

**Show Transcript**  
**Deconstructing Dinner**  
**Kootenay Co-op Radio CJLY**  
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**Title: Co-operatives: Alternatives to Industrial Food V (The Common Ground Food Co-op)**

**Producer/Host: Jon Steinman**  
**Transcript: Pat Yama**

**JON STEINMAN:** And welcome to Deconstructing Dinner, a syndicated weekly one-hour radio show produced at Kootenay Co-op Radio, CJLY in Nelson, British Columbia and currently being rebroadcast on 29 stations across Canada and many more around the world. I'm Jon Steinman your host for the next hour.

On today's broadcast we revisit with a series that has been ongoing here on the show since early 2007 titled "Co-operatives: Alternatives to Industrial Food." The Co-operative model of operating a business has long been an example in Canada of how a community or a group of people can assume greater control over their needs and resources.

On this part five of the series, we travel to Urbana, Illinois, and visit with the Common Ground Food Co-op - a co-operative grocery store that had, up until August of this year, existed quite literally *underground* for over 30 years. Well that's all changed, and the store now finds itself *above* ground in a much larger location and having a much larger impact on its community of farmers, producers, and eaters.

We'll hear from the Common Ground Food Co-op's General Manager Jacqueline Hannah and Co-op Board Member Clint Popetz to learn more about what it takes for a community to expand a small co-op into a larger one. And we'll also learn just how integral a food co-operative can be in ensuring that a local food supply can be economically sustained.

*increase music and fade out*

A few quick announcements and updates before we embark on today's show.

We've long been receiving encouragement from listeners to launch a Facebook page for Deconstructing Dinner, and I can now announce quite happily that the show *does now* have a presence on Facebook, and all thanks to the efforts of one devoted listener from San Francisco who made it all happen. And a big thanks to her for that.

And so for those of you who *do* network using Facebook, there will be a link from the Deconstructing Dinner website to our new Facebook page and of course we're encouraging you to check it out and help spread the word about the show to all of your friends and on-line networks.

And on another note, for listeners in British Columbia who are interested in or *already* involved in small-scale food processing, the Small Scale Food Processors Association will be hosting a free introductory food safety workshop in locations across the province over the coming months. Participants will learn basic food safety theories, hands-on monitoring procedures, and the latest

information on employee hygiene and practices. Companies that *do* attend will also be eligible for a free one-on-one site visits by a Food Safety Consultant.

And more information on these workshops can be found on the SSFPA website at [ssfpa.net](http://ssfpa.net) or by dialing 1-866-619-7372. And again that's 1-866-619-7372.

And a thanks to Candice Appleby of the SSFPA for sending this information along.

Also a few updates on what you can expect in the coming weeks and months here on the show. I will be heading off to the B.C. coast for a whirlwind tour among which will be a stopover in Courtenay to attend the Canadian Farm Writers Federation annual conference with other fellow agricultural journalists from across the country. As the host of Deconstructing Dinner I've been invited to speak on a panel titled "Bringing Agricultural issues to the Mainstream" – certainly an increasingly important topic and something that we've been of course trying to do here for approaching three years now on the show. One of the interesting sides to the conference is who's sponsoring it. Of the major agricultural corporations helping fund the conference, there's a number of them, the *major* financial supporter is none other than Monsanto, a company we've long been critical of here on the show and one that will indeed lend an interesting dynamic to the presence of Deconstructing Dinner at the conference.

But one of the agenda items at the conference that I'm of course *most* looking forward to and which you can expect will act as a foundation for an upcoming show is a tour of a salmon farm that a small number of delegates will be visiting not too far from the city of Campbell River. Last we covered fish farms on the show was way back in February of 2006 and of course a lot has transpired since then *including* a pending lawsuit against the B.C. Provincial Government by a number of petitioners, among whom, is Alexandra Morton – the scientist who we heard from on that broadcast. And you can of course expect more information on that when that future episode airs.

And from Courtenay, I'll be off to Cortes Island – home to Linnaea Farm – a 315-acre land trust that is one of a growing number of community farms across the province such as those recently featured on our most recent episode on Co-operatives. The farm is home to some really interesting educational programs and I'll be bringing back a wealth of recordings on what the farm can offer to anyone wishing to learn more about farming.

And also coming up on the show will be part three of the Local Grain Revolution series. We'll also hear recordings from the Kootenay Harvest Revival, which took place in Nelson on September 19<sup>th</sup> and 21<sup>st</sup> and which celebrated the monumental harvest of grain from Canada's first grain community-supported agriculture project. And also stay tuned for some more installments on our series covering the creation of GE-Free regions that is regions free of genetically engineered crops. Back in January we introduced the GE-Free Kootenays group operating in the interior of British Columbia who are making significant headway towards creating such a region. Those efforts included a campaign launch back in July with Saskatchewan farmer Percy Schmeiser. Of course Deconstructing Dinner recorded that event along with an exclusive interview *with* Percy and his wife Louise.

So do stay tuned for what looks to be an exciting upcoming few months of shows as we enter into this fall season here on Deconstructing Dinner.

