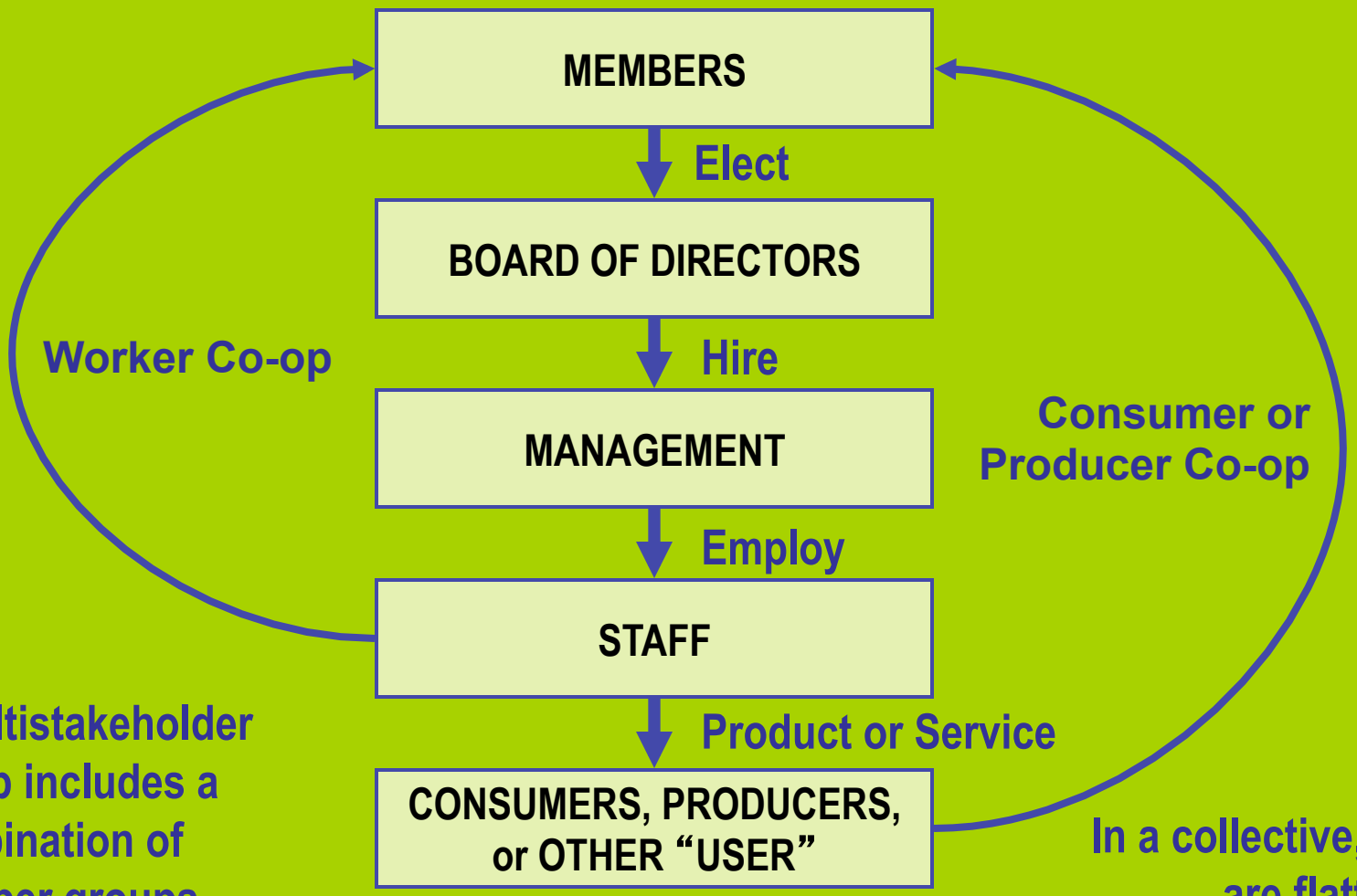
A business that is **equitably owned and democratically controlled** by its members for their common good, the good of the community and to accomplish a shared goal or purpose.

Any surplus (profit) is distributed among members in proportion to their use of the business, or is reinvested in the business.

“User” Focus

- **User-Owned:** The people who use the co-op’s services also own it.
- **User-Controlled:** The people who use the co-op control it on a democratic basis (one-member-one-vote).
- **User-Benefit:** The people who use the co-op receive benefits such as patronage dividends, improved price, goods and services, and employment.

