

# CO-OP CONNECTIONS



A PUBLICATION OF THE CALIFORNIA CENTER FOR COOPERATIVE DEVELOPMENT | Annual Edition 2014

## In This Issue

Food Cooperatives Contine to Expand and Grow.....1&4  
 From Harm to Farm.....2  
 Annual Events.....2  
 Quick Updates.....2-3  
 Lompoc Immigrant Women Empowered.....3  
 Job Creation...Through Cooperation.....4  
 Crossword PuzzleHow Well Do You Know Cooperatives?.....5  
 Promote the Resiliency of Cooperatives.....6

## Mission Statement

The mission of the California Center for Cooperative Development is to promote cooperatives as a vibrant business model to address the economic and social needs of California's communities.



California Center  
 For Cooperative  
 Development

979 F Street Suite A-1  
 Davis, CA, 95616-2258

www.cccd.coop  
 coops@ccd.coop  
 Ph: 530-297-1032

## Food Cooperatives Continue to Expand and Grow

If all goes according to plan there will be almost twice as many food cooperatives in California in 2016 as there were just 10 years ago (95% more with 11 new co-ops). This is a trend we're seeing nationwide, with about 200 operating co-ops and 150 communities in some phase of new co-op development.

If you don't think this is an impressive number, consider this: between 1980 and 2003, there were no new food co-ops formed in California. Why would there not be any new cooperative development in 25 years? Walden Swanson of Cooperative Development Services writes about the 'Me' and 'We' generations that seem to come and go every few decades, which it describes California very well. All of the 12 mature cooperatives in California were formed between 1971 and 1978 and in the 2 decades after that, investor-oriented natural food chain stores expanded rapidly by offering the kinds of products the co-ops of the 70s had pioneered: natural, organic, bulk, minimally processed, and packaged. But with the new millennium, food system localization, food miles, and GMOs became a concern for a new generation, and consumer food co-ops were there to remind the public that they have been and always will be the original Local and Sustainable Food markets.

Community leaders and visionaries have been organizing cooperatives ever since. Lake County Community Co-op was the first new California co-op, operating first as an online market. Arena Market and Deli on the Mendocino coast was next, followed by Placerville Natural Foods Co-op, which was created by the community's purchase of an existing store from its retiring owner. This year, Spiral Foods Co-op will open in Sonoma County, Arroyo Food Co-op signed a lease for their new store, and Quincy Natural Foods purchased an independent store in nearby Portola, naming it Feather River Food Co-op and had their grand opening October 16, 2013. *(continued on page 4)*

### Mature Food Co-ops

1. North Coast Co-ops: Eureka
2. North Coast Co-ops: Arcata
3. Chico
4. Ukiah
5. Quincy
6. Briar Patch (Grass Valley)
7. Sacramento \*Expansions planned
8. San Luis Obispo \*Expansions planned
9. Isla Vista (Santa Barbara)
10. Co-opportunity (Santa Monica)
11. Ocean Beach (San Diego)
12. Davis

### New Food Cooperatives between 2008 to 2013

13. Lake County Community Co-op: Clearlake
14. Arena Market and Deli: Pt. Arena
15. Spiral Foods: Sebastopol
16. Placerville
17. Arroyo Food Co-op: Altadena
18. Feather River (Portola)

### Food Co-ops in Planning Stage

19. Ojai
20. Paso Robles
21. South Los Angeles
22. Riverside
23. San Clemente



## Annual Events

### Agriculture Cooperative Directors & Managers Training

Program features full day seminars on governance, finance, and strategy.  
January 27-28, 2014  
Visalia, CA

### California Co-op Conference

Bringing together cooperative leaders, economic developers, entrepreneurs, and others interested in the cooperative business model.  
April 11-12, 2014  
Berkeley, CA

### Co-op Day at The Capitol

Late Spring 2014

### Western Worker Co-op Conference

Bi-annual event that fosters education, information sharing, and sustainable development of the co-op model.  
Fall, 2015



## Quick Updates

📍 Green Broom Brigade Co-op in Lompoc was awarded the 2013 Looking Forward Award by Santa Barbara County Action Network.

Call GBBC today if you need quality green cleaning services anywhere in Santa Barbara County.

📍 CCCD now has an affiliate non-profit serving southern California: Southern California Focus on Cooperation. For now, each member of the SCFC also serves on the CCCD board.

📍 CCCD & SCFC welcome new board member, Elizabeth Hatcher, who is also a member of the Lompoc Cooperative Development Project.