*soundbite*

Today marks part five of our ongoing series titled “Co-operatives: Alternatives to Industrial Food.” And it’s a series that I know I get great pleasure in hosting because we here at Kootenay Co-op Radio, we are too a co-operative. And so I can say from first-hand knowledge that the co-op model of governance and ownership can indeed bring a sense of community *back*, into communities that have in many cases in North America, lost it.

For those unfamiliar with the co-operative model, the most common question is how does a co-operative differ from a traditional business? And most importantly a co-operative is owned and democratically controlled by the people who use the co-op’s services, or by those working within the co-op. A co-op is operated for the benefit of members and members have a say in decisions that affect the co-op. In the case of food, co-operatives can represent a refreshing alternative to the many concerning issues facing our food supply today such as those Deconstructing Dinner explores on a weekly basis.

Now grocery store co-ops have been a feature here before as part of this series. We met with the very successful Kootenay Country Store Co-operative operating in Nelson B.C. and we also learned of the demise of a co-operative, a food co-op in Madison, Wisconsin – the Mifflin Co-op.

And today, we’ll meet yet another food co-op, but this time one that has just recently undergone a significant expansion. And its story lends a very promising and inspiring sign that communities can indeed come together and build their *own* co-operative grocery store or, as today’s case in point, even expand on one that already exists.

The urban area of Urbana-Champaign Illinois has a population of around 200,000 people, but up until recently did not have a natural food store easily accessible to the public. All that existed was an underground food co-operative that remained in the basement of a church for over 30 years and which only served members. In late August of this year, 2008, the Common Ground Food Co-op surfaced and now sits above ground in a brand new building, which is also now open to the public.

Of course at a time where the economy in the United States is being hit hard and loans are a hard thing to come by, the Common Ground Co-op implemented an innovative financing model that sought close to half of its financial support from members themselves. Certainly a sign of a supportive community wishing to take greater control over their local food supply.

The mission of the Common Ground Food Co-op is to, “promote local and organic production, foster conscious consumerism, and build community.”

I spoke over the phone with General Manager, Jacqueline Hannah less than a week after their new store opened in August, and she shared a history of the co-op’s early years.

**JACQUELINE HANNAH:** The co-op was formed in 1974 and the idea was at the time, I was part of the Illinois Disciples Foundation, which was kind of a student organization here in town that was formed around the conscience of social injustices and promoting social justice in the community. And the neighbourhood around where the Illinois Disciples Foundation building was at the time was very economically depressed. They were asked, they did a survey of the neighbourhood and said, you know “what do you most need?” And the number one answer was access to healthy, affordable food. So it was started originally to meet the needs of that neighbourhood and there was a strong interest in healthy, bulk foods as well as produce. So it started very small and mostly as a buying club. There would be truckloads of the food brought in and everyone came to pick up their food and take it that very day which is how a lot of co-ops started way back when. It slowly

grew into a little tiny store space in the basement of the Illinois Disciples Foundation building and it has grown throughout the years and the constituency has moved as the neighbourhood has more and more towards people who were interested in organic food, supporting local food movement. That transition happened slowly throughout the decades until we get to the point now our main mission is to support local and organic food and sustainable living and building community.

**JS:** Many of the most successful co-operative food stores today did get their starts as buying clubs, whereby a small or large group of people purchased foods in larger quantities to help reduce costs. Of course as any such model grows, the ability to *manage* it can become rather unwieldy. In the case of the Common Ground Food-Co-op though, their issue was *not* unmanageable growth, but a state of stagnation and a lack of any management structure.

**JH:** Well I would say I came in 2006. I would say the co-op wasn't necessarily near death but there was definitely a stagnation. It was kind of an identity crisis. We had been kind of an ad hoc collective people who ran the co-op. It was constantly in flux and with different levels of effective and non-effective management and it was really getting to the point where it wasn't sustainable to function like that anymore. When I came in, from what we can tell from the records that did exist financially, the co-op had barely keeping afloat, that many years loans were being made to the co-op actually by some of the core workers at the co-op and not necessarily were paid. And it had gotten to the point where that was becoming very difficult to maintain and it was time to really bring in effective financial management. There wasn't steady hours so I would say there wasn't a consistent enthusiasm. There were lots of people who cared about the co-op, wanted the co-op to be effective, were passionate about it but, I think were getting a little weary with the inconsistency and definitely there was a constant turnover and burnout of the people who were working to keep it alive and some were having a hard time getting kind of consistent management there. And a lot of what led to the "near death" is just that there had been inconsistent management fiscally because we didn't have a formal management structure. It was just a constant change of people coming through who made collective decisions. So there was no formal management structure really focusing on making the co-op a fiscally healthy business as well as a social responsible business.

