



Co-operatives: Resiliency in Action

Betsy Black & Bonnie Hudspeth
NOFA NH Winter Conference // March 2, 2013

Overview

- What is a Co-op?
- Introductions: CFNE & NFCA
- Co-ops & Resilience
- NE Co-op Stories: Resilience in Action!
- Healthy Food Access Project
- Discussion
- Questions?

What is a Co-op?

?

What is a Co-op?

A co-operative is:

- an autonomous association of persons united voluntarily
- to meet their common economic, social & cultural needs and aspirations
- through a jointly-owned & democratically-controlled enterprise



~ International Co-operative Alliance

“User” Focused

- **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 & employment.

Co-ops Today

Are more common than we think

- 1 billion members worldwide (1 in 4 in the US)
- More people than own stock in privately traded corporations
- Majority of US farmers are co-op members

Are innovative

- Healthy food, organic agriculture, Fair Trade, re-localization, regional aggregation & distribution

Are successful

- 30,000 co-ops in all sectors of US economy

Are resilient

- Survived and **grew** during the global recession

Co-ops in New England

- **1,400 co-ops across industries**

(Food Co-ops, Farmer Co-ops, Credit Unions, Worker Co-ops, Energy Co-ops, Housing Co-ops, etc.)

- **5 million memberships**

- **Employ 22,000 people**



The Birth & Growth of the Co-op Movement



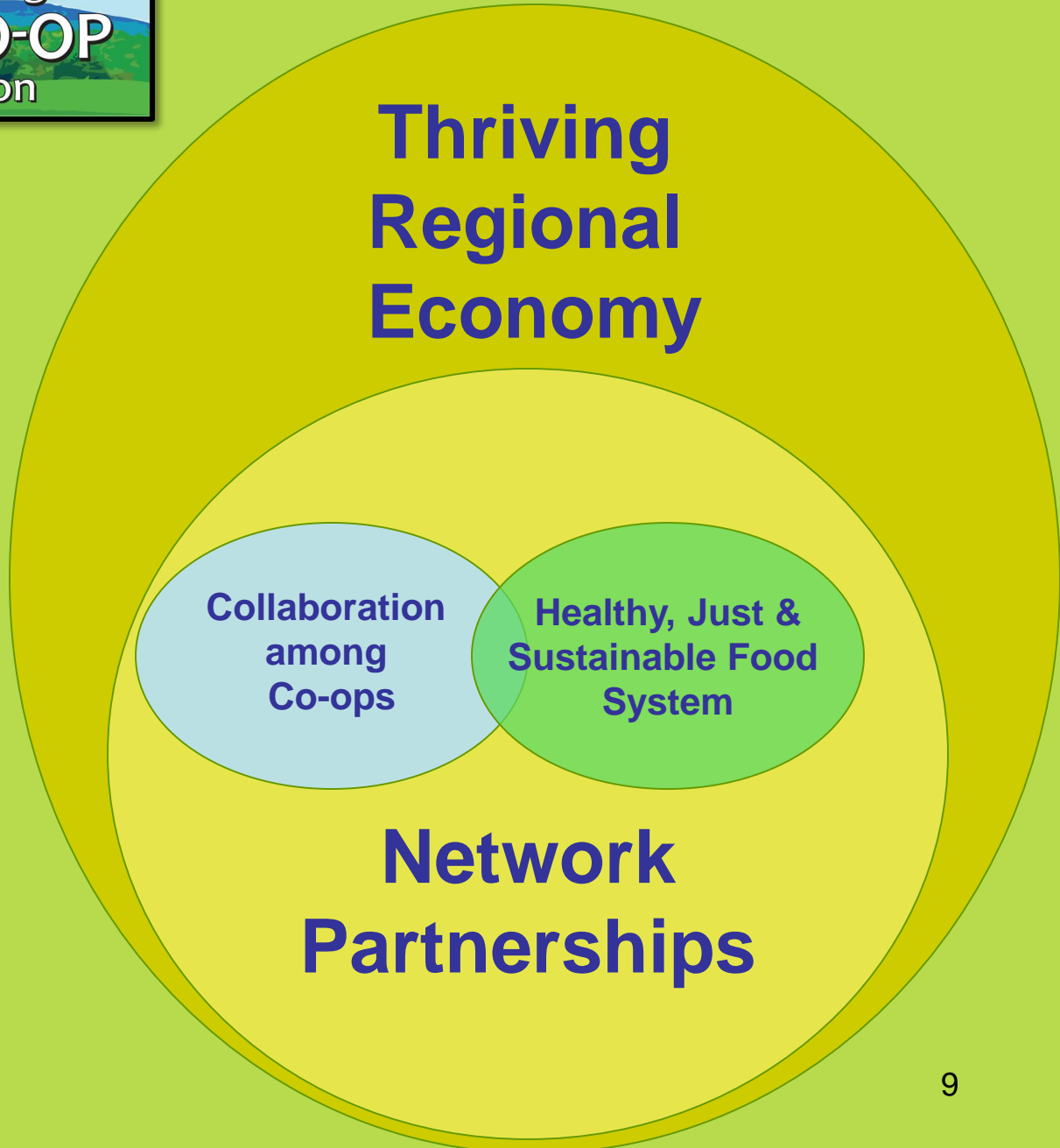
- Rochdale Pioneers
- Begin with a store
- Accumulate shared capital
- Leverage purchasing power for new Co-op enterprises
- **Co-operative Economy**