## From Harm to Farm, Cooperatively

Imagine living in a war zone for most of your life, followed by years in a refugee camp, and finally as a stranger in a new land where your skills don't match the work that's available. That's the situation of many of the International Rescue Committee's (IRC) constituency, who have been displaced from the world's most dangerous conflict zones, including Somalia, Darfur, Iraq, Burma, Afghanistan, and Congo. While they now have a safe place to live with their families, their biggest challenge is to find meaningful work, which is especially difficult when they don't have the skills necessary for the service, technology, or industrial sectors.



*Members of the Bahati Mamas Co-op practice recordkeeping for product provided to the cooperatively managed Community Supported Agriculture marketing program.*

To create opportunities for refugees with rural livelihoods, IRC established the New Roots Program to help families achieve food security for their families, which then grew into a farm training program so they could make agriculture

part of their household income. These small farms, located outside urban areas near San Diego, Phoenix, and Salt Lake City, are providing the opportunities to match participant skills and passion with job creation.

An interesting thing happened as they began farming: many of the participants organized themselves into groups acting like cooperatives. In San Diego, a group of 8 Somali Bantu women formed Bahati Mamas, which operates as a worker cooperative. In Arizona, cooperation took the form a multi-ethnic marketing cooperative called Gila Farm Cooperative, which operates a small Community Supported Agriculture program and farmers market booths with IRC staff acting as manager and technical assistance providers. CCCD supports these nascent worker and marketing cooperatives through education and technical assistance for cooperative members and IRC staff. The work begins with helping farmers see farming in America as something different than subsistence farming. They've learned how to determine their actual costs of production and marketing, which helps them fine-tune the way they use resources needed to grow food, and more importantly, how to price the products they grow so they can make a living wage. We've provided marketing and management education, introducing concepts like profit margins, cost of goods, and patronage, as well as governance education, such as democratic decision-making processes. Finally we've and helped them establish an important relationship with South Central Farmers, the only farm operating as a worker cooperative in California.

These groups are on a path towards full independence once they graduate from the New Roots program and will soon be on their way to becoming farm business and cooperative owners.

Luis Sierra

### Demonstrate your support for co-ops

#### Become a member of CCCD!

The California Center for Cooperative Development (CCCD) is a 501(c)(3) non-profit organization that promotes and supports the myriad of cooperatives in California with start-up and technical assistance. CCCD is supported by memberships, donations, and project-related grants. Memberships sustain the Center by diversifying funding and by strengthening CCCD's ability to receive grants by providing essential matching funds.

#### Become a member of CCCD!

- Demonstrate your support for cooperatives and connect to a new and growing cooperative movement: Your valuable membership will be listed on-line and in our Annual Report.
- Fuel the development of new cooperatives: Your support builds a thriving education and resource center.
- Learn from the top cooperative organizers in California: Members receive special discounts on conferences, products, and services, as well as access to outstanding publications.

\*Please see page 5 for how to become a member today!



## Lompoc Immigrant Women Empowered

Following more than 18 months of planning and development work by CCCD and local leaders organized as the Lompoc Cooperative Development Project (LCDP), Green Broom Brigade Cooperative opened its doors in April, 2013. Cooperative members receive governance, business and management training from CCCD and LCDP, but business success depends on the decisions and hard work of members. Founding members Diana Samaguey, Carmen Guzman and Esther Ferruzca are doing their best to fuel the success of Green Broom Brigade Cooperative (GBBC).

Each of the women is a first generation immigrant from Mexico who, with their family, is sharing in the opportunity to become co-proprietors of their own business, an environmentally green home and office cleaning business operated as a worker cooperative. Together they are making the most of the opportunities that business ownership can offer.

Diana is a wife and mother of three boys ages 13, 10 and 3 years. She has become a respected leader in the decision making process for the cooperative, offering creative ideas to maximize business success. Diana believes that her participation in building the cooperative has not only impacted the lives of her family members but will also impact the lives of future members and their families.

Diana and her husband Ernesto Samaguey are also realizing a second dream: owning their own home. They purchased their family home in August of this year. Diana feels very blessed knowing that she is able to contribute to the family household income and sustainability.

Carmen is a wife and mother of four children. Isaac, 18, is a freshman in college; Adriana, 17, is a high school senior and an avid cross country and track athlete; Adriana, 15, is a high school sophomore and keeps herself busy on the school swim team; and, Alicia, 10, is in the fifth grade.