Basic Co-op Structure



A Multistakeholder Co-op includes a combination of member groups.

In a collective, roles are flattened.

A Flexible Model: Activity

- **Purchase** — Obtain needed products and services through bulk purchasing.
- **Process** — Add value to raw materials produced by members.
- **Market** — Market products produced by members or by the co-op.
- **Employ** — Provide a livelihood.

Co-ops by Member Type

- **Community Co-ops**: Owned and governed by members of community.
- **Consumer Co-ops**: Owned by the people who purchase goods or services.
- **Producer Co-ops**: Owned by producers who process and market their products.
- **Worker Co-ops**: Owned and operated by the people who contribute their labor to the business.
- **Multistakeholder Co-ops**: Owned and controlled by combination of the above stakeholders.

Co-ops by Industry

- **Food co-ops**
- **Agricultural & fishery co-ops**
- **Industrial & service co-ops (worker)**
- Financial co-ops (credit unions)
- Insurance co-ops
- Energy & utilities
- Housing co-ops
- Artisan co-ops
- You name it, you can use the co-op model…

Co-operative Principles

- Voluntary & Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- **Cooperation among Co-operatives**
- Concern for Community

Co-operative Values

- **Self-Help**
- **Self-responsibility**
- Democracy
- Equality
- Equity
- Solidarity
- Honesty
- Openness
- Social responsibility
- Caring for others

Co-ops Today

- 1 billion co-op members worldwide*
- 100 million employees worldwide**
- 29,000 co-ops in the U.S.
- U.S. co-ops hold $3.1 trillion in assets
- 1 in 3 Americans are members

* More than directly own stock in publicly traded corporations

** More than employed by multinational corporations.

Co-ops in New England & NY

- 1,400 co-ops across industries
  - Food Co-ops, Farmer Co-ops, Credit Unions, Worker Co-ops, Energy Co-ops, Artisan Co-ops, etc.
- 5 million members
- Employ 22,000 people

Co-ops & Local Economies

- Democratic ownership & control
- Focus on meeting needs before profit
- Develop local skills & assets
- Ability to assemble limited resources
- Address challenge of business succession
- Low business failure rate & are long-lived
- Difficult to move or buy-out
- Separate community wealth from markets
- Mobilize stakeholder loyalty…

Co-ops & Local Economies

Result…

- …a more stable and resilient local food system, infrastructure, employment, services and economy.

Co-ops & Local Economies

- **Organic Valley**, a farmer co-op with over 1,600 members…
- **Valley Green Feast**, a worker co-op & local foods delivery service…
- **Deep Root Organic Co-op**, a produce co-op with 15 members in VT & Québec..
- **Neighboring Food Co-op Association**, a regional co-op of 30 food co-ops…

ORGANIC VALLEY

Family of Farms

Deal family farm
Mt. Vernon, TX

The cooperative in a nut shell

Independent • Farmer-owned • Family Farms

A cooperative that works together
for the benefit of all, rather than for the benefit of a few,
sharing risks and rewards.