Vision

**Focus
Areas**

Strategy





VERMONT

- **Brattleboro Food Co-op**, Brattleboro
- **Buffalo Mountain Food Co-op**, Hardwick
- **City Market / Onion River Co-op**, Burlington
- **Co-op Food Store**, White River Junction
- **Granite City Grocery**, Barre
- **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
- **Southshire Community Market**, Bennington
- **Springfield Food Co-op**, Springfield
- **Stone Valley 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
- **The Local Beet Co-op**, Chester
- **Willimantic Food Co-op**, Willimantic

NEW HAMPSHIRE

- **Co-op Food Store**, Hanover
- **Co-op Food Store**, Lebanon
- **Great River Co-op**, Walpole
- **Littleton Food Co-op**, Littleton
- **Manchester Food Co-op**, Manchester
- **Monadnock Community Market**, Keene

MASSACHUSETTS

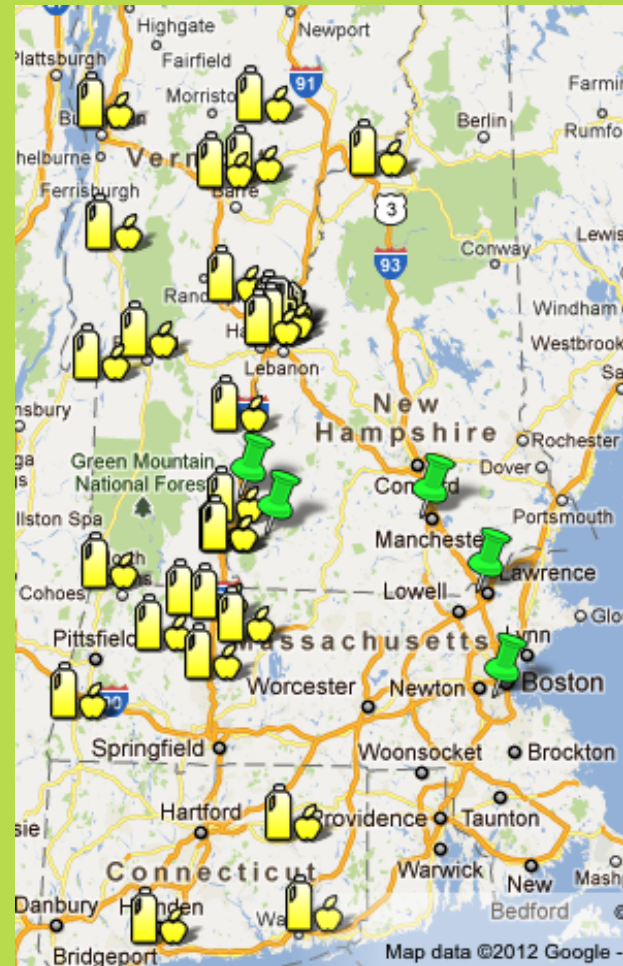
- **Assabet Village Food Co-op**, Maynard
- **Dorchester Community Co-op**, Dorchester
- **Green Fields Co-op Market**, Greenfield
- **Leverett Village Co-op**, Leverett
- **McCusker's Co-op Market**, Shelburne Falls
- **Merrimack Valley Food Co-op**, Lawrence
- **Old Creamery Co-op**, Cummington
- **River Valley Co-op Market**, Northampton
- **Wild Oats Co-op Market**, Williamstown

