



# Cross Sector Co-operation: You Know You Want to — but Why?

Erbin Crowell

National Worker Co-operative Conference

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# Cross Sector Co-operation

## You Know You Want To — But Why?

Co-operation among co-ops is a basic principle of our movement. Yet we rarely seem to get it right when it comes to working together across sectors. Why is this? How could it be different? What do co-ops have in common and how can we use the Year of Co-ops as an opportunity to launch the Co-operative Decade?

# Core Questions

1. What is the potential of cross sector collaboration?
2. What are the challenges and opportunities for building a co-operative economy?
3. How can we take advantage of 2012 to institutionalize cross sector collaboration...
4. ...And make the “Decade of Co-ops” a reality?

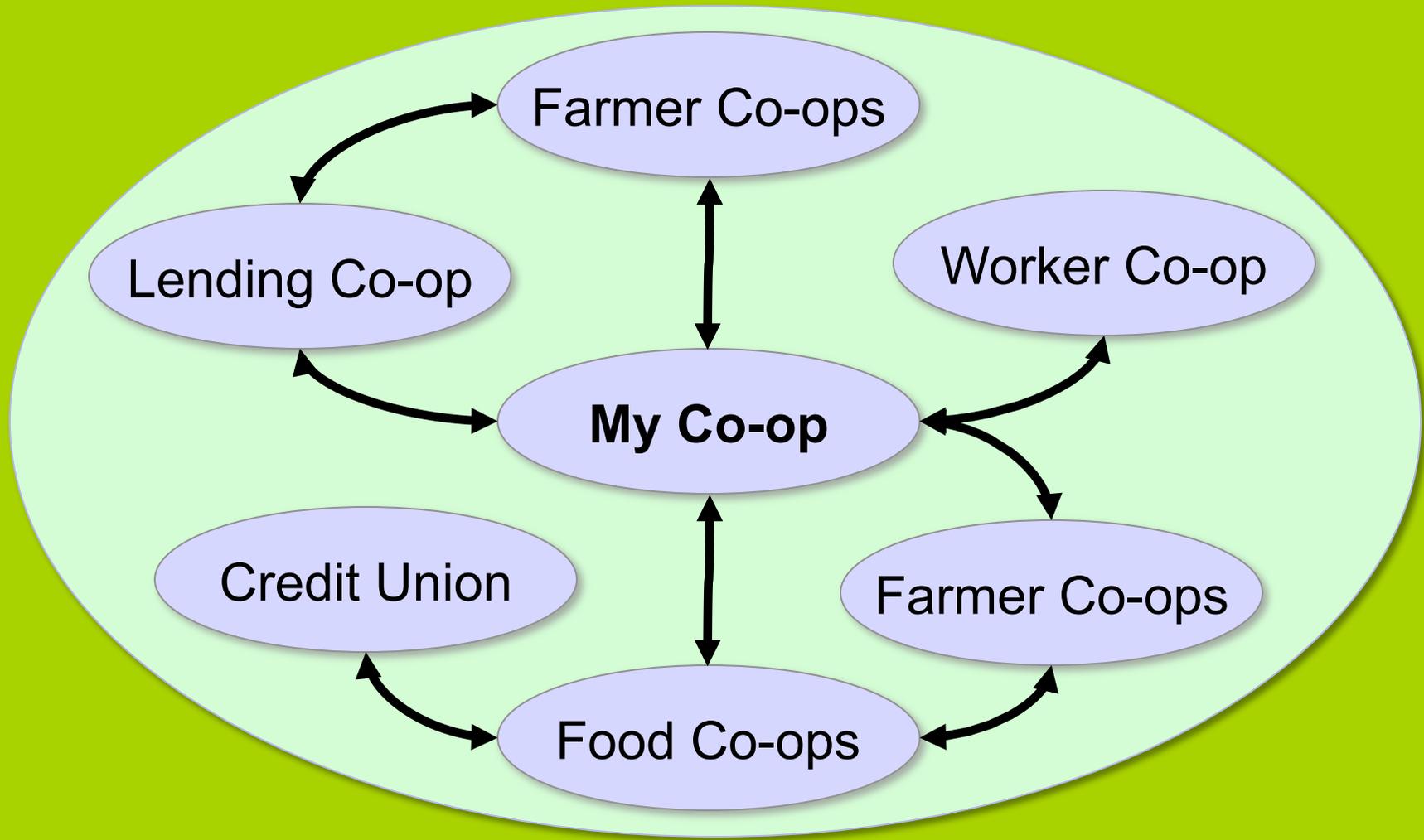
# Outline

1. “My co-op” to “our co-ops”
2. Our context & opportunity
- 3. Obstacles & bridges to collaboration**
4. Neighboring food co-ops
5. The co-operative decade
6. Dialog