As a worker-owner with GBBC, Carmen feels she has been challenged in her personal growth and that the cooperative is on a good path to grow and establish itself in the community. She and her husband Andres also hope to own their own home. They feel that their hard and consistent work will help achieve this goal in the very near future.



*The Samaguey family stand outside their new home. Diana Samaguey's position with Green Broom Brigade Cooperative helped the family qualify for the home loan.*

Esther is a wife and mother of four children, three of whom are adults while the youngest is a high school student. She is proud of her 3 grandchildren and enjoys spending time with them.

Esther is delighted to be a part of the cooperative and is working towards becoming a full worker-owner. Prior to becoming a member she was a stay at home mother and she says that since working with the cooperative she feels more fulfilled in her life. She supports the growth of the cooperative in order to afford other women the same opportunity she has. She recently shared how the earnings received from working with GBBC is helping her family to pay off debt.

As with most worker cooperatives, the initial members are chartering a course of business success that will not only help themselves but also future members. As the business grows Green Broom Brigade Cooperative will open its doors to new co-owners who will also realize opportunities through their own hard work.

Nancy Vasquez-Louth

## Quick Updates (continued)

📍 Liberty Ship Café is recruiting new members – contact LSC if you live in or near Richmond and have an interest in becoming a member of this dynamic catering co-op.

📍 CCCD plans to convene another Co-op Day at the Capitol in 2014—let's educate legislators about cooperatives!

📍 The 2013 Co-op Housing Bill took a blow, but more work is in process to revive the bill's intents in a 2014 State Assembly Bill. Check our website to support these efforts!

📍 The 2013 Western Worker Co-op Conference was a success! The next conference is in 2015, but we are already starting to plan so keep your eyes open as it approaches.

📍 The Agricultural Director Education Conference is in January and will include a look at case studies from Pacific Coast Producers, Calamco and California Dairies, as well as many other workshops. Join us!

📍 Our yearly CA Co-op Conference will convene in April, 2014. We accept workshop proposals year round, contact us to submit yours.

📍 CCCD will be launching a new website in 2014. Suggestions are welcome.



## Board of Directors



### **Tim Huet, Pres.**

Association of Arizmendi  
Cooperatives

### **Lucas Frerichs, VP**

Past President:  
Davis Food Co-op &  
Yolo Mutual Housing Assoc.

### **Lee Ruth, Secretary**

President Emeritus:  
Agricultural Council of  
California

### **Tere Castanias, Treas.**

Chair of Legal,  
Tax & Accounting  
Committee: National  
Council of Farmer Cooperatives

### **Elizabeth Hatcher**

Lompoc Co-op Development  
Project

### **Jessica Nelson**

Golden State Power  
Cooperative

### **Karen Tiedemann**

Housing Co-op Law  
Goldfarb & Lipman, LLC

### **Frank Van Konynenburg**

Agricultural Co-op Law  
Tuttle & Van  
Konynenburg, LLP

## Job Creation and Economic Stimulus through Cooperation

Optimism about job growth is tempered by the fact that the increase is largely in jobs characterized by low pay, few benefits, temporary status, part-time hours, and limited advancement opportunities. Worker cooperatives, a business model in which the staff own and manage the firm, have proven successful in creating good jobs and stabilizing the larger economy in many parts of Europe and Latin America.

CCCD has been working alongside similar cooperative development non-profits around the country to promote worker cooperatives as a vehicle for economic development with the explicit goal of job creation. We are working to answer the question: Can we improve conditions in under-valued jobs by making them worker-owned businesses?



*Camile Pannu leads a session during the Cooperative Development Summit convened in San Diego on January 15-16, 2013.*

Worker co-op initiatives with a job creation goal dot the nation and include industries like cleaning services, cafes and catering, laundry services, solar installation, and small agricultural production. The projects reach out to groups that are most vulnerable to unemployment: People of color with unrecognized marketable skills, first generation immigrants, refugees, teens, and parolees.

Last January, CCCD hosted its first Co-op Development Summit, a 'roll up your sleeves' working session which included co-op developers involved with worker co-op projects from Minnesota, Ohio, Texas, Arizona, Washington and California. Participants worked together to cultivate "best practices" for cooperative development that focus on job and ownership creation in underserved communities.

The two day summit wove discussion about "big picture" issues with hands-on approaches used in development. Together we recognized the importance of being culturally relevant, but sought to define how this manifests itself as a practice in cooperative development. Participants shared successes and failures, which fueled discussion and problem solving. Dialog was punctuated with education exercises that contributors had successfully used in trainings. A second, follow-up summit will convene in 2014 with the goal of moving closer to coherent Best Practices.

