

Co-ops Seeding Co-ops: Finding and Sprouting Opportunities for New Enterprises

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Seeding New Co-ops?

- Why?
- Where are you?
- Strategies
- Resources & Commitment
- Go Garden!



Why Grow the Co-op Economy?

- Co-op Principles & Values
- Mission
- Vision
- Member needs
- Benefits to organization

Growth



Growth



Co-op growth in members, sales, market, services, etc. means **more**:

- members served
- people employed
- dollars circulating
- skilled cooperators

Example: Rainbow Grocery



Opened in
Summer 1975
as all-volunteer



Now has ~245
member-owners



Growth: Nurture a new co-op

- What needs could best be met by a new cooperative?
- What opportunities could be realized by a new cooperative?

Go Up & Down Supply Chain

- new co-op potential
- more member service
- improved bottom line for original co-op

Example: Equal Exchange

- Distributor-'86
- Importer-'87
- Roaster-'05
- Café operator-'06

Sri Lanka Ceylon Tea from the Sarawadaya Shramadana movement in Sri Lanka was Equal Exchange's second product.

2005 Equal Exchange roaster is fully up and running. It is the largest, worker-owned coffee roasting facility in the United States.

Spin off a business function

- form new co-op
- support other co-ops
- healthier parent co-op


Example: Inkworks Press & Design Action Collective

Meet related or unrelated member/community/customer needs




Example:
Weaver Street


- Panzanella restaurant opened early 2000
- Weaver Community Housing Association 2002
- WCOM community radio station 2004



New product with same technology




New product with same technology



- potential for a new co-op

Example: Cheese Board, Juice and Pizza Collectives

- Cheese Board started as cheese shop partnership in 1967, converted to worker collective 1971 and evolved into a bread bakery
- 1975: funded and spun off Juice Bar Collective
- 1990: Split off the Cheese Board Pizza Collective, different group under the same financial umbrella



New uses/markets for same product




- potential for a new co-op

Example: Chèque Déjeuner

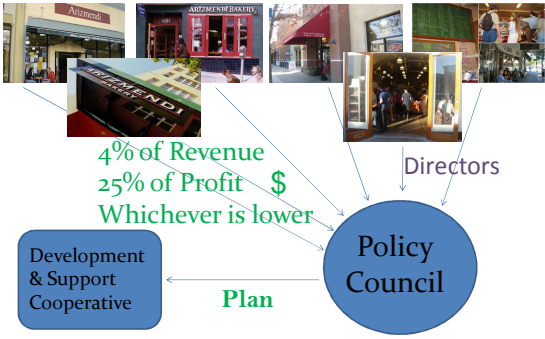



Reproduce



- new co-ops have model
- original co-op has peers
- share talent, services, etc.

Example: Arizmendi Association



4% of Revenue
25% of Profit \$
Whichever is lower


Directors

Policy Council

Development & Support Cooperative

Plan

Convert



- assure continuity
- get more people involved
- increase commitment

Example: Pedal People & Valley Green Feast




Resources for Seeding Co-ops

- What's available *within* existing enterprises for supporting new co-ops?
 - Pre-business financial support
 - Capital
 - Management and technical expertise
 - Industry knowledge and networks
 - Reputation
 - Space
 - Community/member support
 - Services
 - Act as a friendly buyer/supplier
 - Education about options
 - Feasibility studies
 - Used equipment
 - And so on!

Grants, loans and technical assistance

- Join a co-op peer support network
- Fund feasibility studies
- Invest your money in a cooperative loan fund
- Donate to a cooperative foundation
- Support cooperative development/support organizations
- Endow a chair of co-op studies
- Provide staff expertise to start-ups

Cultivate Commitment...

- Leadership and vision
- Does seeding new co-ops fit within the existing mission?
- Understand how building a cooperative economy supports the success of the individual co-op and benefits its members
- Understand potential problems and concerns; address them

Cultivate Commitment...

- Discuss at Board, strategic planning and member meetings; invite speakers.
- Communicate: Share inspiring stories at meetings, on posters, in newsletters and more.
- Cite research about the success of cooperatives that operate in clusters and other supportive environments
- Engage members in listening sessions, feasibility assessment, exploring partnerships, gathering resources and making decisions as to which seeds to sow
- Make sure members are supportive—address concerns and reservations
- Adopt as policy; integrate into mission; articulate as vision

Go Garden....

- Who needs to be involved?
- What resources does your co-op have? will you need? where to find? how to engage?
- How will your co-op build commitment to seed new co-ops?
- How will your co-op discover possible seeds?
- How will your co-op choose which seeds to nurture?

Thank You!

Give us a call or drop us a line to discuss how to start your cooperative garden and make it grow.

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