RHODE ISLAND

- **Urban Greens Food Co-op**, Providence

NFCA Member Impact

- **A Co-op of 20 food co-ops and 12 start-up projects**
- **90,000 individual members**
- **1,400 employees (2010)**
 - 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 (2010)**
 - \$161 million in 2007
- **\$33 million in local purchases (2007)**





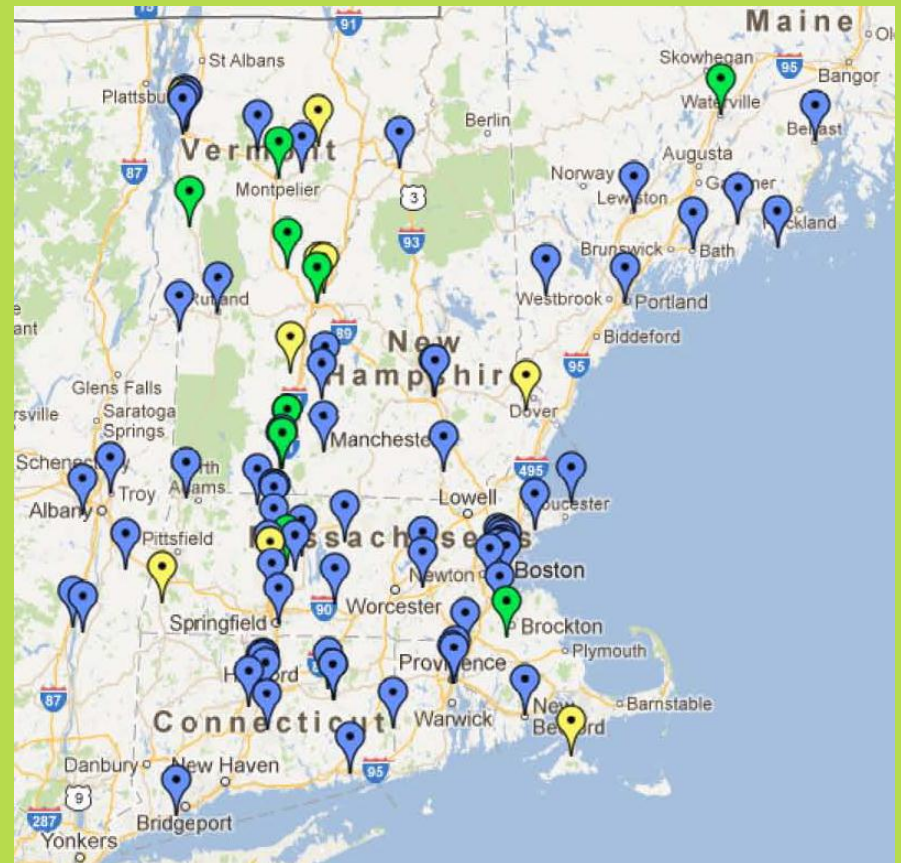
- **Non-profit** mission based lending institution
- **Started** by food co-ops in 1975 to
 - To provide investment opportunities, debt financing and technical assistance
 - To advance co-ops and community-based nonprofits
 - In New England and eastern upstate New York



