

# Co-ops Are Doing It for Themselves

## *Launching the Principle Six Cooperative Trade Movement*

BY PHYLLIS ROBINSON

**O**n Saturday, Oct. 2, Seward Cooperative Grocery & Deli in Minneapolis was the first consumer co-op to launch the Principle Six Cooperative Trade Movement

(P6) to its customers and the larger community. Momentum had been building for weeks after Seward began introducing P6 with signage, advertisements, and newsletter articles. Seward's staff, wearing P6 T-shirts and buttons, was ready to go. For months, they had been receiving information, training, and welcome kits complete with FAQ booklets to help them effectively engage consumers in this new initiative.

The launch was timed to coincide with the Seward Arts Festival, featuring open studios, performances, and live music throughout the neighborhood. A feature article about P6 in that morning's Minneapolis *StarTribune* helped draw in additional crowds to the co-op, already abuzz with members, art lovers, and others who came to check out what P6 is about. Festivities included visits from P6 producers, product samples, prize giveaways, and one-day-only specials on P6 items. The co-op gave away 30 free shopping carts (worth a total of \$2,300) to customers who purchased at least \$20 of P6 items. By all accounts, it was a huge success.

### What's the buzz all about?

Principle Six is a pilot initiative created by Equal Exchange, a worker-owned fair-trade cooperative, and six consumer co-ops—Seward Community Co-op, Bloomingfoods Co-op, Brattleboro Food Co-op, Community Mercantile (The Merc), Davis Food Co-op, and Willy Street Grocery Co-op—to leverage the power of cooperatives to build a sustainable, alternative economy in greater alignment with our shared values. We will achieve this by promoting products that exemplify those values—co-op, small farmer, and local—and by educating and engaging consumers to think more carefully about who is behind their food and who stands to gain and lose through their purchasing decisions; and to understand that consumers wield tremendous power to create systematic change. As we bring in more and more co-ops and co-op members, we hope to create a strong cooperative trade movement to challenge the conventional business model



Davis Food Co-op's P6 brochure.



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that currently dominates our food system and our economy.

Currently, 30 percent of Seward products qualify as P6, meaning they satisfy at least two of three criteria: they are local; grown by a small farmer/producer; produced by a co-op business.

Only one month after the launch, Seward saw sales on P6 items increase from 36 percent of total sales to 38 percent. Shoppers are now able to see the percentage of their total purchases that are P6 on their sales receipts. Our goal is to see these percentages steadily rise. If we are successful, we will have meaningful impact throughout the entire supply chain as we build more support for small farmers, local economies, and cooperative businesses.

Seward and Equal Exchange staff fielded many questions that day: What does a small coffee farmer in Guatemala have in common with a local carrot farmer in Minnesota? Why is milk from Organic Valley, a dairy co-op of family farmers, considered P6? What makes an independent chocolate

company buying cacao from small farmer co-ops in Ecuador a noteworthy P6 model? And most importantly, what does Principle Six even mean? Feedback was highly positive. "I appreciate the desire, goals, and momentum to increase the transparency and fairness in the market through the P6 initiative," said co-op member Lisa Sass Zaragoza.

### Cooperative scorecard

At its 20th anniversary celebration in 2006, Equal Exchange met with over 200 friends and partners—farmer co-ops, food co-ops and consumer advocates—to discuss their accomplishments and the challenges before them. Some common threads began to emerge: small farmers are facing increasing competition from plantations. Government policies favor agribusiness and large multinationals, threatening to force small farmers off the land. Equal Exchange and food co-ops are struggling to compete with large conventional corporations that have taken the mission, values, and messages cooperatives have built over decades and co-opted them for their own profit-seeking agenda. We are all feeling the impact of an economic system in which corporate power, greed, and corruption has spun out of control and the resulting degree of environmental



A Davis Food Co-op P6 sign.



Community Mercantile staffers in their P6 shirts.



Seward Co-op has added P6 graphics above the community bulletin board (top) and deli counter (bottom).



Seward Co-op General Manager Sean Doyle with Equal Exchange big banana Scott Patterson on launch day.

degradation has pushed us close to the brink.

Our conclusion: Despite quantifiable gains and successes, we are all losing ground: farmers, co-op businesses, and consumers alike.

This scenario isn't new. Co-ops have been creating change and leading with our values for decades. The organic and natural foods movements were spearheaded by food cooperatives. Fair trade was built through the dedication and commitment of farmer co-ops in the Global South and food co-op members in the North. More recently, food co-ops have championed the Buy Local movement, once again elevating the importance of the environment and local economic control.

Yet, for all our hard work and well-placed values, we haven't had the necessary impact on the food system and the economy to create lasting,

sustainable change. Each important movement championed by food co-ops has been borrowed, stolen, and watered down from its original intent. Ironically, not only are the movements weakened, but co-ops are then forced to compete with the same corporations who borrowed and stole from them.

A consensus was beginning to emerge: Three decades of this pattern is enough. Co-ops—and their members—need to step up to the plate once again. Clearly, it's in our self-interest as businesses, but so much more is at stake. It's time to change the game.

### Learning to cooperate

For two years, Equal Exchange staff visited a number of co-ops to better understand their challenges

and visions. Questions began to crystallize: How can we create a new initiative that is championed by cooperatives and benefits cooperatives? How can we build a forum where consumers are engaged to think, debate, and have influence? And how can we create a program that spreads and deepens our values, but cannot itself be stolen or compromised?