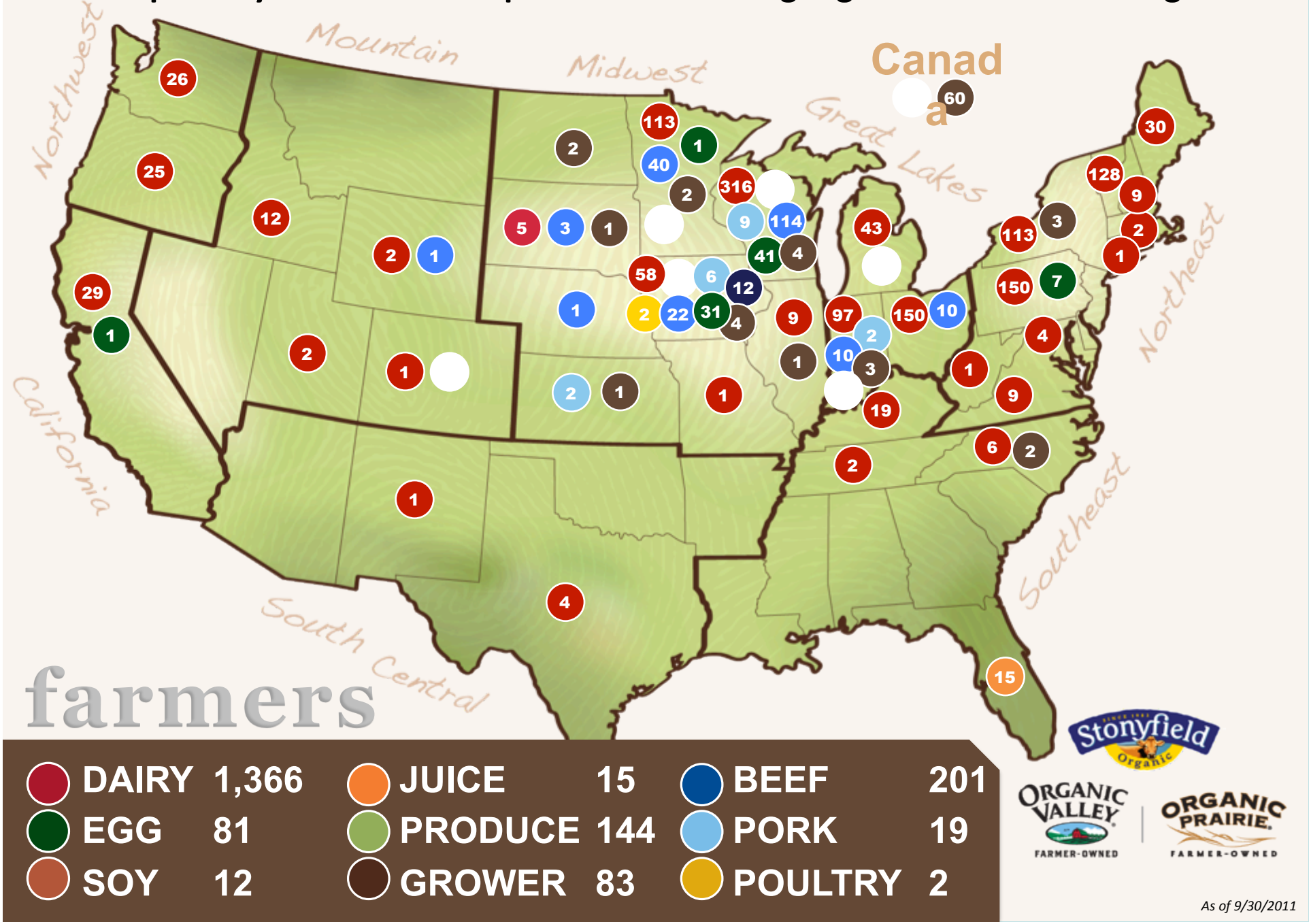
Deal family farm
Mt. Vernon, TX

4 Missions

Organic • Cooperative

Stable Price / Collective Bargaining • Family Farms

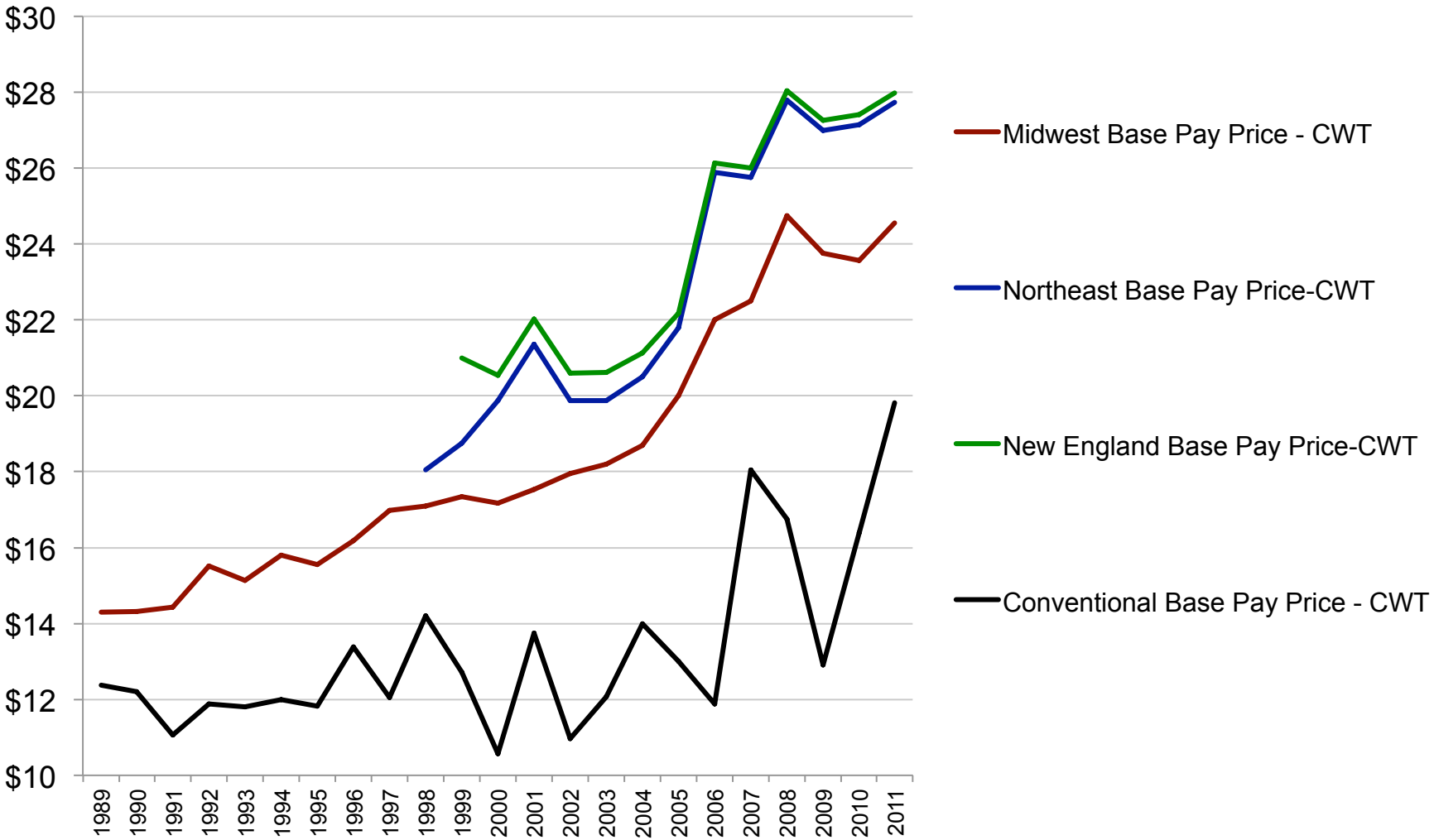
Transparency & Continual Improvement - linking regional farms & bottling…



As of 9/30/2011

Dairy Pay Price Comparison

MW, NE, New England



Governance Structure

- Total Meetings with Farmer Participation- 315
- Total # of Committees with Farmer Representation- 22
- Total # of Farmer Slots on Committees- 212
- Total # of Farmers Participating in Governance Committees- 128