Also for a long time the co-op had wanted to move out of the basement of that church and was ready to do that to become open to the public – we were members only until just a week ago. You had to be a member of the co-op to shop there and we were not visible. We were in an interior space inside the church. Finding us was very difficult. There was a wood sign on the outside of a brick building and parking was far away and you kind of had to go through this little maze of hallways to find us. It was quite an intimidating experience (laughs). And so there hadn't been this urge toward movement and growth but we hadn't been able to figure out how to make that move. And so it was more that sometimes a lack of growth when you need growth can be something that really takes you to a crisis point and that was what had happened. Actually, the co-op was seeing steady slow growth and success. It just needed to grow, it needed to move on and open its doors to the public to take its mission out there. And so the life was kind of being choked out of it by not making that growth happen and being too small a space and too invisible a space.

**JS:** And this is Deconstructing Dinner. One of the greatest opportunities for the formation and expansion of co-operative food stores that has arisen over the past few years is the result of the growing interest and *need* to support more naturally and locally produced foods. In other words, today, rallying a community together to make something like a food co-op happen is easier than it seems. In the case of the Common Ground Food Co-op, they were about to undertake a pretty significant expansion, and there was surprisingly no need to grow their membership in order to do so – they simply looked to their current members for support. And as a result, it was the word on

the street that the co-op was *about* to expand that allowed the membership to grow without anyone having to *actively* seek out new members.

Also on the line with Jacqueline Hannah was Common Ground Board member Clint Popetz.

**CLINT POPETZ:** I mean the idea of any co-op is always is to try to grow your membership but what we started with we did a strategic vision process with our members over the course of a summer in 2005 and we met with lots of people on several occasions and drafted an enormously exhaustive lengthy strategic vision. And we wanted to find out from them what they wanted out of their co-op. And what we found was surprising because we'd expected there'd be some people who wanted us to stay exactly as we were and there were some people who would want us to grow and be more successful and it turned out that everyone actually, at least those that participated which was a pretty broad segment wanted us to get a little bigger, to come out of the closet or out of the basement and be visible and be accessible and broaden our scope and our audience. And so we took that as a mandate, the Board did and that resulted in – there were other things in the strategic vision as well and looking back on it I'm really proud of it because we've implemented quite a few of them. We want to get to the point where we have professional management, where we were paying management and staff better and that their work environment was more coherent and more fulfilling. We're not 100% there I don't think anyone ever is but we're certainly in a better place than where we were before we hired Jacqueline as a General Manager.

We wanted to keep the same ideals that we had but operationally approach them in a different fashion and rather than relying strictly on volunteer labour whenever we could, at any cost, we wanted to hire people for the things that made sense in terms of consistency and accountability. So through the process of hiring a General Manager and through the process of really digging into what it would take to move out, I think we did increase our membership because there was a lot of publicity about what was happening as we started on our path toward relocation. It wasn't increased membership in order to move but rather it was increasing membership came about as part of moving because the number of people in this community who have known about the co-op for 20 years have never shopped there because either they didn't know where it was or found it just too inconvenient, is huge and we've been hearing that for years. And sure enough the moment we started talking about moving a lot of them actually did come in and join and said that I'm coming in and joining and I might shop a few times but I'm really joining because I know that you're moving. And so it came about that both things grew together I would say.

**JS:** It's a timely topic to cover the expansion of this particular food co-op here on the show. Because here we are in the midst of a rather serious economic crisis that is in large part due to the mismanagement of lending institutions and perhaps at its core, a faulty system of economics that does not take *people* into consideration. Enter the co-operative model, one that can look to the local community and its members for financing. It's not uncommon for co-operatives to look to their members *for* such support instead of some distant banking institution without a face. But in the case of the Common Ground Co-op, they did something rather *uncommon*, even in the world of co-ops, and that was raising close to *half* of their financing needs from 150 of the co-op members themselves. Here's General Manager Jacqueline Hannah.

**JH:** In any expansion project or most expansion projects for a food co-op, usually about a third of the financing actually comes from the membership in some form or from the store itself. And that means the cash that you have in reserves, you know cash from profitability. It also means equity money that you preserve which is the money that has been invested by your members or by your owners to become owners. Also by doing equity drives to bring in additional equity and by doing

member loan drives. And we did do that. We started a member loan drive in January of this year and our goal was to bring in a quarter of a million dollars, \$250,000 in member loans which is unheard of from what we found in the industry, in talking to other food co-ops and consultants who work with food co-ops during expansion. It's actually an unheard of amount of money for a co-op as small as we were. And so we did this, we did a membership loan drive and the response was unbelievably positive. We were surprised. When I first heard that number, when I heard that I was suppose to help raise a quarter of a million dollars in loans from our owners and from our membership, that didn't seem real doable (laughs). I was – all right we'll give this a shot, we'll see what'll happen.

