

CO-OP CONNECTIONS



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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.

Cooperative Blueprint Sets Strategy for Cooperative Expansion

The International Cooperative Alliance (ICA), formed in 1895 to unite, represent, and serve cooperatives worldwide, recently published *Blueprint for A Cooperative Decade*, a guidebook for expanding the cooperative movement. The Blueprint presents a strategy to accomplish three ambitious goals, which state that by 2020 the cooperative form of business will become:

- 1) The acknowledged leader in economic, social and environmental sustainability;
- 2) The business model preferred by people; and
- 3) The fastest growing form of enterprise.

The Blueprint sites a number of global trends – including increasing inequality, signs of disenfranchised youth, and diminishing trust in political and economic organizations – that the cooperative business form is particularly adept at addressing. While all of these trends are relevant to the United States, what particularly stands out for this country is growing inequality. This reality is confirmed by numerous studies, including a recent Pew research report which found that income in-



equality has steadily increased since the 1970s and has now reached levels that existed in the 1920s. Moreover, the gap between those who have and those who have not has grown.

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Co-op to Co-op Connections: Producer and Consumer Cooperatives Discover P-6 Advantages



Seafood Producer Co-op crew have some fun!

Producer cooperatives are an effective way for farmers to increase their market share and to gain efficiencies in distributing and selling their prod-

ucts. Consumer retail food cooperatives allow individuals and families to play a role in deciding how they want the store to run and the products they want the store to carry. Both are run democratically and aimed at fulfilling the priorities and needs of their members.

The sixth cooperative principle, so called "P-6" is "Co-operation among Cooperatives." Many would assume that it would be easy for co-ops to put this into practice, especially those with similar values based on sustainability and fair trade. So when CCCD received two inquiries from producer co-ops requesting advice and support for distributing their products to consumer co-operatives, we learned that there are more challenges than we imagined. To figure out the bottlenecks in the

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2015 Co-op Conference Keynote: Author of *Collective Courage* Profiles History of African American Co-ops



Jessica Gordon Nembhard

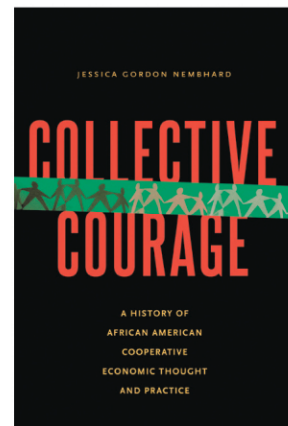
CCCD is pleased to welcome Jessica Gordon Nembhard to Sacramento as the keynote speaker for its annual California Coop Conference, on May 1-2, 2015. Gordon Nembhard is a political economist and Associate Professor of Community Justice and Social Economic Development in the Africana Studies Department at John Jay College, City University of NY. Her recent book *Collective Courage: A History of African American Cooperative Economic Thought and Practice* chronicles African American cooperative business ownership and its place in the movements for Black civil rights and economic equality.

In an interview with Colorlines' Carla Murphy, Gordon Nembhard says about her book "I started this research 15 years ago because I was interested in community economic development strategies, especially for marginalized groups and women—not

necessarily because I wanted only to focus on African-Americans... But in the African-American example, too, people today can see how a group so denigrated economically and politically and left out of the system, came together. They pooled meager resources, doubled or in some cases tripled their influence, shared both the risk and the profits and gave each other a voice and a chance to get ahead."

An affiliate scholar with the Centre for the Study of Co-operatives, University of Saskatchewan, Canada, Jessica Gordon Nembhard is a member of the GEO Collective, as well as the US Federation of Worker Cooperatives, the Eastern Conference for Workplace Democracy, the Southern Grassroots Economies Project, and the US Solidarity Economy Network and also a member of the Shared Leadership Team of Organizing Neighborhood Equity (ONE) DC (a community organizing organization in Washington, DC).

Gwenaël Engelskirchen



Agriculture Cooperative Directors & Managers Training

Program features full day seminars on culture and strategy, case studies in cooperative success, failure and transformation.