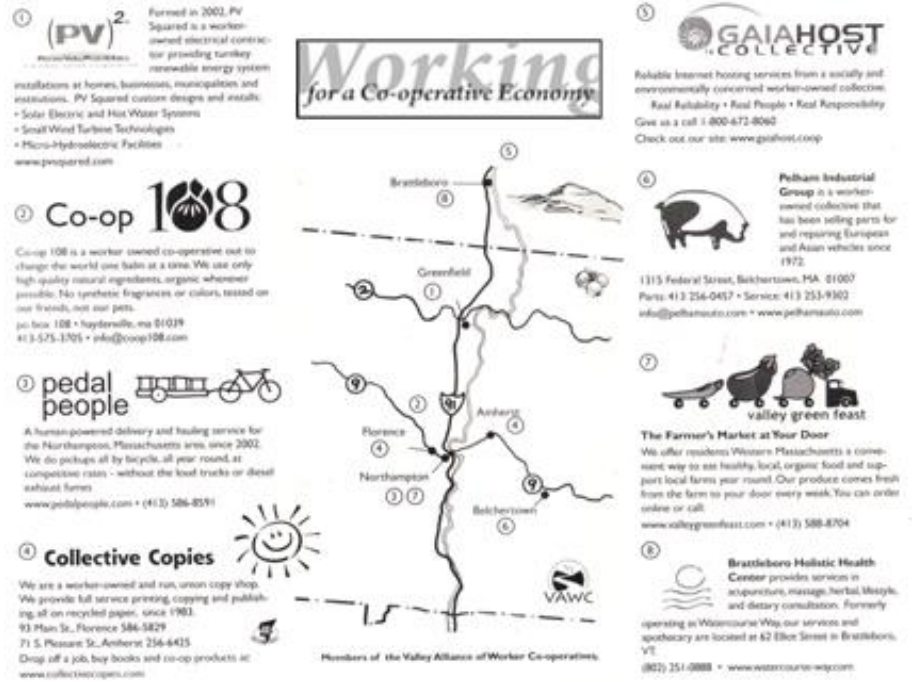
valley green feast

valley green feast

www.buylocalfood.com
BE A LOCAL HERO
buy locally grown

- A local food delivery service that provides the Pioneer Valley and beyond with access to fresh, local and organic food. Any week, every season.
- Started in 2007 as a sole proprietorship and has been entirely female run since.
- Officially transitioned to the Worker Co-op in 2010 with the help of the Valley Alliance of Worker Co-ops (VAWC).
- Now a four person worker owned collective that makes all decisions by consensus.

- **Our mission is to support famers that utilize sustainable farming practices, decrease fossil fuel consumption and save our customers time and money.**
  - **•VGF circulates over 700 lbs of local food/week**
- **We are part of the Worker Co-operative system of support known as VAWC that enables us to interco-operate, share resources, knowledge and offer support to other co-ops.**
  - **•VGF customers have the option of having their food delivered by our friends at Pedal People, a human powered hauling service**



VALLEY ALLIANCE OF WORKER COOPERATIVES
VAWC

HOLYOKE Plus South Hadley and Granby

WEDNESDAY, SEPTEMBER 14, 2011

Inside:

- Guest viewpoint
- Harvest fest
- Mike Burke
- Sudoku
- Just folks

YMCA program offers food delivery

By SANDRA DIAS

- **Food access is a right, not a privilege.**
  - **We offer SNAP/EBT users a 20% discount on all produce purchased.**
- **We have connected with a YMCA in Holyoke to increase the presence of nutritional food in populations with limited access.**
  - **At this drop off site, free delivery is offered to all members of the community that pick up here.**
  - **We will be working with directors at the Y to help create a teaching kitchen to offer food education programs in.**
- **We really are stronger together and the fact that co-operatives have a strong focus on sharing resources is what we think sets us apart from the rest.**
  - **Together we are working for a co-operative economy**

Deep Root Organic Co-op

Deep Root Organic Co-op exists to promote local, sustainable and organic agriculture through our family owned farms.

For over 25 years we have been providing the Northeast and beyond with healthy, organic food!

DEEP ROOT
ORGANIC
VERMONT
DEEP ROOT ORGANIC
COOPERATIVE
Vermont

Deep Root Organic Co-op

- Founded 1986
- 19 members in VT & Québec
- 84,095 cases of produce (2011)
- $2.2 million in revenue (2011)
- Revenue for first half of 2012 up 40%
- Customers across VT and New England

Member Farms

Vermont

- Cate Farm
- Dog River Farm
- Foote Brook Farm
- Green Heron Farm
- Jay Brook Farm
- Littlewood Farm
- Provender Farm
- Riverberry Farm
- Riverside Farm
- Valley Dream Farm
- Wellspring Farm

Québec

- Caldwell Bio Fermentation
- Ferme Geonel
- Ferme Ways Mills
- L'Abri Vegetal
- Le Potager d'Emylou
- Sanders Farm
- Samson Farm and Fils
- Vallons Maraichers Farm

Deep Root Organic Co-op

- Aggregation and diversity enables members to provide fresh, local food nearly year ‘round
- Focus on quality, shared brand, distribution
- Resources & support for new farmers

VERMONT

- **Brattleboro Food Co-op,** Brattleboro
- **Buffalo Mountain Food Co-op,** Hardwick
- **City Market / Onion River Co-op,** Burlington
- **Co-op Food Stores,** White River Junction
- **Hunger Mountain Food Co-op,** Montpelier
- **Middlebury Natural Foods Co-op,** Middlebury
- **Plainfield Food Co-op,** Plainfield
- **Putney Food Co-op,** Putney
- **Rutland Area Food Co-op,** Rutland
- **South Royalton Food Co-op,** South Royalton
- **Springfield Food Co-op,** Springfield
- **Stone Mountain Community Market,** Poultney
- **Upper Valley Food Co-op,** White River Jct.