# 1. My Background

- Equal Exchange
- Co-operative Fund of New England
- Co-operative Development Institute
- St. Mary's Master of Management: Co-operatives & Credit Unions
- Valley Alliance of Worker Co-ops
- Neighboring Food Co-op Association

# “My Co-op” to “Our Co-ops”



## 2. Our Context & Opportunity

- Crisis of the our economic system
- Unemployment & inequality
- Dramatic shifts in wealth
- Diminished democracy
- Corporate influence
- Instability & change
- **Hunger for alternatives**

# What If...?

There was a business model that...

- ...was democratic.
- ...was rooted in our local communities.
- ...was part of a values based movement.
- ...put common good before private gain.
- ...developed community wealth.
- **...applied to all aspects of our lives.**
- ...was successful and resilient.

# The 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  
2010



# The Year of Co-ops

Contribution of co-ops across sectors to:

- Poverty reduction
- Employment generation
- Fairness & globalization
- Conflict resolution & reconstruction
- Social intergration
- Food security
- Economic resilience



# The 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

**What are our goals?**



# 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



# 3. Obstacles to Collaboration

- Education
  - Limited understanding of history & impact of our movement.
- Philosophy
  - Do we believe in our model and movement?
- Expectations
  - We expect a lot from each other.
- Mainstream business influence
  - We think like individual businesses, not a movement.
- Development models
  - Focus on isolated businesses, sectors and priorities.
- **Sector & Industry Silos**
  - We rarely act together as a movement or system.

# Bridging Sector Divides

- Shared impact
- Shared identity
- Shared principles
- Shared history
- New models
- **Why collaborate across sectors?**
- Finding inspiration

# Labor & Co-operation

A structural response by working people to the inequities of capitalism and speculative markets...

- As **workers** (industry, services)
- As **consumers** (food, housing, finances)
- As **producers** (agriculture, fisheries)

# Sectors & Industries

- Worker co-ops
- Food co-ops
- Agricultural co-ops
- Credit Unions
- Housing Co-ops
- Insurance
- Etc.

# Shared Impact

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

\* More than directly own stock in publicly traded corporations

\*\* More than employed by multinational corporations.

# Shared Identity

“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](http://www.ica.coop)



# Shared Principles

“Co-operatives serve their members most effectively and strengthen the co-operative movement **by working together** through local, national, regional and international structures.”

6<sup>th</sup> Principle of the Co-operative Identity  
International Co-operative Alliance  
[www.ica.coop](http://www.ica.coop)



# Shared Values

“Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and **solidarity**. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.”

International Co-operative Alliance  
[www.ica.coop](http://www.ica.coop)



# Shared History

“Co-operative housing, worker co-operatives, even collective agricultural co-operatives, can all look back to the original Rochdale plan for inspiration. In 1844 these pieces were not separate...

**The Rochdale pioneers conceived in one association of what would now make a multisectoral co-operative movement.”**

Brett Fairbairn, *The Meaning of Rochdale*  
[www.usaskstudies.coop](http://www.usaskstudies.coop)



# Why Collaborate?

- Raises the profile of co-op enterprise
- Reinforces the relevance of co-operatives
- Influences policies affecting co-ops
- Creates economies of scale
- Frees up capital and resources
- Sustainable business development
- **Extend co-operative ownership across society**

# Mondragón, Spain



- Vocational school in 1956
- 256 co-ops & subsidiaries
- \$20 billion in Sales ('11)
- 84,000 employees ('11)
- Largest domestic grocery
- **Cross sector: Industry, banking, agriculture, education, tech, etc.**
- **Multistakeholder models**

# Emilia Romagna, Italy



- 4 million people
- 8,000 co-ops
- 30-40% of GDP
- 2/3 are members of co-ops
- Vibrant local traditions and food culture
- **Strong sectors combined with an integrated, cross sector movement**
- **Multistakeholder models**

# Shared Characteristics

- Strong co-operative identity
  - Co-ops as a multigenerational asset
- Development funded and guided by co-ops
  - Emphasis on co-op to co-op business
- **Integrated cross-sector associations**
  - Supported by sector based organizations
- Multistakeholder models
  - Reinforce common interest across sectors



## 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
- **Dottie's Discount**, Brattleboro
- **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
- **The Local Beet Co-op**, Chester
- **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 Food Co-op**, Keene (Open '12)

