

BY DAVE GUTKNECHT

Growth Stories and Quandaries



At the heart of our cooperatives is growth of services through communities of owners, employees, suppliers, and allies. Well-run stores, guided by an articulated purpose

based in shared ownership, providing better choices and stronger services and good jobs—this is why we want our cooperatives to grow. In numerous examples of such businesses, co-ops have a very good thing going. The cooperative is a gift from those who brought it forward to today, and we should share that wealth and pass it on.

Spreading cooperative growth, the theme of the cover section, also requires that we have good stories and the ability to tell them well. These compelling stories presumably will be not only about original aspirations but also our guiding vision, as we understand it today and as it is manifested in services and performance. Co-ops must walk the talk.

Those services and outcomes require the contributions of the entire cooperative, from owners to front-end staff and stockers to managers and board members. Given a grocery industry that is very competitive, not any less so in a higher-margin natural/organic niche, food co-ops must maintain excellent standards of service. Ideally, that commitment extends throughout the co-op and is realized through owner support, motivated staff, and great community relations. Regardless of the specific history or site, an engaging story must be presented to help customers and owners connect with the larger cooperative culture.

Examples from the field

Co-ops can't stay in one place as retailers in a dynamic market, nor can they uncritically rely on communication plans and stories that recycle all the same elements of campaigns from years past. In this issue, **Patricia Cumbie** urges co-ops to more effectively tell their multitude of stories and capture the understanding and commitment of co-op owners, staff, and allies.

For **National Co+op Grocers**, rethinking their brand has yielded a new look and name. NCG (previously NCGA) leads our food co-op sector and is its major purchasing

co-op, developer, and advocate. It continues to expand services and programs for more than 140 member food co-ops with diverse sizes and locations, together operating some 190 stores across the U.S. The regular NCG reports here are but a window to a deep array of ongoing services to its member food co-ops.

Ever'man Cooperative in Pensacola, Florida, underwent a comprehensive expansion effort, completed last spring, assisted throughout by the NCGA Development Cooperative. The Ever'man report illustrates some elements that successful food co-ops need for taking a big leap in programs as well as size. As I read the story, it illustrates a transition to facilities that support development of new challenges—in food production, education, governance, and management—that go beyond the former limits of co-op store services.

In another version of going beyond a conventional vision, we have an example of the merger of two food co-ops into one stronger business. From **People's Food Co-op** in Wisconsin and Minnesota, General Manager Michelle Schry analyzes the results of its merger, first reported here in late 2012. Back then, Schry offered this outlook: “Our work has only begun, but with our ability to leverage the financial strength of an existing co-op, we hope to share valuable lessons as food co-ops collectively look at how to better leverage and grow the positive community outcomes of cooperation.” Two years later, the results have proven to be excellent and very encouraging of this mode of expansion in services and owners.

Management talent, of course, is an essential element of our vision for growth—and we are indeed continuing to grow cooperative grocer businesses. Yet the needed talent, embodied in real candidates for local positions, cannot be assumed to be readily available. To the board of directors and all co-op leaders: take note of “the coming wave” of managers who will need successors. **Carolee Colter** opens a multipart series from CDS Consulting Co-op on the challenges our cooperatives face in transitioning to new general managers—an inevitable scenario, given the aging of many veteran co-op managers, the expanding number of new co-ops that are seeking a manager, as well as other grocery retailers that also are competing for management talent.

CONTRIBUTORS IN THIS ISSUE



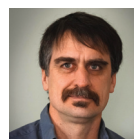
Lauren Southern-Godwin is secretary of the board of directors, and formerly the president, of Ever'man Cooperative Grocer & Cafe in Pensacola, Fla (lsouth@aol.com). **PAGE 20**



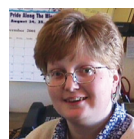
Carolee Colter is a member of CDS Consulting Co-op, specializing in human resources management and employee satisfaction surveys (caroleecolter@cdsconsulting.coop). **PAGE 10**



Patricia Cumbie is a member of CDS Consulting Co-op, specializing in cooperative education and ownership programs (patricia-cumbie@cdsconsulting.coop). **PAGE 15**



Stuart Reid is executive director of Food Co-op Initiative, which assists startups across the country (stuart@fci.coop). **PAGE 23**



Michelle Schry is general manager of People's Food Co-op, with stores in La Crosse, Wis., and Rochester, Minn. (michelle.schry@pfc.coop). **PAGE 27**

Thanks to our sponsors

CDS Consulting Co-op
802/387-6013 • www.cdsconsulting.coop

National Cooperative Bank
800/955-9622 • www.ncb.coop

National Cooperative Business Association
202/638-6222 • www.ncba.coop

National Cooperative Grocers
www.ncga.coop

Additional sponsors needed—contact Dan Nordley,
dan@cooperativegrocer.coop, 612/436-9177

Advertise in the Cooperative Grocer

To advertise contact:

Dan Nordley

612/436-9177

dan@cooperativegrocer.coop

CONTINUED ON PAGE 6

GROWTH STORIES AND QUANDARIES, CONTINUED FROM PAGE 4

Threats and opportunities

Taking this topic of cooperative growth a bit deeper, I want to return to the larger global context and the urgent need for shared solutions—and by shared solutions I don't mean merely public policy changes, critical as those are.