Then what happened is that people came forward with just blinding enthusiasm to be part of it and within ten weeks we had pledges for \$250,000 worth of loans. It was an amazing process to be a part of, watching a community come together like that and invest in making a dream a reality for their community. So we actually ultimately raised \$270,000 in loans from our members that we paid back in terms from five to ten years. As well as we brought in a great deal of new members who invested their equity in helping us to move as well as current members we, the Board voted to make it possible to purchase extra equity shares. Usually when you become a member of a co-op you purchase one or a set number of equity shares that are your investment in the co-op. And the Board voted to make it possible to purchase up to ten extra equity shares at \$60 a piece that are non-voting shares – they didn't give you any extra weight in voting in issues for the co-oper for electing Board members. But as a way that you could invest in helping to grow the co-op and have the money there for the relocation. And we raised I think about \$25,000 that way. There was also a great deal that came in from donations, from individuals as well as local social justice organizations. There was actually a buying club here in town that existed that actually was started by a group of people who split off from the co-op at one point. They had gone out and worked on their own and they dissolved in this last year and they had a lot of equity left from their members and their membership actually voted to invest or to donate all of their equity to supporting the co-op and this growth. So it was just an amazing flowing/outpouring of money from the community support - fiscal support from the community. We actually ended up raising 47% of all the money necessary for the project amongst our members and owners which is pretty unheard of amount. It's quite an accomplishment and a testament to how much the community cares about their co-op and wanted this to happen.

**JS:** Other funding for the expansion came from a local county job-creation organization, local banks, a co-op development fund and even, the city of Urbana itself.

Now one of the greatest fears when any business increases in size, is that adhering to the values that formed the business in the first place may be pushed aside. I asked Board member Clint Popetz if this was ever a concern during their planning stage.

**CP:** When the Board had the strategic planning process and actually throughout the times since then the Board has been kind of aware of the question of how big is too big and identifying our values and finding out are any of our values in conflict with being larger. At this point actually we have not had any problem with that. Probably the most difficult question – there are a lot of parts of being big that seem like they would be problematic, that need a practical thing like is it too impersonal, do prices get bigger, do prices get higher becomes we're getting bigger and things like that. And it turns out of course they don't. Prices usually do better when you get bigger because the scale works in your advantage. We are keenly aware of how big is too big. I've definitely had the Board read "Getting To Scale" which is a great book on businesses that find their niche in terms of scale. But the only question I would think that, you know, is really present for the Board is, you know the product selection it gets really, really diverse and we don't

dabble in production selection, that's something that we really delegate to management and because Jacqueline knows much more about it than we ever could. We are aware of what is the balance between local foods, natural foods, and processed natural foods. Like how much of our space is being devoted to macaroni and cheese and frozen foods. Right now we think we have a pretty healthy mix. We certainly have a lot more produce for a store our size than equivalent stores. We have the same or more bulk food than most stores our size. And beyond that we kind of see product selection as having to maintain a balance between being easy to use and welcoming a wide variety of people, but also always offering the opportunity to learn about how to cook foods from scratch. And so we kind of feel both things have to exist in the store and so we do talk about it but we're pretty happy with where it is.

But other than that one issue of product selection which is very difficult, product selection is a really touchy issue and I think that's why it's good that the Board doesn't touch it aside from setting guidelines on what our values and what our goals are and mandating that the product selection reflects those, but we don't actually choose the products. Beyond product selection, I don't think there are any values we feel are in conflict with being larger. Our mission of building community, of educating consumers, and of supporting local and organic production are all better met through being larger so long as we are adhering to the values we've established and we're meeting member expectations and we're growing our presence in the community and our diversity, I don't think that there's an upper limit. Now there's a practical upper limit to our store size. And the space that we're in is not very adequate space that we have adjoining to it that we can expand into, is about the limit of the size that we want to be. But I think at that point we would probably start looking into finding people in other parts of the twin city area who would be interested in opening a co-op and helping them get to the point where they could if they would demand our ability to serve it in that space. But I don't see that happening for a long time.

**JS:** And you're tuned in to Deconstructing Dinner, a syndicated weekly one-hour radio show and podcast produced at Kootenay Co-op Radio CJLY in Nelson, British Columbia. For listeners just tuning in, a reminder that Deconstructing Dinner now has a presence on Facebook and so we are encouraging Facebook users to help spread the word about this not-for-profit project to your friends and on-line networks. And a link to our Facebook page can be found on the main page of the Deconstructing Dinner website.

Today's episode is part five of our ongoing series titled "Co-operatives: Alternatives to Industrial Food." The feature for this episode is the Common Ground Food Co-op located in Urbana, Illinois. The mission of Common Ground is to "promote local and organic production, foster conscious consumerism, and build community." In late August of this year – 2008, the store completed a monumental move into a new and larger location. And the story of this expansion is an inspiring one to encourage others, perhaps right in your *own* communities to *launch* a food co-op or expand on an already existing one.

Because co-operative food stores are owned and democratically controlled by members within the community they operate in, the possibilities for using the co-op as a catalyst for increasing the local food supply are endless. This is exactly what General Manager Jacqueline Hannah has recognized – that their expansion will only help the Co-op better reflect their mission.

**JH:** That's what's exciting to me is I feel like growth for us allowed us to better meet our mission and that has really been the response from our owners, from our membership as well. Already, in the first week that we've been opened we're working with an additional six farmers and many farmers are coming forward that we didn't even know about. They had heard about us through the publicity of our growth, through the larger store and are coming to talk with us about how they

can start to sell their products directly to our store. Now we are very lucky in that our location, I should say we carefully selected our location, that we are actually just across the parking lot from our thriving farmers market here in our community. And so it has really helped our ability to partner with local farmers and our visibility to those local farmers so they know where to find us and what we do.