## MASSACHUSETTS

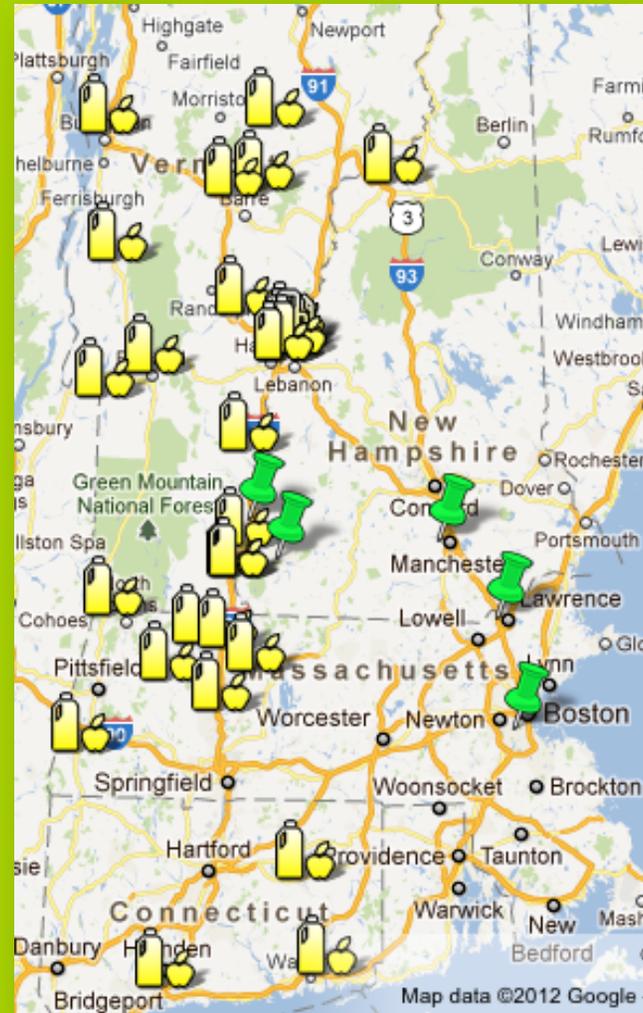
- **Berkshire Co-op Market**, Great Barrington
- **Dorchester Community Food Co-op**, Dorchester (Start-up)
- **Green Fields Co-op Market**, Greenfield
- **Maynard Food Co-op**, MA (Start-Up)
- **McCusker's Co-op Market**, Shelburne Falls
- **Leverett Village Co-op**, Leverett
- **Old Creamery Co-op**,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

## RHODE ISLAND

- **Urban Greens Food Co-op**, Providence (SU)

# Neighboring Food Co-ops

- A Co-op of 30+ food co-ops and start-up initiatives
- **80,000 individual members**
- 1,400 employees (2010)
  - VT members among top 25 employers in the state
- \$28.6 million in wages ('10)...
  - **Average wage was 18% higher** than the average for food and beverage industry in same states.
- \$250 million revenue ('10)
  - \$161 million in 2007
- **\$33 million in local purchases ('07)**

