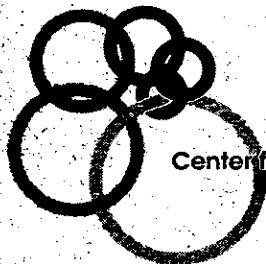
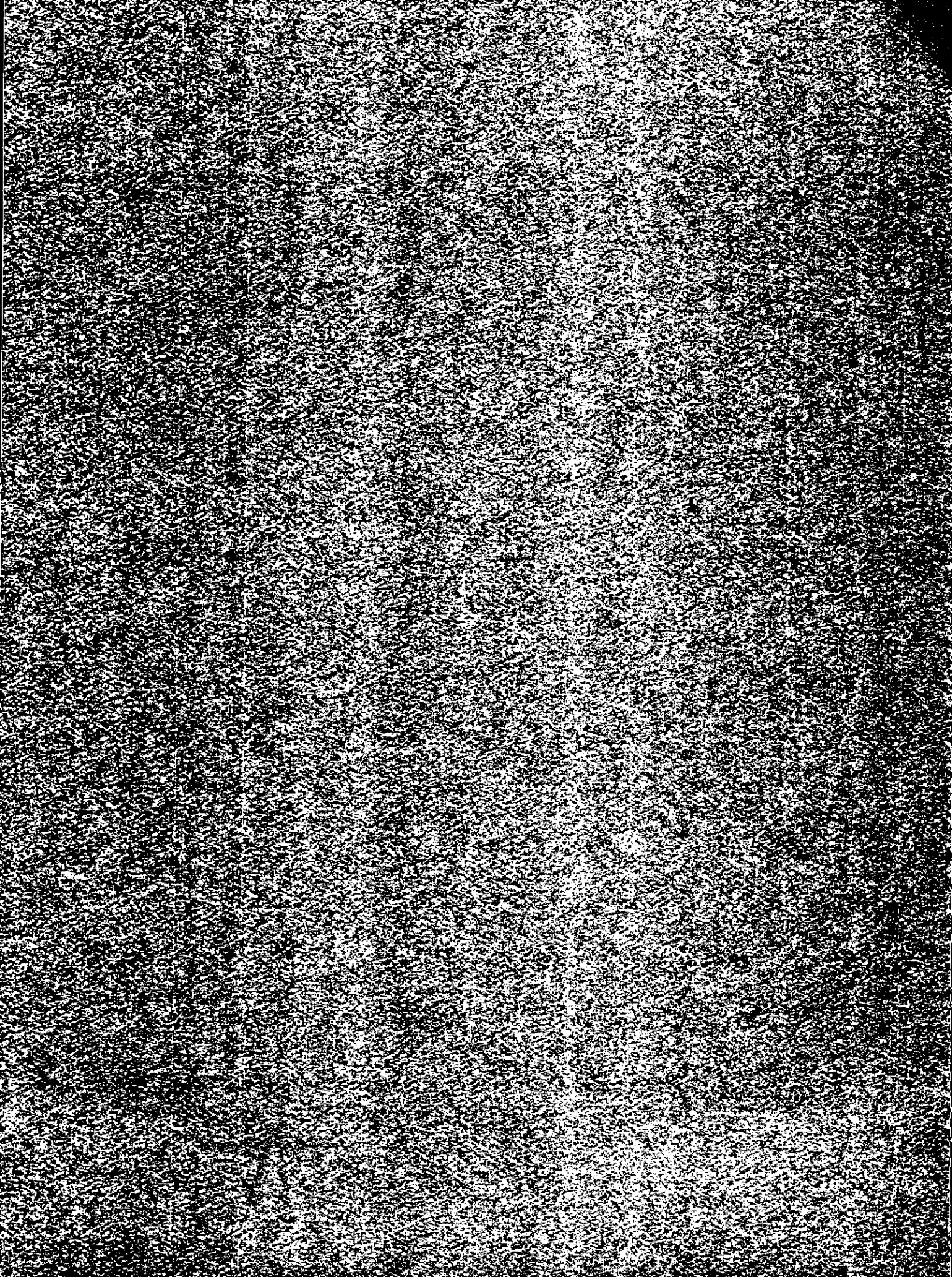


# THE ROLE OF MEMBER EDUCATION IN WEST COAST RETAIL CONSUMER FOOD COOPERATIVES

by  
Bonnie Fish



Center for Cooperatives • University of California, Davis



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*Twin Pines Cooperative Foundation  
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## **EXECUTIVE SUMMARY**

The study looked at the role of member education in 19 West Coast consumer food cooperative organizations.