So it's been utterly exciting to me that we have already brought in so many new farmers who are excited to work with us and excited to learn about what the co-op does and how they can get involved and invested. And we're buying so much more local and organic produce from local growers and really talking to them about really planting whole extra crops for us next year. Really being able to grow their capacity in helping us to grow our capacity. So there's definitely been exciting growth in what we've been able to do in supporting the local food networks and farmers already just in the short week. You know I just can't believe what we are already doing much less what we are going to be able to do in the coming year and years to come in this larger space. And it's just been exciting to have so many local producers come forward and to have the grapevine of information passing about the how the food co-op is there to buy their product and to support their product and to educate the community about their project. It's just been wonderful.

And I wanted to speak to a little more about keeping kind of our mission, our goal and keeping the heart of what the co-op is with expansion. I think it effectively has allowed us to better meet our goals to be larger. I am now able to have a member of my staff who devotes, you know at least 50% of her time to developing education for the community and for our members. We're now going to be able to offer classes on how to use some of this local produce, to educate people how to cook with it. We're going to be doing a series of small classes on how to use bulk products and how to cook in a way that is more economic for them as well as healthier for their families through using bulk products which are very mystifying to a lot of people who haven't been necessarily shopping natural foods for a long time. We're also going to be doing classes on how to garden, how to use rain barrels, all about sustainable living. And we're doing one on canning this coming month to help people that actually purchased large amounts of local produce and fruit and can them for the winter. Which again feeds into supporting the local food system as well as a more sustainable way of living. It's just really exciting how the growth has actually allowing us to better meet a mission that for a long time that we believed in and we've done a very good job by but could have gone a lot farther.

**JS:** On August 23<sup>rd</sup> the Co-op opened its doors to the community of Urbana, Illinois and the response was astounding. Over 2,000 people came through the doors and the comments from members and customers since then have been a real testament to the impacts that Jacqueline speaks of, because there were people within the community learning about farms in the area that they never knew existed. Yet another important piece of how a co-operative grocery store can catalyze a thriving local food system.

**JH:** Well I will say, we had Friday night we were open for three hours for a sneak peek to just our membership which was a lovely experience having the entire community come out and there really was a huge showing of our membership and of the community to come out and take a look. And it was – I don't even know how to put it – it was a very emotionally touching event to walk in and see what their hard work and investment had created and to interact with the Board and with the staff who had helped work with them to make it possible. It was really touching.

And then on Saturday we opened to the general public and now you have to understand that we've never been open to the general public. So we opened to the general public for the first time in history on the same day that we opened our new expanded store. So we didn't know what to

expect. And the buzz in the community had been very positive. Every time friends or I were out in public we were being approached by people who were wondering when it was opening and we can't wait to come shop. We knew that there was definitely some enthusiasm in the community for what we were doing. But when we opened our doors, we use to on an average day maybe have 80 to 150 people who would come through the door, and we've had well over 2,000 people show up on Saturday. The store was just body to body. Many times the lines were snaking around the store to get to the registers. It was just amazing. And there was so much interest and so many people coming through.

So far what's been a little challenging is we opened the deli for the first time (laughs) and we're making fresh food every day. Most of it made from organic and/or local ingredients. We focus on local ingredients as much as we can. And the enthusiasm for that has been very strong. And trying to keep up with that and learn what we're doing back there and put that together has been a little bit of a challenge. It's also been very fun (laughs). While challenging it's been a blast. And people are responding to that really well. And it's been neat because the building that we're located in actually also has a couple of health insurance companies and local hospital organizations – they have offices here. And so most of them are people who have a slight interest maybe in natural foods but they really never spent time in a store that does natural foods on a consistent basis and don't know a ton about it. And they've been streaming through the doors to have lunch here. And we purposely built our kitchens so the window – we have a large window from the kitchen into the area where our food is displayed. And some of the conversations have just been wonderful. Many of them you're talking about we say “oh there's local potatoes” and they'll go “Oh from where?” And talking to them about this farm that they didn't even know exists is right here in the town that they live and work in. And having them show interest in that and you're kind of excited about that idea or share with us that they grew up on a farm. And that their grandfather had been a farmer and that this is kind of neat. That they never thought about this – they never thought about where the food came from and here they were eating a potato soup that was made from ingredients that were from a farm here in a little town not far from where they'd grown up on a farm. And all sorts of really interesting, dynamic conversations with people who might not usually have thought about these issues are happening because they're coming to get lunch in our deli. And so that's been very exciting and sometimes heartwarming experience.

**JS:** And this is Deconstructing Dinner where you're listening to segments from my conversation with Jacqueline Hannah and Clint Popetz of the Common Ground Food Co-op in Urbana, Illinois. I spoke to them only four days after their grand opening and it was in those few days following the opening that their membership has grown significantly from its previously stagnant membership growth.