CONNECTICUT

- **Elm City Co-op Market**, New Haven
- **Fiddleheads Food Co-op,** New London
- **Willimantic Food Co-op,** Willimantic

NEW HAMPSHIRE

- **Co-op Food Stores,** Hanover
- **Co-op Food Stores,** Lebanon
- **Great River Food Co-op,** Walpole (Start-up)
- **Littleton Food Co-op,** Littleton
- **Manchester Food Co-op** (Start-up)
- **Monadnock Community Co-op Market**, Keene (Opening in 2012)

MASSACHUSETTS

- **Berkshire Co-op Market,** Great Barrington
- **Dorchester Community Food Co-op,** Dorchester (Start-up)
- **Green Fields Co-op Market,** Greenfield
- **McCusker's Co-op Market,** Shelburne Falls
- **Leverett Village Co-op,** Leverett
- **Old Creamery Co-op**, Cummington
- **River Valley Co-op Market,** Northampton
- **Wild Oats Co-op Market,** Williamstown

Food Co-ops & Innovation

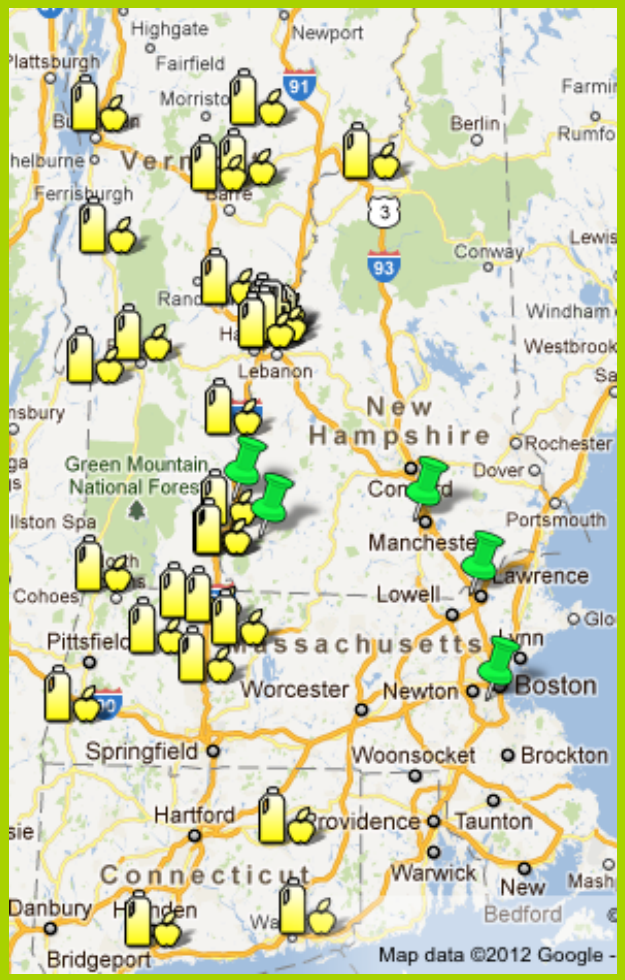
- Community ownership
- Healthy foods
- Organic agriculture
- Fair trade
- Relocalization