The extent of educational processes taking place in the organizations studied varied from very creative, active programs with high member participation to non-existing programs or those with very little member participation. Most fell somewhere in the middle. This report provides a clearer view of the educational programs that exist, presents their strengths and weaknesses, and looks at the innovative programs that can be shared and implemented by all organizations according to cooperative principles.

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# THE ROLE OF MEMBER EDUCATION IN WEST COAST RETAIL CONSUMER FOOD COOPERATIVES

By Bonnie Fish

## INTRODUCTION

Erdman and Tinley (1957) provide a history of early educational programs in cooperatives. The Rochdale Pioneers included as their seventh principle the promotion of education – because it was so badly needed by the association's members, for whom knowledge of cooperatives was nil and formal education had been largely out of reach. The original goal was education of a general sort with emphasis on social and economic problems. By 1884 Acland and Jones considered education to be "necessary to the continued life of the association....if cooperators are to maintain their work....they should themselves be educating the new generation as it arises" (p. 116).

In 1937, the International Cooperative Alliance declared, "Societies should provide the means of promoting education in those matters which specially interest cooperators as aids to the realization of their ideals" (p. 160). In 1941 in *Problems of Cooperation*, Dr. James Warbasse said, "Promotion, salesmanship, advertising cannot be regarded as substitutes for education.... To go to the store, make purchases, go to an occasional meeting, and think of cooperatives wholly as a business is not enough....by developing social activities, the membership is cemented more closely together....the aim is to make cooperation a way of life."

In 1964, Emory S. Bogardus, in *Principles of Cooperation*, said, "Education is the means by which the principles of cooperation are enabled to function....range from training programs for members and employees and the general public about cooperative origins, developments and trends."

Sekerak and Danforth (1980) believe that all outstanding cooperative leaders have placed strong emphasis on the principle of continuous education. They stress the two-fold nature of continuous education, in terms of education about the principles, practice, and goals of consumer cooperation on the one hand, and to supply consumers with relevant and honest product information. The education is both formal and informal, in-store and in-service.

Several researchers have indicated that food coop-

eratives provide a receptive environment for education programs (Fjeld and Sommer, 1981; Herrin, 1984; Irish and Ries, 1987). Irish and Ries found that the educational techniques desired by most cooperative shoppers were newsletter articles, handouts, and a lending library.

Robert Schildgen, co-op scholar and author, writes "In case after case when a co-op has failed, observers have cited the decline or absence of cooperative education as a major factor in the failure. Somehow, their obituaries tell us, the co-op idea got ignored, and new members were signed up without being taught much about the co-op, cooperative economics, or their responsibilities as members."

However, almost every type of cooperative has problems understanding how cooperative education fits into its organization. The limited research done on consumer food cooperatives suggests a relationship between cooperative education and participation, loyalty and capitalization. The history of food cooperatives has shown that stores with an emphasis on price or particular product line without an emphasis on cooperative education eventually become extinct when competitive non-cooperative stores come into the area. Without a clear understanding of how the cooperative differs from other businesses, by member ownership and the cooperative principles, members have little reason to support their cooperative over another store. It is only through cooperative education that members become aware of how their organization differs from other food stores, giving them a reason to support the cooperative as an organization.

These case studies of West Coast consumer food cooperatives look at

- the role of member education in the organization
- the present level of cooperative education
- what the organizations would like to be doing that they are not now doing, and
- the role of shared information among cooperatives.