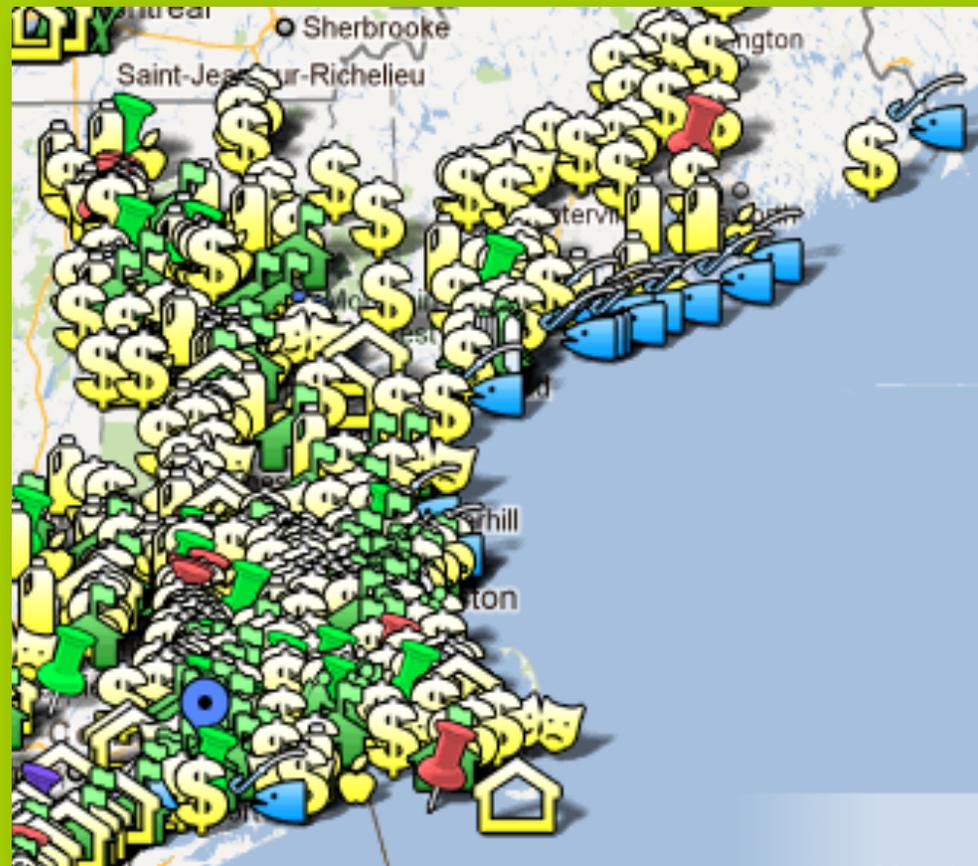


# A Regional Co-op Economy

New England  
& New York:

- 8,860 co-ops
- **9.5 million members**
- 55,000 employed
- \$2 billion in wages
- \$100 billion in assets
- ±\$14 billion revenue

[reic.uwcc.wisc.edu](http://reic.uwcc.wisc.edu)



[www.nfca.coop/co-opeconomy](http://www.nfca.coop/co-opeconomy)

# Cross Sector Initiatives

- **Cross Sector Networks**
  - Farmer co-ops
  - Worker co-ops
  - Credit unions
  - Farmers Union
  - Valley Alliance of Worker Co-ops
  - **Valley Co-operative Business Association**

**CO-OPS BUILD A BETTER WORLD!**

The United Nations has declared 2012 the **International Year of Co-operatives**, recognizing the contribution of co-ops to community development, employment, and poverty reduction. Stop in at your local co-op or credit union and see what the buzz is all about. Want to find out what co-ops do for the Pioneer Valley and what they can do for you? Visit [www.vcba2012.coop](http://www.vcba2012.coop).

**2012 International Year of Co-operatives**

valley green feast  
[www.valleygreenfeast.com](http://www.valleygreenfeast.com)

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FEDERAL CREDIT UNION  
[www.umassfive.org](http://www.umassfive.org)

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of New England  
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The quality grain food we use  
[www.rivervalleymarket.coop](http://www.rivervalleymarket.coop)

Everett Village Co-op  
OUR COMMUNITY MARKET  
413.267.9194

This ad brought to you by these organizations and the Valley Cooperative Business Association.

CONCERN FOR COMMUNITY • ON-GOING EDUCATION • DEMOCRATIC CONTROL • AUTONOMY & INDEPENDENCE  
MEMBER ECONOMIC PARTICIPATION • OPEN & VOLUNTARY MEMBERSHIP • CO-OPERATION AMONG CO-OPERATIVES

# Cross Sector Initiatives

- Products & Sourcing
  - “Go Co-op” Initiative
  - New products
  - Services
- Education
  - Member education
  - Events & outreach
  - Marketing & press
- Policy
  - IYC Resolutions
  - Legislative engagement

[www.nfca.coop/iyc](http://www.nfca.coop/iyc)



# 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](http://ontario.coop)

# Co-ops & Local Economies

- Scale while retaining local ownership
- Democratic control
- Focus on meeting needs before profit
- Develop local skills & assets
- Ability to assemble limited resources
- Address challenge of business succession
- **Shared wealth vs. private profit**
- Difficult to move or buy-out
- Low business failure rate & are long-lived
- Mobilize stakeholder loyalty...

# Co-ops & Local Economies

Result...

- **...more stable and resilient local economies, infrastructure, employment and services.**