www.coopfund.coop

COOPERATIVE FUND of New England

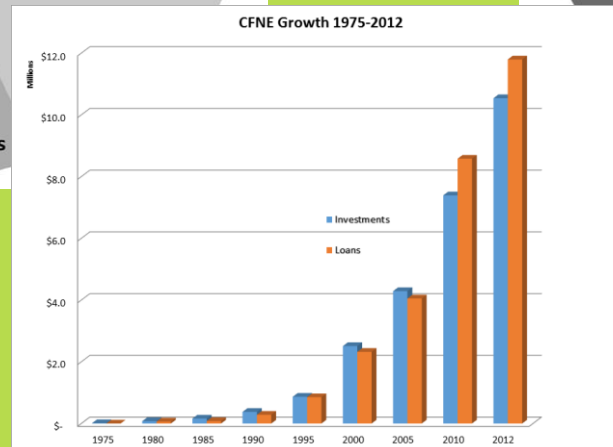
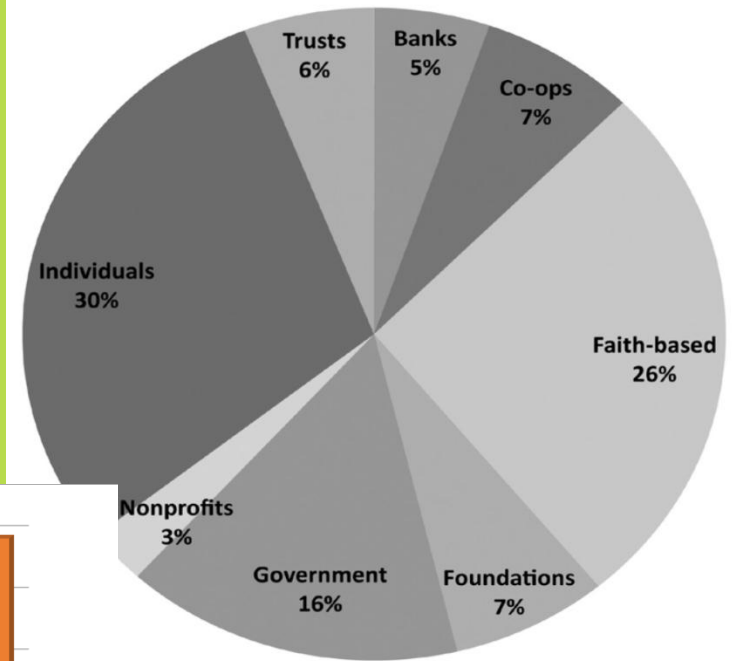
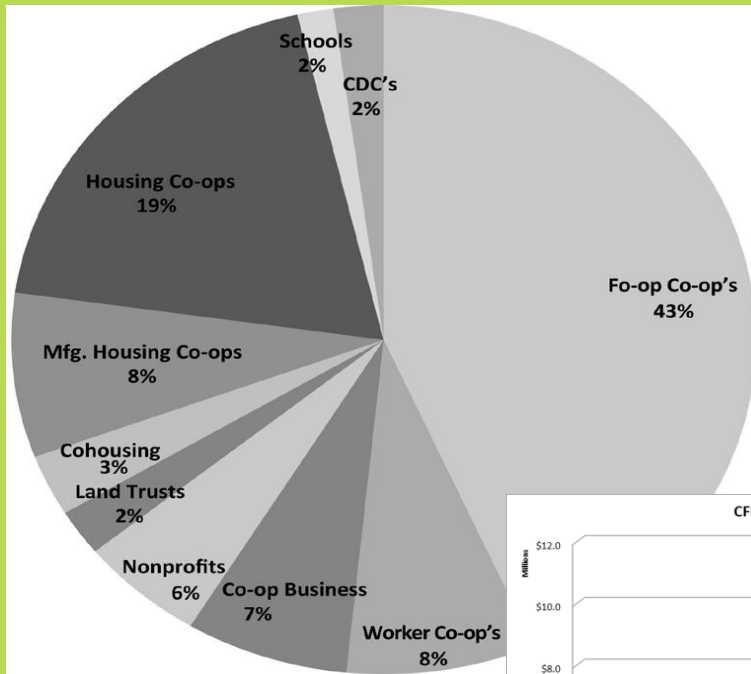
- Lend to co-ops, non-profits and other democratically owned enterprises
- Loaned \$29+ million
- 99.2% repayment rate
- 100% repayment rate to investors
- Created/saved 8,415 jobs and 4,462 housing units