Questions addressed the areas of in-store materials, flyers, brochures and handouts, newsletters, store signage and displays, training programs for staff, board, and members related to cooperative education, mem-

The Role of Member Education in West Coast Retail Consumer Food Cooperatives

TABLE 1  
INFORMATION DESCRIPTIVE OF COOPERATIVES SURVEYED

Year Inc.	Incorp. Status	No. of Mem.	Yearly Gross	Retail Sq. Ft.	Board of Dir. No.	No. of Empty	Volunteer Workers No.	Cost of Share	No. of Fair Share Mem.	Fair Share Requir.	Cust. Count Per Day	Avg. Purch. *	No. of Contees.	Union/ Non-Union	Staff Avg. Hr. Wage*
1976	non profit food store	2900	\$1.4 M	2200	7	FT 10 PT 15	50	\$10 initial \$4 yr.	N/A	N/A	349	\$14.50	3	union	\$6.50
1970	non profit co-op	4000	\$2.5M	5500	9	FT 18 PT 5	0	\$9	860	\$90	500	\$15.00	4	non-union	\$7.50
1935	consumer co-op	10,000	\$6.0 M	8000	7	FT 21 PT 24	0	\$10	1000	\$200	700	\$18.00	0	union	\$7.00 \$14.00
1974	consumer co-op	5000	\$5.0 M	5000	9	FT 29 PT 3	16-50	\$25	1600	\$100	720	\$19.00	6	non-union	\$8.00
1983	consumer co-op	330	\$600 K	2000	9	FT 6 PT 6	5-10	\$20	160	\$100	N/A	\$8.00	4	non-union	\$6.00
1978	consumer co-op	3446	\$5.0 M	8200	9	FT 23 PT 50	223	\$1	633	\$100	1100	\$12.50	3	non-union	\$8.00
1972	non-profit co-op	600	\$4.0 M	6500	11	FT 37 PT 13	40	\$150 in \$25 instal.	400	\$150	925	\$11.10	6	non-union	\$6.50-10.50
1981	consumer co-op	1259	\$812 K	1500	8	FT 5/ PT 5	6-8/wk	\$20	8	\$200	143	\$15.50	5	non-union	\$7.50
1974	consumer co-op	1700	\$1.9 M	3000	5	FT 15 PT 30	30	\$25	35	\$100	N/A	\$13.50	0	non-union	\$5.25-10.00
1970	consumer co-op	1500	\$1.0 M	1100	7	FT 7 PT 6	20	\$150	682	\$150	225	\$14.00	5	non-union	\$6.50-7.50
1973	consumer co-op	6000	\$9.0 M	7900 A 2800 E 5500 F	7	FT 140 PT 5	N/A	\$20	900	\$200	A:1122 E:196 F:260	A:\$13.30 E:\$8.30 F:\$10.35	4	non-union	\$8.50
1985	consumer co-op	6000	\$3.5 M	3300	8	FT 38 PT 8	N/A	\$15 yr.	N/A	N/A	600	\$14.50	1	non-union	\$6.50-10.00
1977	non profit co-op	7000	\$1.8 M	2500	7	FT 12 PT 5	150	\$5 initial + monthly	N/A	N/A	286	\$13.50	3	non-union	\$8.50
1961	consumer co-op	65,000	\$26.7 M	3300 - 13,800	9	FT 91 PT 110	115/mo.	\$60	22,000	\$60	4500- 6500	\$19.00- 24.00	5	union stores non-un. office	\$11.00
1980	consumer co-op	1800	\$500 K	1300	8	FT 1 PT 16	30	\$12 yr./ person	N/A	N/A	N/A	\$15.00	1-4	non-union	\$5.75
1976	non-profit co-op	120	\$8.5 M	8000	7	FT 80 PT 30	N/A	N/A	N/A	N/A	1400	\$14.00	5	non-union	\$6.75
1973	consumer co-op	2900	\$6.0 M	10,000	7	FT 70 PT 20	200	\$10	803	\$200	1400	\$13.51	5	non-union	\$7.00-12.00
1978	consumer co-op	1800	\$900 K	3000	5	FT 7 PT 7	2	\$10	47	\$200	2191	\$16.00	2	non-union	\$6.00
1979	consumer co-op	550	\$750 K	1200	9	FT 4 PT 6	20	\$40	75	\$40	200	\$9.00	8	non-union	\$7.50

\* In cases where respondents were unable to present an average, the range identified is presented. M = million; K = thousand; FT = full time; PT = part time; A = Arcata, E = Eureka, F = Fortuna. N/A = not applicable.



ber and community outreach programs, types of member participation within the organization, and institutional structures related to cooperative education such as board committees, paid educators, and budget allocated to education.