The International Cooperative Alliance (ICA) "Blueprint for a Cooperative Decade" continues to be a general guide for the huge challenges and potential for cooperative formation and expanded enterprise: <http://ica.coop/en/publications/blueprint-co-operative-decade>. Co-ops can and do provide direction and examples for shared solutions. ICA embodies the best of our global cooperatives aspirations and potential. However, with regard to the climate crisis and reducing carbon emissions, it is not always clear what most U.S. cooperatives (and many others elsewhere) have to offer—beyond their inherent cooperative concept of democratically shared risks and benefits, fundamental as that is.

Why are not more radical steps being proposed? Most climate scientists now point with alarm to the need for immediate action to mitigate catastrophic warming and climate disruption. *Note that the reduction in carbon emissions needed to prevent unlivable conditions is plausibly estimated at 8-10 percent per decade in our very high-consumption "developed" economies, while overall global population increases. Carbon reductions of only 1 percent have previously been associated with recession or declining economies.*

We're all in it together. The next point to reflect upon is that such an emissions reduction cannot be achieved simply by improved efficiencies and new technologies. While on the road to hell that is paved with good intentions, most people are appropriately alarmed about the direction of anthropogenic global warming but have yet to significantly reduce their own impacts. Our large and beneficial electric

cooperatives, to take another example, apparently cannot figure out any better than can other institutions how to promote curtailed consumption. Public policy battles encounter additional institutional barriers. We must fight for justice all the way down.



There are no easy conclusions to be had. Something is going to give, and so far it has been the prospects for future life. Even to do nothing is to do something about ever-expanding consumption and pollution. Notwithstanding comforting pronouncements about the "green" economy, carbon emissions still correspond closely with conventionally measured economic growth. Therefore, we should neither plan for nor expect conventionally measured growth to continue.

The future is already here

Concerning the building of alternatives to the present mess, I noted a statement from the website for Naomi Klein's latest, *This Changes Everything: Capitalism vs. The Climate* (Simon & Shuster, 2014). The book itself covers the essential conflict between a capitalist system that depends on perpetual growth and the need for human society to sustain itself within some limits if it is to survive. *This Changes Everything* is long on critique but shorter on discussion of recommended practical action. In addition, Klein mostly avoids discussing the need for nearly everyone in this country to learn to do with significantly less—that is a challenging bit of storytelling!

The real alternatives worth working for certainly include cooperatives. "Resistance is essential, but it's not enough. As we fight the injustice around us, we also have to imagine—and create—the world we want. We have to build real alternatives in the here and now—alternatives that are not only living proof that things can be done differently, but that actively challenge, and eventually supplant, the power of the status quo."

The subject of global growth leads to a larger discussion that is usually deferred in favor of things seemingly closer at hand. Yet it is a topic that will not go away in our lifetimes—quite the contrary.

It's 2015 already. In denial or unable to think outside their given agendas, most of our public and institutions, including many cooperatives, rarely look at the certain failure of an economy based on continuous growth. Despite blather about the "knowledge economy" and a future of clean and renewal energy, we are still on a finite planet, and that is not a metaphor. Global human activities, both mundane and mind-blowing, use infrastructure old and new, and all depend on a very complex network that draws on global resources that are limited. Soil, water, minerals, fishes, fuels, and more are being overdrawn. The over-leveraged financial gambles derived from all those resources sooner or later will be called, with huge losses and uncertain consequences.

Storytellers and visionaries are needed who are willing to offer a different future, one in which leadership will be shown through helping people learn to enjoy living while using less of all those resources and with fewer affordable services. Lots of folks who aren't reading this column, and perhaps a few who do, already understand this and are living with that outlook. Among insightful commentators on the coming period, a key statement is repeatedly found:

The future is already here—it's just not evenly distributed. ■

Cooperative Grocer
FOR RETAILERS AND COOPERATORS

IN FUTURE ISSUES...

- Local food alliances
- Growing Principle Six trade
- General manager succession
- Commons management and cooperative principles