The goal of the cooperative developers involved in these initiatives is to realize the worker cooperative as a contemporary mechanism for economic mobility, much as the sole proprietor business was in years past. There are common elements—a business that meets a market need, entrepreneurial spirit, and hard work that fuels upward mobility. The difference is that instead of single bootstraps, in the co-op people are linking arms and combining their talents and hard work to enable collective mobility.

E. Kim Coontz and Foresta Sieck-Hill

## Food Cooperatives Continue to Expand and Grow *(continued from page 1)*

As any of the new food co-ops will tell you, it takes a considerable amount of time, talent, and financial resources to open a new store. Throughout the organizing, fundraising, and development phases, CCCD and our partners operating at the national level are here to provide the training and technical assistance organizers need to be effective. Our annual California Cooperatives Conference provides start-up workshops, CCCD staff provide one-on-one training for steering committees, and CCCD provides fiscal sponsorship for groups that aren't yet incorporated. Funding secured through the Rural Cooperatives Development Grant enables us to dedicate staff time to our rural-based projects, completing more specialized work, like market studies, legal documents, and store management training.

### **Additional Resources for Food Coop Development**

**Food Cooperative Initiative:** [www.foodcoopinitiative.coop](http://www.foodcoopinitiative.coop)  
**Cooperative Development Services:** [www.cdsconsulting.coop](http://www.cdsconsulting.coop)  
**Sustainable Economies Law Center:** [www.theselc.org](http://www.theselc.org)

If you've formed a group that's looking into opening a cooperatively owned grocery store or online market, contact CCCD for more information on how to get started.

Luis Sierra

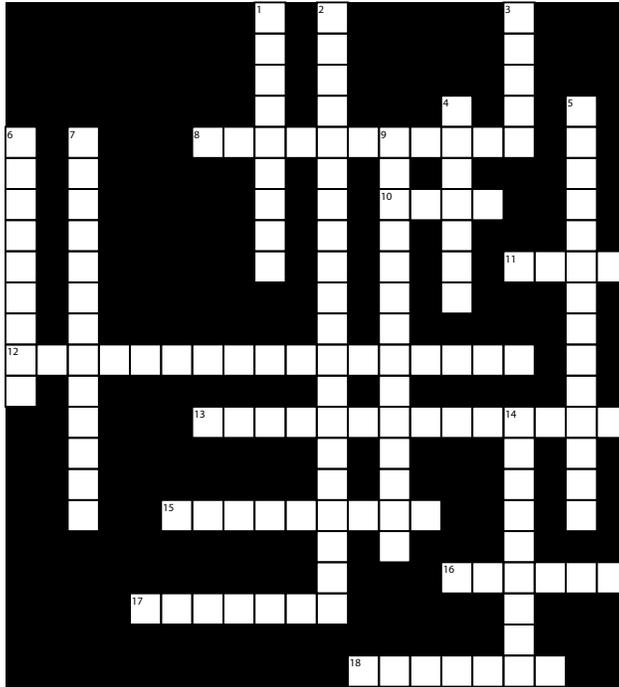
# How Well Do You Know Cooperatives?

## Across

8. Democratically run organization
10. Each member of a cooperative gets one of these
11. What kind of cooperative organization is projected to double in numbers since 2006.
12. This co-op's locale was formerly a pool and dance hall.
13. California cowboy cooperative specializing in grass-fed beef
15. Foundational co-op symbol
16. Plumas Sierra Co-op provides what valuable resource to its rural members?
17. A youth led, bike-powered tour linking cooperatives across the United States
18. Raisins are this co-op's focus

## Down

1. Profit is paid out to the members in the form of...
2. Autonomy and independence is an example of a...
3. In CA, Credit Unions are distinguished by their \_\_\_\_\_ membership.
4. Organic almond growers cooperating to market their products since 1998
5. Largest worker-owned cooperative in California
6. Type of co-op that includes some of the youngest beneficiaries
7. Cooperative housing model that maintains share affordability over time
9. You can find this bread in most grocery stores: baked, packaged, and sold by the worker owners
14. Largest cooperatively owned bakery chain in the U.S.