The study identified organizations with strong or innovative programs for cooperative education which might be adapted by other cooperative organizations to promote new membership and enhance current member awareness, participation, and loyalty.

The report includes information on both consumer education (product and nutrition related) and cooperative education (cooperative structure, principles, issues). Distinguishing the two areas of education makes their relative emphasis more apparent.

## METHOD

Of the organizations studied, 14 were consumer cooperatives, 3 were non-profit cooperatives, and 2 were non-profit food stores (one community owned, one worker owned). Membership in these organizations ranged from 120 worker owners to 65,000 consumer owners (Table 1).

Information for the study was obtained as follows:

1. Telephone surveys were conducted with two to three key people in each of the 19 organizations studied. Those interviewed included managers, board presidents, member service directors, newsletter editors, and education and outreach directors.

2. After the initial phone interviews were completed, the responses were transferred onto individual phone survey forms. This allowed for preliminary comparisons between organizations and revealed areas in need of clarification. The phone survey forms were then edited.
3. Follow-up calls were made to obtain additional and/or missing information. Letters were mailed to remind organizations of the materials needed by the study for documentation.
4. Educational materials produced by the organizations were collected and reviewed to gain an understanding of member education. Materials included brochures, handouts, flyers, newsletters, and any other forms of pertinent printed matter.
5. Descriptive organizational information was also collected.
6. On-site personal visits were made to six organizations to gain a clearer picture of their in-store educational efforts and to get a feel for the atmosphere in the store.

## RESULTS AND DISCUSSION

### Materials Collected

All but 1 of the 19 organizations interviewed sent samples of their written materials. Table 2 indicates the printed materials collected from each cooperative. Some organizations did not send all the requested educa-

TABLE 2  
PRINTED MATERIALS COLLECTED

	Member Brochure	Survey	Member Cards	Bylaws	Annual Report	Employee Handbook	Newsletters	Other Bro/ Flyers	Budget	Signs/ Ads/Receipts	Owners Manual
Chico Natural Foods	X	X	X	X		X	X	X	X	X	
Palo Alto	X		X	X			X				
Community Food	X			X		X			X		X
Co-Opportunity	X	X		X		X	X				
Cotati Food Co-op	X			X			X				
Davis Food Co-op	X			X	X	X	X	X	X	X	
Food Front	X			X	X	X	X	X		X	
Grass Valley	X			X		X	X	X			
Isla Vista Food Coop	X						X				X
Kokua Country Foods	X			X		X	X				
North Coast Co-op	X		X	X	X		X	X	X	X	
Ocean Beach	X							X			
Olympia Food Co-op	X		X	X		X		XX			
Puget Consumer	X			X	X		X	X			X
Questa Cooperative	X						X	X			X
Rainbow Grocery	X			X		X	X	X			
Sacramento Nat'l	X	X		X		X	X	X	X	X	
Ukiah Cooperative	X			X			X				
Venice Ocean Park											

tional materials, and some materials referred to were not available.

While comparisons were not made on the quality of these materials, it is interesting to note that from looking at member brochures, member surveys, by-laws, annual reports, employee handbooks, community flyers and brochures, recipes, store signs, ads placed in outside media, and manuals one can see little difference in quality or quantity of materials between cooperatives with little or no education staff and organizations with an abundance of education staff and budget. The exception to this statement is in the production of newsletters; in general, organizations with more staff and budget (see Table 3) produce larger and more comprehensive newsletters.

### In-Store Educational Materials

#### Cooperative Education Materials

Cooperative education materials provide information about the organization, structure, membership, policies, philosophy, and capitalization of the cooperative as a business and of other cooperatives nearby and across the world.