January 29-30, 2015
Sacramento, CA

California Co-op Conference

Multi-sector co-op event serves diverse interests through concurrent workshops from the co-op novice to co-op expert. Includes workshops for consumer and worker co-ops on a range of important issues, courses on starting a co-op, and on using the co-op model for community and economic development

May 1-2, 2015
Sacramento, CA

Co-op Tour

Supplements the conference by offering a day touring co-ops in the Greater Sacramento region.

Co-op Day at The Capitol

Cooperatives and cooperative supporters come together to educate legislators and the public about the cooperative business model.

Spring, 2015

Western Worker Co-op Conference

A bi-annual event that fosters education, information sharing, and best practices in sustaining worker cooperatives.

TBA, 2015

Cooperative Blueprint Sets Strategy for Cooperative Expansion (Cont'd)

(continued from page 1)

Across the US we are seeing progress in reaching the goals of the ICA Blueprint, including in California, where a number of initiatives are concentrated in the Bay Area and focus on worker cooperatives. The *Bay Area Blueprint Collaborative* has launched the *Worker Co-op Academy*, an intensive course on cooperative development. The *Sustainable Communities Law Center*, a member of the collaborative, has been involved in legislative reforms that promote cooperative endeavors. Another collaborative partner, *Project Equity*, promotes worker cooperatives as a community economic development strategy to shift control locally and build economic resiliency in low income communities. The *US Federation of Worker Cooperatives*, based in Oakland, has launched a number of initiatives, including a national survey of worker cooperatives through their non-profit affiliate, the *Democracy at Work Initiative* (DAWI).

CCCD continues to promote the ICA goals. Over the past year we worked with a coalition of cooperative housing advocates in California to pass AB 569, which clears some of the major regulatory stumbling blocks to developing cooperative housing.

This group will continue work to support regulatory reform to enable co-op housing development in California. CCCD's cooperative development initiatives around the state include worker co-ops in San Diego County, Yolo County and Lompoc, California; agricultural cooperatives in the Central Valley and in San Diego County; an agriculture/consumer multi-stakeholder co-op in Calaveras County; and consumer food cooperatives in Ojai, Paso Robles and a few other communities.

CCCD encourages cooperatives and cooperative supporters to participate in its annual Co-op Day at the CA State Capitol, which unites cooperatives and cooperative advocates from across the state to spend a day educating the public and lawmakers about this important business model.

The goals of the ICA Blueprint can only be realized with community projects that move the strategy forward. A link to the Blueprint can be found on CCCD's website. CCCD encourages communities to develop initiatives and enthusiastically offers its help in developing such endeavors.

E. Kim Coontz



Co-op to-Co-op Connections: Producer and Consumer Cooperatives

Discover P-6 Advantages (Cont'd)

(continued from page 1)

relationships we reached out to California's consumer owned food co-ops and a coffee producer cooperative who's successfully built their business on fostering such relationships.

Family Farmer Seed Cooperative (FFSC) is a farmer-owned cooperative of organic open pollinated seed producers with members covering the Pacific Coast, as well as Colorado, New Mexico, Nebraska, and North Dakota. Their business is committed to providing farmers and gardeners with quality, open pollinated seed, protecting and expanding the public organic seed supply, and building a resilient organic seed trade. Their member farms are some of the most experienced independent organic seed growers in North America.

Our belief was that the values alignment between FFSC and consumer food co-ops would be significant, and prove an easy entry point for FFSC to start selling their 25 varieties of seed packets. But after more than a hundred mailings followed by phone calls didn't result in many new orders, we went to the co-ops to find out what would work.

At around the same time, CCCD received an inquiry from Seafood Producers Co-op (SPC), which processes salmon, halibut, and tuna from their members who are based between Alaska and California. The co-op processes members' catch by preparing them for fresh retail sales, freezing, and canning. Their sales manager wondered why they had so few food cooperatives as clients and wanted to learn about the best ways to get their product noticed.