By the spring of 2009, we had formulated our response: Principle Six Cooperative Trade Movement. Equal Exchange, along with six visionary co-ops that share our views and our desire to take bold actions, would pilot a new initiative to benefit farmers, consumers and co-ops. According to Rink Dickinson, co-director of Equal Exchange, "Through Principle Six, we're re-investing in the work that co-ops across the country have been doing for the last 30 years, which is building social justice in ►



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## COVER STORY

◀ the food system.” The work itself isn’t new, but we are taking it up with renewed diligence and we are fashioning the work to match who we are.

In June 2009, we held our first face-to-face meeting. Sitting at the table at Duquesne University in Pittsburgh, there was a lot of excitement as well as apprehension in the air. As could be expected, we also had many conflicting viewpoints about what we were building and how to proceed. Three people from Bloomingfoods, two from Brattleboro, two from The Merc, one from Davis, seven from Equal Exchange, four from Seward, and two from Willy Street discussed, debated, shared, argued, and laughed throughout the day as we got to know each other better.

What were we trying to do? What could six nationally distributed consumer co-ops and one worker co-op do that could have impact in the medium term? Should we restate our food-system values? Did we really feel great about our own definitions of local? Where do consumers fit into this initiative? What would it take to create group trust? What would failure or success on this work look like?

At each step, the seven members have remained committed to the project that is now Principle Six, despite concerns, fears of failure, and lack of clarity. Through this process, we believe each of the co-ops has become more confident that there are real gains to be had by working together. Getting these gains takes action, patience and a willingness to risk and learn.

### Where are we today?

Since our first formal face-to-face meeting in Pittsburgh last year, the six participating co-ops and Equal Exchange have been steadily building Principle Six. We have created an organizational structure with financing and operational and governance procedures. True to our name, Principle Six, there has been a high level of cooperation amongst our seven cooperatives. High-level decisions are established by the entire group, but within our guidelines we have allowed for autonomy, so that each cooperative has the freedom to implement the initiative as is most appropriate.

Perhaps the most exciting work to date has been the creation of our brand and brand strategy. After many rounds of name suggestions, we enthusiastically chose Principle Six to highlight our desire to build something by and for cooperatives: starting with farmers and moving throughout the supply chain. Through our initiative, we are not only highlighting co-op supply chains, but also emphasizing co-op values. Our tag line, “cooperative trade movement,” was chosen because we want consumers to understand that with every purchase, they are in fact participating in trade, and they have the power to decide how that trade will be conducted and who will benefit.

We are proud of the beautiful logo, design work, and materials created for us by Spunk Design Machine. The beauty of this cooperative venture,

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and the P6 brand, is that each store will adapt the materials to best suit their own circumstances. While each co-op will retain its individual

identity and unique character, consumers will walk into any P6 store and immediately understand that behind and alongside their co-op is a vibrant movement of farmer co-ops, manufacturing co-ops, and other consumer co-ops—energized, activated, and leading with our values.

The stores have spent considerable time determining which of their products meet the criteria, and are developing marketing and educational materials to highlight them. P6 already features many thousands of products and several thousand co-op businesses and small/local farmers and producers.

At the same time, our website, [www.p6.coop](http://www.p6.coop) will serve as an additional resource to promote the work being done in the stores. The website will provide an online mechanism for people to discuss, debate, and challenge each other about food products and companies, co-ops, and supply-chain issues.

With much of the groundwork behind us, we are now focusing on store events. “Folks are excited,” said Joshua Kendall, brand manager at The Merc in Lawrence, Kans. “The response has been tremendous. There’s this pride of seeing someone step up to the plate to distinguish the ‘highest value’ products being sold in the store. Local in and of itself is hard to define,” he explained. “Now, we’re saying that we want to support local producers but, given the state of the economy and our food system, we feel strongly that it’s time to showcase small farmer

## Product Meets 2 of 3 Following Criteria:

- Produced by a co-op or non-profit
- Grown by small farms or made by small-scale producers
- Local (within Vermont or 30 miles of Brattleboro)



P6 shelftalkers from Brattleboro Food Co-op (top), Davis Food Co-op (right), and The Merc (above).

## This Product Meets 2 Of 3 Following Criteria:

- Produced by a co-op or non-profit business
- Grown by small farms or made by small-scale producers
- Local (within 100 miles of Davis)

products and those made by cooperative businesses as well.”

## Growing the movement

Today, P6 is a pilot initiative with seven cooperatives—and their members. This is just the first step; we’re learning to work together, acquiring new skills, and developing a common language. We have a lot to learn about cooperation and risk-taking if we are to truly build a cooperative movement,

strengthen cooperative supply chains, and successfully create an alternative economy based on our values. We know seven cooperatives is not yet a movement, but we’re most certainly planning to grow in numbers and in strength. Each year, we would like to invite another small group of committed cooperatives to join us in this endeavor. Please let us know if your co-op is interested! ■

For more information, please send an email to Jeanie Wells or Phyllis Robinson at [info@p6.coop](mailto:info@p6.coop).

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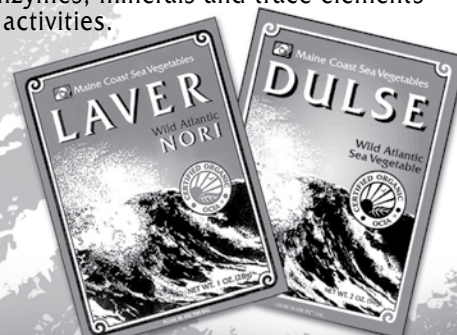


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