Of the 19 organizations studied, all produced a membership brochure, with the exception of one non-profit workers' collective, which does not have a customer/consumer membership (Table 3). The membership brochures for all organizations focused on general

information about what a co-op or non-profit business is, how to become a member, and the benefits of membership. Forty-two percent also produced a new member's manual, which gave details about the organization and focused on rights and responsibilities, government structure of the organization, voting procedures, investment policies, board of directors information, volunteer work programs available, and committees available. Of the organizations studied, 74% have copies of their by-laws available as handouts for members; 84% have board of director and member meeting flyers posted in the store.

Co-Opportunity in Santa Monica keeps two spiral bound notebooks in their information center that contain articles from other cooperative newsletters and journals. The membership director receives, reads, clips and posts articles in the notebook, keeping it updated. The store is also putting together a network book, The Co-op Saver, which is a listing of businesses and services offering discounted rates to members of the cooperative.

Most stores that are not currently producing owners' manuals which outline store policies, structure, principle, benefits, finances, and membership thought that this would be a very useful project for the future. The manuals would be given to all members.

Chico Natural Foods is planning on developing an information center with a copy machine so customers can copy resource materials needed, thus saving on

TABLE 3  
IN-STORE MATERIALS PROVIDED

	Membership Brochures	Specials Flyer	Vendor/ Mfgs. Material	Recipes In-store Nutrition Flyer	New Member Owners Manual	Calendars Events Flyers	By-Laws	BOD/ Member Meeting Flyer
Chico Natural Foods	X	X	X	X			X	X
CCS of Palo Alto	X		X				X	X
Community Food	X	X	X				X	X
Co-Opportunity	X	X	X				X	X
Cotati Food Co-op	X	X	X	X	X		X	X
Davis Food Co-op	X	X	X	X				
Food Front	X	X	X			X	X	X
Grass Valley	X		X				X	X
Isla Vista Food Coop	X	X	X		X		X	X
Kokua Country Foods	X		X		X		X	X
North Coast Co-op	X		X	X	X		X	
Ocean Beach	X		X					X
Olympia Food Co-op	X		X					X
Puget Cons. Co-op	X		X	X	X	X		X
Questa Cooperative	X		X	X	X	X	X	X
Rainbow Grocery	N/A	X	X	X	X		X	X
Sacramento Natural	X	X	X	X	X	X	X	X
Ukiah Cooperative	X		X					
Venice Ocean Park	X		X				X	X

N/A = not applicable

paper, print costs, and labor needed to produce many copies.

Both Co-Opportunity and Sacramento Natural Foods are compiling directories listing other cooperatives in their areas.

Isla Vista Food Co-op is creating a 20-page owner's booklet for its shoppers, with extensive information about the cooperative movement, structure and government, and member benefits.

Olympia Food Co-op is creating an extensive packet with detailed information on how to shop in their store (i.e., how to use the bulk department, getting the most value for your dollar, healthy heart shopping), what it means to be a member of the co-op, member benefits and responsibilities, activities available to members, details of the volunteer work program, and shopping guides to products in the store.

Grass Valley Briarpatch would like to produce a new membership brochure to encourage interest from a wider cross-section of the community.

### ***Consumer Education Materials***

Consumer education materials provide information about products, food, nutrition, recipes, the environment, and issues of concern to the general public that are not specific to the cooperative as an organization, but to the consumer (shopper) at large. Much of this type of information is made available in "chain" and independent natural food stores but is not as available in traditional supermarkets.

Of the organizations studied, 47% produce some sort of specials flyer that is posted in the store either weekly, bi-weekly or monthly as noted in Table 3. All stores had vendor or manufacturers' materials such as brochures, flyers, and handouts placed near the items or in wall-pockets in the consumer information centers. Nutrition flyers are produced in-house by 42% of the stores, providing both nutritional information and recipes, and 21% produce calendar of events flyers that are posted in the store or put at the front registers.

The Davis Food Co-op prints the store logo and a brief informational ad about ecological issues or upcoming events on their grocery bags. The bags are intended to be a visual cue to those not familiar with the co-op, once the bags leave the store.