**JH:** Well I will say we've been open four days and in four days we have just added slightly over one hundred members, which understanding that our membership before we moved was at about 1600, so we've added one hundred people in four days. So the growth has been phenomenal. We've often heard that actually when new co-ops open there's definitely an increase of interest in membership right away but not necessarily abundantly dynamic as ours have been. And Clint can speak to this, our Board actually sat at a table right near the entrance to greet people and to sign up members as they came in the door and I didn't know if that was going to be completely necessary. You can sign up for membership when you're in line at the registers and I really didn't know how many people there would be and they kept running out of forms and information (laughs) to sign up members. But I'll let Clint speak to that more. But it has, as I said, in four days we've grown our membership by over one hundred people and we were a membership of 1600 so it's been phenomenal.

**CP:** Yeah, I think and this is actually a challenge for the Board and it's one that we knew was coming but as a Board we have to represent the membership and our membership has grown in four days over 6%. So, we can see ourselves in six months time really having a completely different membership that we're supposed to be representing. But one of the challenges that the Board face is linkage which just means making sure that we are authentically representing the membership, that we're aware of what the members values are and that we're working to make sure those values are present in the co-op. And I think that one of the reasons that we were in the store and one of the reasons we want to continue to be in the store and have a presence on a regular basis is that without being there and talking to people we really don't know who we are as a co-op and so there'll be a lot of mechanisms for that, that there's surveys and there's webpages and there's focus groups and gatherings but being in the store really gives you a good pulse of who your membership is. And yeah, that first night was really unbelievable and people join for a wide variety of reasons and we've been sort of told by consultants that membership might not be something people are use to and might not be easy for them, it might sound communist, it might sound weird and so don't push it. And so, while we think membership very important, our main message is actually on the first night was - Hi, welcome to the co-op, here's some information about the co-op. You don't have to be a member to shop but we invite you to read what the advantages are and talk to us if you are interested. And I think more people talked to us about it than didn't and a number of them that even didn't sign up said - well let me shop a few times and see what I think of it and then if it looks good I'll become a member. So membership was actually much easier than I thought it would be and I was also overwhelmed by the number of people who said - I've been meaning to become a member for a long time and now that you're here, I will. Which tells me that - one, we're doing something right; but two the growing membership is probably not going to slow in the immediate future anyway.

It's also a great thing just for the health of the co-op because every one of those memberships represents equity which we can use to build a stronger co-op. So it's not just a diversity question and it's not just a how many people in the community are you representing, it's how strong is your balance sheet. The more equity we have the better we look to the bank and it may be easier it to get signed anything in the future, the easier it is to invest in improvements, the easier it is to suffer slow periods in terms of the economy. So I was really excited to do that on many levels and it was really a wonderful experience.

**JS:** One of the reasons we've chosen to focus this entire broadcast on the Common Ground Food Co-op is that it represents a shining example of what's possible when a community comes together to put an idealistic vision into practice. It's not the first time on Deconstructing Dinner that food co-op's have been suggested to be one of the most important tools within a community to ensure the presence of an economically viable and socially and environmentally responsible food system. Board member, Clint Popetz spoke to what lessons others can learn from Common Ground's expansion.

**CP:** Well the main message is that if we can do it anyone can (both laugh). Because the place that we were coming from before this all started was one of the most difficult - meaning that we had been around for a very long time but it wasn't that we were raising money for something really, really new, we were raising money for something that had been there for thirty years plus. But also we were in a time of economic slow down and in particular, a credit crunch that made it extremely difficult to get loans from banks. And especially for an organization that you can't point to a single person and say - this is the owner and that person will take responsibility if something goes wrong. So banks are very reticent to loan money to co-ops and they have to be convinced. So that fact that we were able to get financing in this particular time period was very

encouraging. Also we went from a members only co-op in a basement of a church to a public co-op to an enterprise outside and we did it on an extremely short timeline. And so that's encouraging and it's also no one should try to do it on that timeline (both laughs). It's extremely stressful. We didn't have a choice because our building was getting full and we didn't have any other place to be so, you know, we actually didn't find out our building was being sold until towards the end. But nevertheless, if our building hadn't been sold or being sold we probably would have extended our timeline by about another 12 to 18 months just to deal with the difficulties in terms of financing. So, I think it's an extremely positive message because it showed the community rising to the challenge of a really monumental task. Moving a store is not easy.

**JS:** Now a number of other lessons have also been learned from the expansion process – lessons that are important for any existing or planned co-operative. When one takes a look at some of the most recognizable brand names of packaged foods found in natural food stores or organic aisles of chain grocers, in many cases, those brands began as small and very conscientiously operated businesses. But as they grew, those values were lost and in some cases, those involved in their formation lost their voice which was replaced by distant shareholders or overseas investors. This alienation of a businesses founding values can apply to those of a retail store too. Board member Clint Popetz suggests that remaining transparent *with* co-op members is critical to ensure that trust can be maintained with the co-op's management and board and to avoid the alienation that the *corporate* model of chain grocery stores has created within the communities they operate in.