To answer these questions, CCCD interviewed about a dozen retail food consumer co-ops to learn more about their interest in and purchasing habits with regards to seeds and seafood. We also reached out to Pachamama Coffee Co-op, a federated farmer-owned coffee cooperative, for advice on getting product into consumer co-op stores. From these sources we learned that many factors influence whether or not a product is sold in a food co-op, including some buyer considerations that can make cooperative connections difficult. These include:

- Buyers have a limited amount of time and devoting it to establishing a new line of product is taxing
- It can take a long time to find and make contact with the appropriate buyer
- Stores have limited shelf space
- Buyers have established relationships with salespeople that they trust
- Purchasing (and selling) is more than 50% about relationships: when a buyer knows a salesperson, that relationship will often transfer to wherever that salesperson goes
- Distributors who carry many items makes it easier for buyers to purchase from them
- The product and the company should align with the coop store's mission and values, with local point of origin being highly valued
- Price point and convenience need to work for the store (the product having UPC codes is important to a lot of co-op buyers)
- Stores seem more willing to "try out" a new product that is part of a seasonal display or in a section that doesn't require shelf-rearrangement



- Sending a store information about your cooperative rarely gets to the intended person.
- Establishing a new direct relationship is expensive because it takes time, and often requires an in-person visit.

When we spoke with buyers at co-op stores about FFSC, we got overwhelmingly positive responses. They appreciated FFSC's countertop size rack because it offered them placement flexibility. All produce or floral department buyers were already carrying a retail seed rack, but most were open to bringing on an additional supplier because 1) they felt that customer interest could support an increase in seed selection and 2) they appreciated FFSC's product and mission. Co-op buyers felt that the seeds being certified organic and sustainably produced were characteristics most important to their customers. A few buyers did feel that due to demand, time and/or space constraints, they didn't have the capacity to introduce a second seed rack supplier and felt committed to their relationship with their existing supplier.

The issues that SPC faces are a little bit different from FFSC's. Most California food co-ops don't have a fresh fish display case, and if they do, it's supplied by a regional distributor. For frozen and canned products, food co-ops most often rely on national distributor that caters to food co-ops around the nation and take advantage of discounts. In this market, there is little precedent for purchasing directly from seafood producer cooperatives. The crucial missing links are the regional and national distributors, and that's where SPC is now putting their attention, and even finding some support.

This project reveals some of the factors that encourage co-op to co-op connections. The details - personal relationships and in-person visits, are universal, but the co-op connection can make those conversations easier to start.

*Luis Sierra
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Farmer members of the High Desert Jujube Cooperative in the Lucern Valley, inspect their drying fruit.

California's agriculture is always in a state of change, and a good part of that change is created by immigrants, who make up the majority of new farmers in the state. They are often the ones that introduce new crops, especially specialty Asian vegetables and fruits. And one of the most interesting crops we've seen over the past 10 years is the jujube, otherwise known as the Chinese or Red Date.

First, you should know that the correct way to pronounce the fruit with the scientific name *zyzyphus jujuba* is ju-ju'-be. The movie theatre candy made from mineral oil and high fructose corn syrup is pronounced ju'-ju-be.

Next, you should know that jujubes have been grown in China, Korea, and Southeast Asia for thousands of years. Third, it's a crop worth noting because it uses very little water compared to any other tree fruit, and can tolerate highly acidic or basic

soils, and is more frost resistant than most other fruit trees.

Jujubes have an interesting history in California. They were grown in the early 1900s, and even had a research program at CSU Chico devoted to them, but consumer interest didn't get established, so the program was dissolved. Fast-forward to the 1980s and a few hundred acres are planted, mostly by Hmong farmers around Fresno County who immigrated from Vietnam and Laos. This product is sold as a fresh yellow/brown fruit, which tastes and has a texture reminiscent of apples. Jujubes dry very well into shriveled brown fruit that can be mistaken for a date, hence the pseudonym 'Chinese Date', but have a more molasses flavor, and reportedly have many medicinal properties related to kidney health. Essentially all dried jujubes are imported from China.