Puget Consumers Cooperatives and Sacramento Natural Foods both print shopping guides to help people with food sensitivities locate special products in the store such as wheat-free, dairy-free, cruelty-free, and yeast-free items.

All of the organizations surveyed stated that the majority of the materials currently in their stores were product related. Many said that there were too many manufacturers' materials floating around their store and thought that this flood of advertising and information might be overwhelming the shoppers to the point that most materials are disregarded. Several stores expressed the need to consolidate this information into a more readable form.

Food Front in Portland is creating a line of flyers produced in-house that will consolidate and encapsulate what they refer to as the "sea of information flyers," so that information will be more readable for those who may feel overwhelmed by the massive amounts of literature now coming into the store.

### **In-Store Educational Signs and Displays**

#### ***Cooperative Education Signs and Displays***

Cooperative education signs and displays relate to store policies, structure, membership, and statements about how the organization differs from other food stores. Table 4 indicates the specific types of signs and displays utilized by each responding cooperative.

Signs in 31% of the stores list the cooperative principles endorsed by the International Cooperative Alliance. Cotati Food Co-op leaves a flip chart of the cooperative principles and structure in the retail store when it is not being used for new member orientations. Bulletin boards posting cooperative education articles such as board of directors reports, election results, committee issues, member work programs available, financial statements, and news articles from other cooperatives are in 74% of the stores.

Co-Opportunity has a large sign posted at the front entrance of the store that lists the cooperative principles. The sign is highly visible as you walk in the store. Of the cooperatives without a sign listing the cooperative principles in their store, 80% believed that this would be a very useful addition to their education program and a very good visual display for customers not inclined to picking up or reading-written handouts.

Libraries of books and resource materials are available to members in 58% of the stores. The Davis Food Co-op has an extensive library of hundreds of books on cooperative history, political issues, food and nutrition, alternative healing, and many other subjects. They also have a Boycott Board where information about food manufacturing companies and their practices is posted.

Stores with no library materials focusing on coop-

erative subjects believed that most questions concerning cooperative subjects were answered in their membership brochure; however, more detailed information would have to be obtained elsewhere.

Ocean Beach People's Food Market recently added a sign to the store front stating that this store is a consumers' cooperative.

Cooperative education signs and displays that are being developed include a plan by Food Front to install an extensive computerized data center at the front of the store, which will house information on nutrition, boycotts, ecology, cooperative news, and other cooperative education issues. The database will be continuously updated as information is collected. The computer will be easily accessed and available to all customers in the store.

**Consumer Signs and Displays**

All stores have signage of some sort from vendors and product manufacturers. Ninety-five percent list all of their bulk food ingredients, and all have produce labeling that distinguishes organic from commercial. Sacramento and Davis post bread delivery schedules. North Coast and Sacramento have shelf labeling to identify special food products.

Some stores have product manufacturers set up temporary informational displays at their stores. As an example, Co-Opportunity, Davis, and Sacramento had parking lot displays featuring the Ecover van, a large mobile building where ecological displays and infor-

mation about the environment and Ecover products were available.

All stores had some sort of community bulletin board where notices, business cards, want ads, and sale signs were posted.

There is currently a greater emphasis on consumer related signage in the stores than on cooperative-related signage. Most of the stores reported that shoppers have far more product-related questions than cooperative-related ones and that this is the reason the signage relates more to products. All stores agreed that if they were not service and product oriented they would not even have an interested public to educate.

The majority of the stores said that their wall space was already so filled by merchandise and existing product information to assist consumers with their shopping that additional cooperative educational materials might simply be overlooked within the mass of information. They also pointed out that because most shoppers have a limited amount of time to spend in the store, educational materials that people can take with them and point-of-sale information from the staff may be more effective ways of getting cooperative information disseminated.