Co-ops & Regional Sourcing

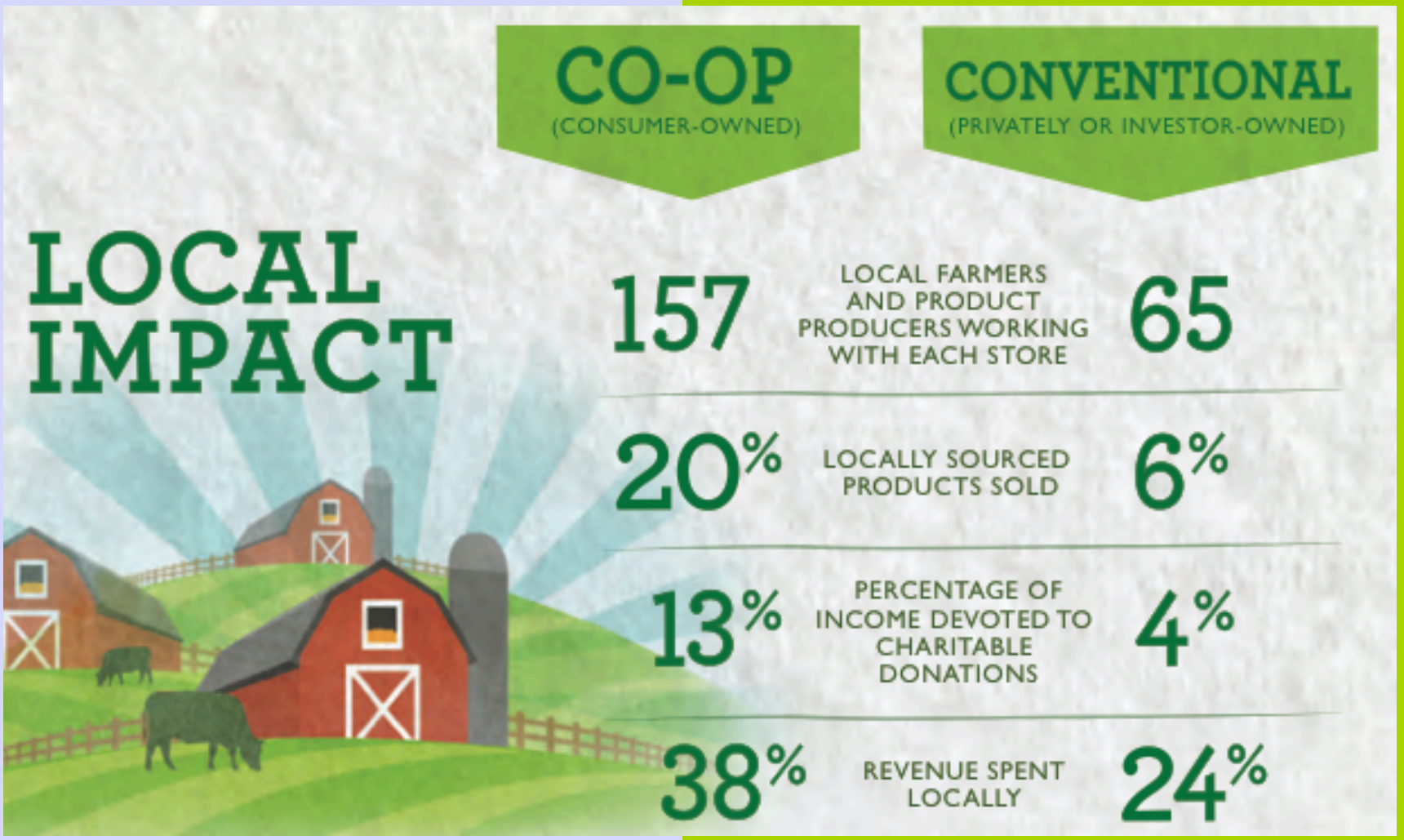
- Shared Purchasing Power to Create Change
- Opportunities for Import Substitution
- Collaboration with Producer Co-ops
- Education on Co-ops in Our Region

Neighboring Food Co-ops

- **A Co-op of 20 food co-ops and 10 start-up projects**
- **80,000 individual members**
- **1,500 employees (2011)**
  - 1,200 in 2007
  - VT members among top 25 employers in the state
- **Paid $28.6 million in wages…**
  - Average wage was 18% higher than the average for food and beverage industry in same states.
- **$200 million revenue (2011)**
  - $161 million in 2007
- **$30 million in local purchases (2011)**