Last year CCCD began working with a group of Korean American farmers in Northern San Bernardino County's Lucerne Valley. The farmers found that the combination of very low land prices, arid climate, and relatively high water tables made it ideal to grow and dry jujubes. A group of a dozen farmers incorporated the Hi-Desert Jujube Cooperative in November 2013. Members of High Desert are working hard to make their cooperative a success. They are remarkably inventive, adapting or making their own experimental equipment for pitting, cutting, slicing, and extracting juice from jujubes.

CCCD has provided technical support to the cooperative, including production potential assessment, food safety plan development, and education to directors and members about their roles and responsibilities to their co-op. Members are eager to learn, and for the next year, CCCD will be helping them with Group Good Agricultural Practices Certification, and organic farming and processing trainings. We'll evaluate possibilities for entering the fresh market, look at more industrial scaled processing machines, like de-pitters, slicers, and packaging equipment, and figure out how to finance their expansion.



Food safety education and Good Agricultural Practices Certification planning were a big project in 2014.

Luis Sierra

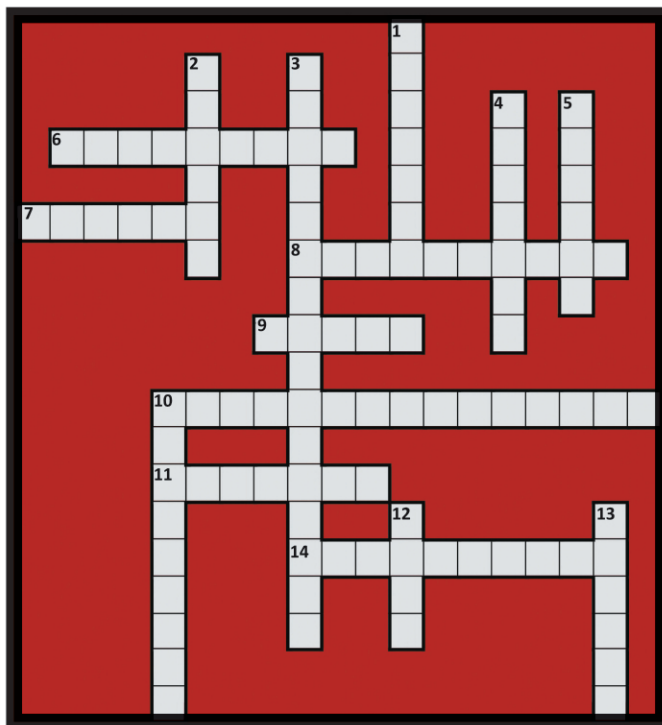
Cooperatives ROCK!

Across

6. Manner in which votes are allocated in a housing cooperative?
7. Also known as 'Chinese Date'.
8. The 2015 California Coop Conference will be held the first weekend in May in this city
9. In what city is the CCCD office located?
10. CA BILL #AB1255 passed in 2013 clarifies that the lawfulness of this form of member investment. (two words, no space)
11. A game like Monopoly with cooperative ideals.
14. A cooperative is characterized by what type of governance?

Down

1. When is Co-op Month?
2. Northern Italy, France and _____ have the densest concentrations of worker coops.
3. What term describes a co-op with a diversity of types of members, such as workers, consumers and businesses?
4. In a worker cooperative, who does the manager report to?
5. Rural Electric Cooperatives first emerged in the mid-1930s in response to the fact that ____% of rural homes were without electric service?
10. A co-op whose name means Mother Earth in Quechua language.
12. What do cooperatives and chickens have in common?
13. What is the acronym for the California Association whose members are co-op preschools?



Answers

1) OCTOBER 2) QUEBEC 3) MULTISTAKEHOLDER 4) WORKERS
 5) NINETEEN 6) HOUSEHOLD 7) JULIUS 8) SACRAMENTO 9) DAVIS 10)
 (down) PACHAMAMA 11) COOPOLY 12) COOP 13. CCPNS (CA Council of Parent Participation Nursery
 Schools) 14. DEMOCRATIC

Staff

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Lexi Xu

Graphic Design

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



Why Wait? Become a CCCD Member TODAY!!