www.coopfund.coop

COOPERATIVE FUND of New England



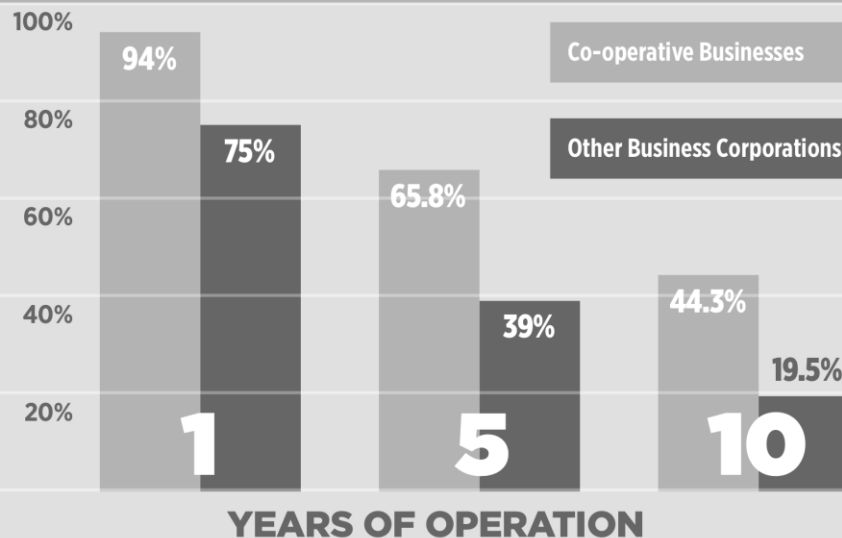
Co-ops & Resilience

Community ownership & control

- + Focus on service, meeting needs before profit
- + Development of local skills & assets
- + Regional economic efficiencies
- + Ability to assemble limited resources
- + Difficult to move or buy-out
- + Root wealth in communities, not markets
- + Member, customer loyalty
- + **Low business failure rate & are long-lived**

= More stable local food systems, infrastructure, employment, services & economy

Co-ops outlive corporations.



Three recent studies demonstrate that co-operative enterprises have significantly higher survival rates than other business corporations. This co-op advantage becomes more prominent over time.

Sources:

- * *Co-op Survival Rates in Alberta*, BC-Alberta Social Economy Research Alliance, August 2011.
- ** *Co-op Survival Rates in British Columbia*, BC-Alberta Social Economy Research Alliance, June 2011.
- *** *Taux de survie des coopératives au Québec*, Ministère du Développement économique, de l'Innovation et de l'Exportation du Québec, Ed. 2008.



In 1900, Dorimène & Alphonse Desjardins co-founded North America's first credit union in Quebec. It is still thriving.



Ontario Co-operative Association
ontario.coop

NE Co-ops: Producer Co-op



Deep Root Organic Co-op, Johnson VT



- 1986, one of oldest co-ops of organic vegetable growers
- purpose – promote local, sustainable, organic agriculture
- members:15 small family farms
- variety, year-round



Worker-Owned Co-op



Catamount Solar, Randolph VT

- Worker-owned
- Three independent businesses – joined for mutual benefit
- Decades of experience *together*
- Affordable, high quality solar power design and installation residential and commercial – net-metering, off-grid, & solar hot water



Consumer Co-op



Monadnock Food Co-op, Keene, NH

- 13,000ft community-owned grocery store opening in April
- 1,000+ member-owners: strong community support



Healthy Food Access Context: New England Demographics

- In the US, 23.5 million Americans (including 6.5 million children) live in areas with limited access to affordable and nutritious food
- This need is spread through urban, rural, and increasingly suburban communities
- A majority of New England food co-ops are not in densely-populated cities

Food Co-ops & Healthy Food Access

Process:

- Surveys
- Interviews

Outcomes:

- Framework
- Case Studies



Framework: 5 Aspects of Healthy Food Access Programs

1. Publicity through Partner Community Organizations
2. Education of Individuals
3. Product Affordability
4. Accessible Ownership
5. Infrastructure



Case Studies: 4 NE Food Co-ops

1. City Market

--Food for All

2. Franklin Community Co-op

--Co-op Basics

3. Berkshire Co-op:

--Community Card Program

4. Putney Co-op:

--Marketing, Education & Outreach



Franklin Community Co-op

Est. 1977

of members- 2,030

Annual Sales- \$7.8 Million

2 Stores, the largest has 5,000
sq. ft. of retail space

What's Next?

1. Toolbox
2. Technical Assistance
3. Peer-to-Peer Audits
4. Partnering for success



Discussion

How can the co-operative model help you--as an individual or as part of a larger community--meet your needs?

Contact Us

Betsy Black, Northwest Loan and Outreach Officer

Cooperative Fund of New England

betsy@coopfund.coop // www.coopfund.coop

Bonnie Hudspeth, Outreach Coordinator

Neighboring Food Co-op Association

bonnie@nfca.coop // www.nfca.coop

www.facebook.com/neighboring