**CP:** The lessons we took away from it are definitely that our community loves us as long as we stay in touch with them and keep them in the loop and keep them involved and get their input and trust them with information. We have a really transparent co-op and Jacqueline worked even in the depths of trying to relocate the store and keep it running, she made sure that all the information about what money was needed and how it was being spent and how the progress was going, was available to the members through the website, through e-mail, in meetings that she held. And she worked pretty tirelessly to keep that level of transparency and I think that led to a lot of goodwill because co-ops have had situations where expansions were seen as a tiny cobble of people which I think that move the people away from its roots. But our membership and the community at large really saw this as a grassroots effort in which everyone was on board. And I think that was crucial because not only did it help to fundraise but there's goodwill right now that's present - it's amazing. People that I don't even know recognize me from newspaper pictures or from the tiny little early morning TV ads and they say – wow is it moved. And I didn't even know who these people are so I feel like that the goodwill in the community is very good and I think that's because we involved the community in the process.

**JS:** On the first episode of this Co-operatives series here on Deconstructing Dinner, we heard a segment produced in Madison Wisconsin about the demise of what was at the time, one of the oldest food co-op's in North America – the Mifflin Co-op. Now the reasons *for* that particular co-op's demise were partially due to the increased competition from a much larger co-op food store in the area along with the presence of a Whole Foods store also in Madison. But perhaps the store's demise was also due to its *stated* reasons for being in business. The Mifflin Co-op had long maintained an image of opposition to big business, to corporate greed and to profit. But as Jacqueline Hannah and Clint Popetz suggest, profit is not necessarily something to fear and presenting an image of what a business is for rather than what it's against, is what the Common Ground Co-op strives to achieve.

**CP:** I don't want to diss on Mifflin because I think this one is a great co-op but Mifflin's slogan was, they had these little things that said 'taking it to the man.' Our mission isn't taking it to the man. Our mission is a very positive one, and a very important one but it isn't defined by what it's

against and it's not defined by only being the alternative to everything else. It has a very broad I think mission and a broad scope and therefore a broader audience.

**JH:** One of the other things I'll put forward on that is a mistake I think we as co-ops sometimes make is, many of us started with, as Clint brought up earlier, a kind of a stick-it-to-the man attitude and wherever you stand on that now, there was also this concept of food for people not for profit. It was actually kind of a catch phrase at our co-op for many years and at many co-ops. And learning that profit is not an ugly word and how to communicate that to your members. That to forward your mission means you need more economic health and to explain what that means. That's there no individual profiting off these farmers or off the money made by the co-op, no one's getting rich doing this. But that profit is necessary and healthy. That we want to run a successful business as well as a successful organization for social justice.

And so the co-op thinking for many years made that mistake. I think our co-op had a hard time with it and struggled with it for a long time, understanding that we are here to be a business, the idea is to be able to funnel our economic clout behind something that we believe in and that means your business and that means you need to be good at it. And to be good at it can actually be a triumph for your mission and make it grow. And so to help the membership understand that and be willing to grow into that understanding and to understand that doesn't undermine your mission in any way. It's something we struggled with and I know other co-ops struggled with in the past and some are still struggling with understanding that growing out of the idea that profit is always at the expense of others instead of a way to enrich the community.

**JS:** And this is Deconstructing Dinner. As we near the end of today's broadcast and part five of our ongoing series on co-operatives, it's important to reiterate a message that has been presented on this series before. Today's broadcast has showcased just how community-focused a food store can be when it's owned and democratically controlled by members in the community, and this community ethic is also found in the way through which co-operatives can co-operate with each other. In fact co-operation *among* co-operatives is one of the seven principles that outline what makes a co-op a co-op.

I can say from my own personal experience as someone who is a member of four co-operatives here in the Nelson-area, that the principle of co-operation among co-operatives plays a critical role in ensuring the success of a co-operative economy and a well-functioning community.

Jacqueline Hannah stressed how important this principle is to ensure the success of the Common Ground Food Co-op.

**JH:** One thing we didn't get to speak to you - it's kind of off the topic but I'd like to bring up is, one of the amazing things about being a co-operative business. I've been in the natural food industry in management in natural food now for eight years and I'd never worked for a co-op before I came to this co-op. And co-operative businesses, co-operative food co-ops, I mean food co-ops are really about co-operating, about helping one another. So instead of having all this protecting of information and what your sales numbers were and the best way to display produce to make it last through the weekend or whatever, you know whatever you're trying to do in your business. There are hundreds of other co-ops that are happy to share their information. They're happy to tell you what they have done and give you a hand. And we were reached out to by so many other food co-ops that helped mentor me and take us through this process and share their experiences. I'm currently working with the General Manager of Neighbourhood Food Co-op in Carbondale, Frances Murphy who's been in the industry for a long time. And he's still personally mentoring me and spending a lot of time on the phone with me answering my questions and

helping me to develop my skills as a manager in finance and sharing his experiences. And he actually drove four hours to come be here on our opening day to see what we'd done and to celebrate with us. And we've just been reached out to by so many other co-ops who've actually proactively come to us and said – how can we help? That's just been an amazing experience to be part of and we are – I'm very proud that we've started to have the opportunity to give that back as well.