CCCD is a 501(c)(3) non-profit that is supported by memberships, donations, and project-related grants. **Our goal is to have every cooperative and cooperative supporter in California be a member of CCCD.**

Why should you/your cooperative be a member of CCCD?

- 1) CCCD is California's only non-profit dedicated to providing information and education about all different types of cooperatives;
- 2) As a non-profit, CCCD is an independent, non-political voice to explain how cooperative businesses are unique and why they need special legal, tax and other considerations;
- 3) Members receive discounts on CCCD education programs for cooperative boards and staff;
- 4) CCCD is uniquely positioned to bring together different types of cooperatives for their mutual benefit;
- 5) CCCD is connected nationally and within the state, which enables us to help members address specific issues by linking them to appropriate resources;
- 6) CCCD's role in developing cooperatives brings more visibility to cooperatives and increased recognition of the positive contributions they bring to the California economy;
- 7) Your membership will be listed on our website (unless you prefer otherwise).

(Please Check Member Level on Appropriate Line)

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

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

SPECIAL MEMBERSHIP (co-op, organizational or individual)

Cooperative Champion: \$5,000	Cooperative Leader: \$3,000	Cooperative Innovator: \$1,000
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INDIVIDUAL MEMBERSHIPS: \$50-\$200 (self-assessed ability to contribute) \$25 Individual Low Income/Student

Name: _____ Co-op/Org: _____ Telephone: _____

Email Address: _____ Mailing Address: _____ Enclosed please find \$ _____

Return this form via post: CCCD, 979 F St. Suite A-1; Davis, CA 95616; fax: 530-297-1033; or email: coops@cccd.coop. Please make checks out to CCCD; credit card payments may be made via the DONATE button on our website: www.cccd.coop. CCCD is a charitable non-profit; member subscriptions are tax deductible donations.

THANK YOU FOR YOUR SUPPORT!

CO-OP CONNECTIONS

Join the Cooperative Movement!

CCCD is advancing the co-op movement, won't you join us?

In California, the cooperative business model offers people across the spectrum opportunities to address their needs by co-owning democratically controlled enterprises that equitably distribute benefits to members. Worker cooperatives can create living wage employment with worker control. Housing cooperatives can help to address the state's sad distinction of having the lowest homeowner rate in the nation. Farmers, already familiar with the cooperative business model, can minimize the effects of climate and water issues by working collaboratively. Food deserts and communities craving sustainable, healthy food can form food cooperatives.

The benefits of the cooperative business model are clear, and now a strategy for building the cooperative economy is succinctly presented by the International Cooperative Alliance (ICA) in *Blueprint for A Co-operative Decade*. The Blueprint presents a direction for garnering greater understanding and recognition for cooperatives so that people have the tools and support needed to establish, fund and develop sustainable cooperatives.

CCCD encourages you to join us in implementing the Blueprint and beyond!

Stand together and reveal the cooperative advantage. Join us for Co-op Day at the Capitol this spring. This is our opportunity to show elect-



CCCD Staff-Intern (from left) Back row: Gwenael Engelskirchen, Elliott Froissart, Kalim Khogiani, Elijah Kajar
Front Row: Merisa Jung, E. Kim Coontz, Luis Sierra, Lexi Xu

ed officials, legislative and administrative staff, and the public who we are and what we do that's distinct and important. Co-op businesses are encouraged to host an information table and share about this innovative business model.

Become a member of CCCD. Support the co-op movement by becoming a CCCD member! As a non-profit we depend on your membership donation to fuel our work in advocacy, providing technical assistance, and sharing accurate information about cooperatives. Members receive discounts on events and products as well as expanded services.

Get involved, get in touch! We welcome your ideas for how CCCD can mobilize and empower cooperative development!

E. Kim Coontz, Executive Director



COOPERATIVE ENTERPRISES BUILD A BETTER WORLD

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