# A Co-operative Decade?

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# A Shared Message

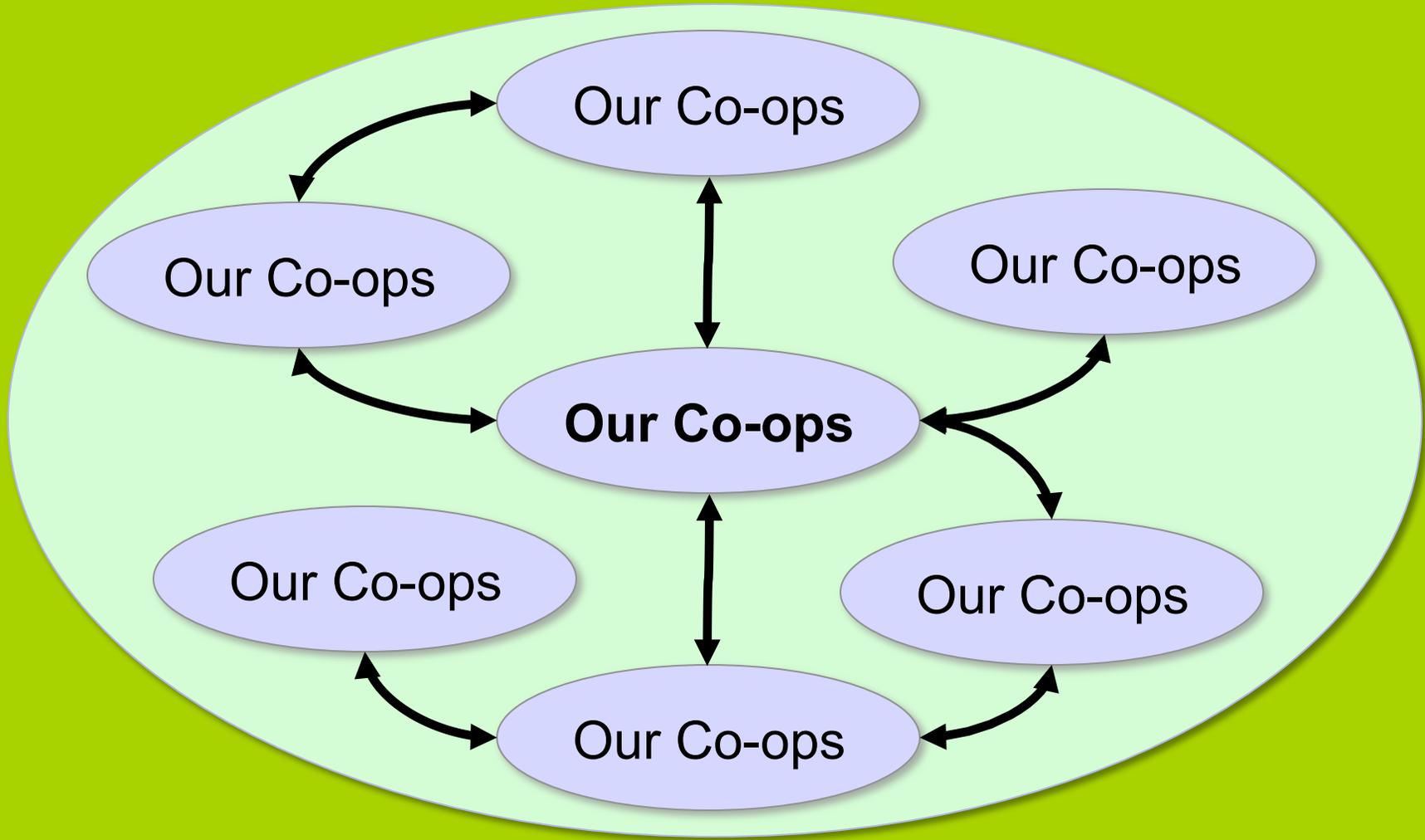
Co-ops across sectors...

- ...put people before profit,
- ...are democratic,
- ...are rooted in community,
- ...are innovative,
- ...are successful,
- ...are resilient, and
- **...build a better world.**

# Toward the Decade of Co-ops

- Seeing the co-op landscape
  - Opening the dialog with other sectors
- **Focus on benefit to our businesses**
  - Marketing, education, sales, membership
- Cross sector collaboration
  - Start with those that “get it,” others will follow
- **Collaboration as policy and practice**
  - Cross sector collaboration as a priority
- Co-operation among co-ops as driver
  - Development driven by cross-sector collaboration

# Co-operative Commonwealth



# Transition

From...

- My co-op, to...
- Our sector, to...
- **Our movement.**

From...

- Isolated businesses, to...
- Cross sector collaboration, to...
- **Our co-operative commonwealth.**

# Discussion

Feedback

Questions

Ideas

**Opportunities**

# Small Groups

- What is the biggest obstacle to building cross-sector collaboration?
- How can our co-ops prioritize cross-sector collaboration?
- What is the most promising opportunity for building a cross sector co-operative economy?

# **I** **Our Co-ops!**

The Neighboring Food Co-op Association // [www.nfca.coop](http://www.nfca.coop)

Erbin Crowell, Executive Director

Neighboring Food Co-op Association

[erbin@nfca.coop](mailto:erbin@nfca.coop) // [www.nfca.coop](http://www.nfca.coop)

[www.facebook.com/neighboring](http://www.facebook.com/neighboring)