We've been approached by a couple of co-ops that are trying to start up – one in Taraho, Indiana. There's another in a small town in Illinois just outside of St. Louis. We've been approached actually by a couple of other individuals who are interested in starting co-ops. There's a woman who use to be a member here who is now in Memphis, Tennessee and they don't have co-ops there. And she's been on the phone with me kind of constantly saying I want to start a co-op, I want to start a co-op and getting information and I didn't know what would come of that. And they're actually already forming a Board of Directors and having community meetings where dozens of people are showing up. So we're having an opportunity to spread the wealth and help support other co-ops in their efforts to start while we're being supported by more experienced co-ops ourselves. So the spirit of co-operation within food co-ops is just amazing and without it, I don't know if we would be where we are today. So I'm very grateful for that.

**JS:** And that was Jacqueline Hannah, the General Manager for the Common Ground Food Co-op in Urbana, Illinois. Jacqueline was joined over the phone by Clint Popetz, one of the Board of Directors of the Co-op and he too had some final comments to share that also outline just how impactful a food co-op can be in a community. Most chain grocery stores operating in North America are founded upon an industrial and globalized food system and have not yet made any significant progress to support localized food systems. In fact many chain grocers outright refuse to carry locally grown products unless the product is first shipped to a distribution centre perhaps hundreds if not thousands of kilometres away, and, if that product is produced in enough quantity to fill the shelves of many stores.

On the other hand, a co-operative food store concerned about the community they operate in, is in a much better position to look at itself as a vacuum for locally grown and processed foods.

**CP:** Boards are created to be forward-looking and to lead and so there's definitely issues that I know our Board is looking at. And probably one big one is, our co-op hasn't done a lot of connecting to other organizations, both in terms of outreach and in terms of working on joint projects together or even just educating each other. And so one of the things I want to see our co-ops do in order to help build a stronger community is for the Board to reach out to the Boards of other organizations and educate each other on what we're doing and see ways in which we can work together.

I also see, there's kind of a looming question of food security, of local versus organic, of food miles – all these issues that are on the rise as oil goes up. These questions face us and so I think that we're doing exactly the right thing but I think that the Board wants to remain constantly cognizant of how the landscape of local food, of corporate food, of FDA regulations, of USDA regulations – what things are happening on the food front that the co-ops needs to be aware of so that we're always urged to do the best thing for our community. So for instance, one of the things I think some communities have done is very exciting is that local farmers have a lot of leeway in terms of selling locally to their co-ops but they often have a very difficult time in terms of processing and storage. And that long term storage is crucial especially in areas like ours where we have many months of completely frozen weather when nothing grows. So it would be interesting to see in what way that the co-op could facilitate co-operative ventures in terms of

farmers getting together for processing because processing is extremely regulated and extremely difficult for small farmers. So that's something I would like to see us doing is not only enabling small farms with information and enabling small farms by providing an outlet for their goods, but enabling the next step in the food infrastructure which is how do you feed your community year-round from your farms and not just during the growing season.

**JS:** And that was Clint Popetz, a Board member of the Common Ground food Co-op in Urbana, Illinois. More information on the Co-op and its expansion can be found on their website at [commonground.coop](http://commonground.coop). There's also a nice gallery of photographs on the site and that will also be linked to from the Deconstructing Dinner website at [deconstructingdinner.ca](http://deconstructingdinner.ca).

Today's broadcast will be archived on our site alongside the other episodes of this Co-operatives series, and we do encourage you to learn more about how co-operatives present an *ideal* alternative to industrial food.

**JH:** Don't underestimate the goodwill of your community. I think that's an easy mistake to make. Be transparent with them. Tell them what you're trying to do. Don't ever underestimate how willing they are to get behind what you're doing not only by putting in some sweat equity or telling other people about the project. But you're really fiscally invest in something they believe in, if you share your vision and you're transparent with them and you ask for their feedback and really respond to it and want it. If they feel that they're truly listened to and that their investments really going to mean that they're taking part in something meaningful to their community where they will really have a voice, they will invest both their time and their energy as well as their money. They're willing to put their money into what they believe in, if a real vision is shared with them and they're allowed to have a voice.

And I think it's something that both the Board and the management did extremely well is not underestimate that goodwill and the power of people coming together to do something they believe in. And I think it's really uplifted not only the co-op but the community to see ourselves have a dream, work together to make it happen, and really accomplish it. There's a real idealistic feeling that maybe many of us haven't had in awhile that people can come together to do something they believe in, that's meaningful and pull it off and have it become something very valuable for the community. So I'd say don't underestimate that and go ahead and share your idealistic views and be idealistic. There were times when I think I wasn't idealistic enough and let it really shine how much I believed in our community and what we could accomplish to change the food community in this area and then support local food and to change the economy in the town. People rallied behind that. They loved to hear that optimism. They loved to hear there was a way to take their optimism and turn it into action.

*ending theme*

**JS:** That was this week's edition of Deconstructing Dinner, produced and recorded at Nelson, British Columbia's Kootenay Co-op Radio. I've been your host Jon Steinman. I thank my technical assistant Doug Farquharson.

The theme music for Deconstructing Dinner is courtesy of Nelson-area resident Adham Shaikh.

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