## Answers

1. PATRONAGE 2. COOPERATIVE PRINCIPLE 3. LARGE 4. BIG TREE 5. RAIN-  
BOW GROCERY 6. PRESCHOOL 7. LIMITED EQUITY 8. COOPERATIVE 9. AL-  
VARADO STREET 10. VOTE 11. FOOD 12. OCEAN BEACH PEOPLES 13. HOL-  
LISTER RANCH 14. ARIZMENDI 15. TWIN PINES 16. ENERGY 17. COCYCLE 18. SUNMAID

## Staff

**E. Kim Coontz**  
Executive Director

**Luis Sierra**  
Assistant Executive Director

**Kalim Khogiani**  
Office Manager/Bookkeeper

**Foresta Sieck-Hill**  
Worker Cooperative Specialist

**Nancy Vasquez Louth**  
Cooperative Specialist



*CCCD has an ongoing student intern program. Interns enrich CCCD's programs with their vital contributions while learning about cooperatives.*

## YES! I WANT TO SUPPORT COOPERATIVE DEVELOPMENT TODAY!

Name : \_\_\_\_\_  
 Co-op/Org (if organizational member): \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

### Why Wait? Become a CCCD Member TODAY!!

(Check Member Level on appropriate line)

#### INDIVIDUAL MEMBERSHIP

\_\_\_ Individual (self-assessed ability to contribute): \$50-\$200

\_\_\_ Low Income or Student: \$25

#### CO-OP/ORGANIZATIONAL MEMBERSHIP (Based on Annual Revenue)

\_\_\_ \$1 billion & above: \$750 \_\_\_ \$100 million - \$999 million: \$500 \_\_\_ \$3 million - \$99 million: \$350 \_\_\_ \$1 million - \$2,999,999: \$250 \_\_\_ \$700,000 - \$999,999: \$200 \_\_\_ \$400,000 - \$699,000: \$150 \_\_\_ \$200,000 - \$399,999: \$100 \_\_\_ Less than \$200,000: \$50

#### SPECIAL MEMBERSHIP

\_\_\_ Cooperative Champion: \$5,000

\_\_\_ Cooperative Leader: \$3,000

\_\_\_ Cooperative Innovator: \$1,000

Enclosed please find \$ \_\_\_\_\_

Please return this form via fax: 530-297-1033, or post: CCCD; 979 F St. Suite A-1; Davis, CA 95616; or email: [coops@cccd.coop](mailto:coops@cccd.coop). Please make checks to CCCD; credit card payments may be made via the DONATE button on our website at: [www.cccd.coop](http://www.cccd.coop).

### THANK YOU FOR YOUR SUPPORT!

\*NOTE: CCCD is a charitable non-profit; member subscriptions are tax deductible donations. CCCD is governed by a Board of Directors. If you are interested in serving in a leadership position with CCCD, please contact us today!



## Promote the Resiliency of Cooperatives

The recent recession proved the resilience of the cooperative business model. Credit unions, housing cooperatives, worker-owned businesses, and consumer cooperative grocery stores all experienced markedly fewer failures than their traditional sector counterparts. Why? Because the member-ownership and democratic decision making inhibits risk taking and actions like prioritizing economic profit without regard for the myriad of ways the strategy might harm others. Co-ops like profit, but their accountability to members make them more careful in the strategies they use.

This resiliency should not be surprising given the fact that cooperatives have been successfully used to solve market problems for more than 200 years. In the United States, farmer cooperatives began with granges and grew to unite farmers around their products; by eliminating the middle person farmers can improve profits and farmer-control. Rural electric cooperatives emerged to provide power to areas without it, and they have adapted to changing needs by adding telecommunications and alternative energy sources. And new cooperatives formed today continue to use the cooperative business model to problem-solve issues.

CCCD strives to effectively promote this important business and organizational model. To this end the strategic plan developed by CCCD's Board of Directors guides CCCD's growth on a path that effectively uses the resources currently available, while continuing to identify and access those within reach. This plan includes building CCCD's financial capacity, as well as building structures that support increased impact.



CCCD staff from left: Kalim Khogiani, Daniel Goodman, Foresta Sieck-Hill, Julia Van Horn, David Onyeador, Luis Sierra, Philip Yi, Cindy Ha, Kim Coontz, Anna Akiyama

To better reach out to the southern part of California, last year we created the non-profit: Southern California Focus on Cooperation (SCFC). As sister non-profit to CCCD, SCFC now has a completely overlapping board members and staff. To promote efficiencies SCFC will maintain permanent connections to CCCD and gain increasing independence over time.

As a private non-profit, CCCD relies on project-based grants and donations for its existence. Our membership program is designed to fundraise, but also to develop supporters that we can rely on over time. Please consider becoming a member of CCCD—we will put your contribution to good use!

E. Kim Coontz, Executive Director