Food Co-ops Nationally



Food Co-ops Nationally

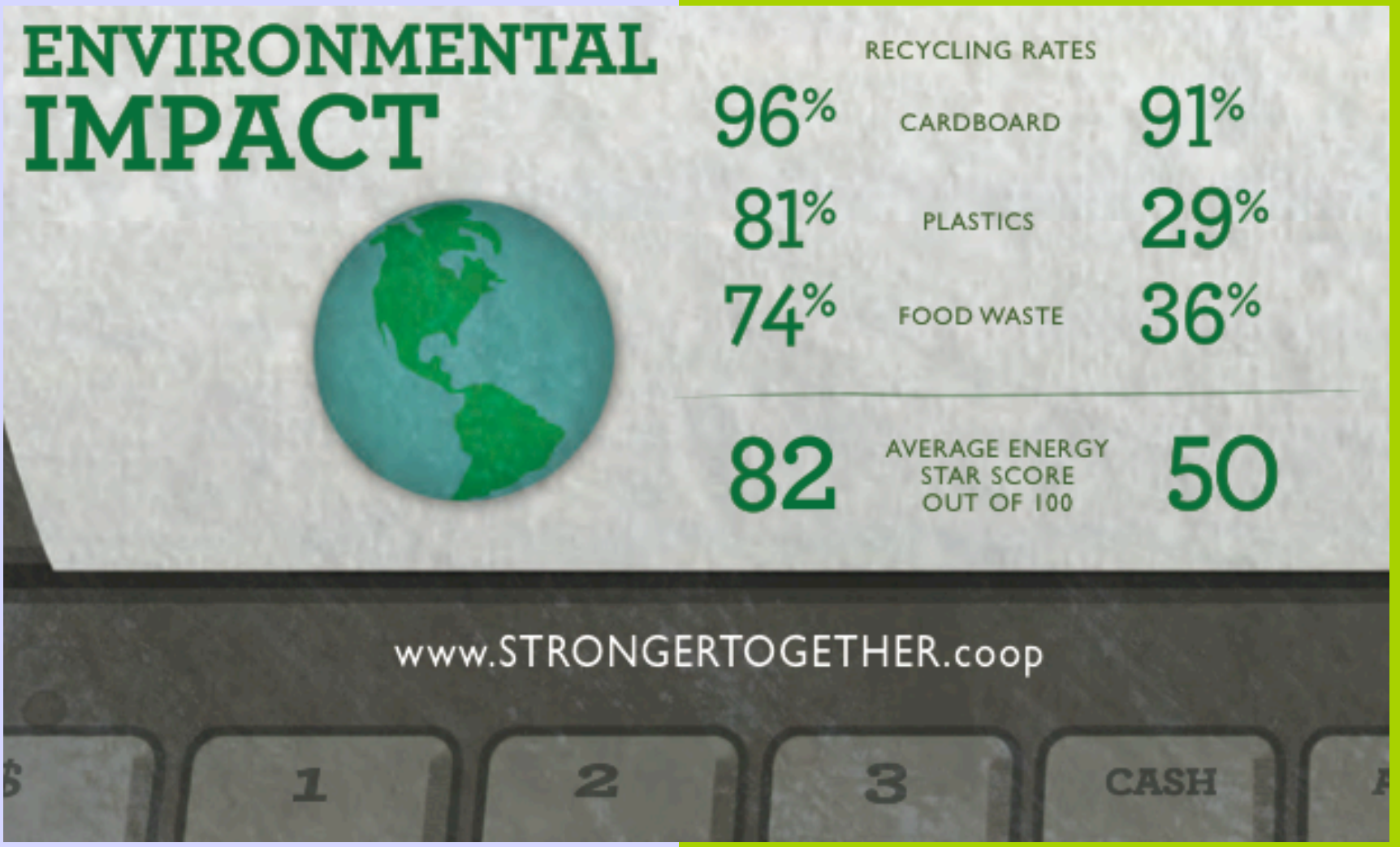
HEALTHY & SUSTAINABLE FOODS

82%	ORGANICS AS A PERCENTAGE OF PRODUCE SALES	12%
48%	ORGANICS AS A PERCENTAGE OF ALL GROCERY SALES	2%

EMPLOYEES

$14.31	AVERAGE EMPLOYEE EARNINGS, INCLUDING BONUSES AND PROFIT SHARING	$13.35
68%	EMPLOYEES ELIGIBLE FOR HEALTH INSURANCE	56%
19%	REVENUE SPENT ON LOCAL WAGES AND BENEFITS	13%

Food Co-ops Nationally



Co-operative Enterprises…

- …put people before profit,
- …are community owned,
- …are accountable to members,
- …are successful businesses,
- …strengthen local economies,
- …are resilient,
- **…build a better world.**

Year of Co-ops Resources

www.nfca.coop/iyc

www.usa2012.coop

www.2012.coop

www.ica.coop

Discussion

Feedback

Questions

Ideas

Opportunities

Contact

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Anthony Mirisciotta, Deep Root Organic Co-op
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Other Workshops at NOFA

Saturday, 1:00 PM
“Co-ops in the Farming & Food System”
Campus Center 917

Sunday, 10:00 AM
“Food Co-ops & Healthy Food Access”
Campus Center 163C