**Newsletters**

As indicated in Table 5, all the stores produce newsletters. Most of those surveyed stated that their newsletter was the main vehicle used for openly discussing and

TABLE 4  
IN-STORE EDUCATIONAL SIGNS AND DISPLAYS

	Co-op Principles	Vendor Product Info.	Commun. Bulletin Board	Co-op Educ. Bulletin Board	Organic Commenc. Produce Labeling	Bulk Ingred.	Library w/Co-op Educ. Materials
Chico Natural Foods	N/A	X	X	X	X	X	
CCS of Palo Alto		X	X	X	X	X	X
Community Food	X	X	X	X	X	X	X
Co-Opportunity	X	X	X	X	X	X	X
Cotati Food Co-op	X	X	X	X	X	X	
Davis Food Co-op		X	X	X	X	X	X
Food Front	X	X	X	X	X	X	X
Grass Valley		X	X	X	X	X	
Isla Vista Food Co-op		X	X		X	X	
Kokua Country Foods	X	X	X		X	X	X
North Coast Co-op		X	X	X	X	X	X
Ocean Beach		X	X		X	X	
Olympia Food Co-op	N/A	X	X	X	X	X	X
Puget Cons. Co-op		X	X		X	X	
Questa Cooperative		X	X	X	X	X	X
Rainbow Grocery	N/A	X	X	X	X	X	X
Sacramento Natural		X	X	X	X	X	X
Ukiah Cooperative		X	X		X		
Venice Ocean Park	X	X	X	X	X	X	

N/A = not applicable. Chico and Olympia are non-profit. Rainbow is worker owned.

debating cooperative issues. They believed it contained the most general information about what the organization was involved with and guided interested people on how to become more involved with current issues. Newsletters addressed areas of both consumer and cooperative education.

The materials listed that were not currently being produced as flyers, brochures, and handouts were often included in the newsletter instead. Notices of membership meetings, board of directors meetings, a calendar of events, nutrition articles with recipes, and listings of store specials were usually put in the newsletter rather than in a separate flyer. Many of the stores stated that this was more time and cost effective and cut down on the vast number of information pieces set out around the store while still getting the information out in a more consolidated form.

Mailing newsletters to the membership was discussed by almost all of the stores. Those who currently do mailings question the cost-effectiveness, especially as postal rates continue to climb. Many who are not currently doing member mailings state that they would like to, cost permitting, to see if this would increase readership. The Davis Food Co-op, which does not currently mail their newsletter to members, still has an 80% readership, according to member surveys.

Distribution of newsletters is done in-store by all organizations, while 31% also distribute their newsletter at locations where other free community publica-

tions are available. This is usually done with the help of volunteer workers. Newsletters are mailed to members by 47% of the organizations. All the stores receive newsletters from other cooperatives and non-profits; 74% regularly mail their newsletter out to other cooperatives who request to be on the mailing list.

Of the organizations studied, 74% sell advertising space in their newsletters, which helps to cover the cost of publishing. Puget Consumers Cooperatives reports the total cost for publishing their newsletter at \$137,000 per year, but after paid advertising receipts the net expense is \$13,000 per year, or just over \$1,000 per issue. Each issue (32,000-37,000 copies) is mailed to every active member.

All of the stores who sell advertising believe that they are able to allocate more hours to education, because the advertising income can offset the wages for educators and newsletter editors.

Only 58% include a regular column in their newsletter concerning cooperative education written by a staff member, a board member, or a volunteer, while 80% publish reports or minutes from their board of directors meetings and committee meetings. The percentage of cooperative education in newsletters has little direct correlation to whether staff is voluntary or newsletters have a small paid staff or a large paid staff.

Those stores with volunteer programs also believed that more educational articles written by members were published, because the members could do

TABLE 5  
DATA ON NEWSLETTERS PUBLISHED

	Issues per Yr.	Budget per Issue	Copies per Issue	Distrib. In- Store	Distrib. Out- Store	Member Mailing	Recv. Other Co-op News	Mail Newslet. to Other	Paid Ads	Regular Col. by Educatr.	BOD Mins. Cmtee.	Co-op Educa- tion, %
Chico Natural Foods	6	700	5000	X	X	X	X	X	X		X	28
CCS of Palo Alto	8	N/A	2000	X			X				X	75
Community Food	12	1000	3300	X		X	X	X	X	X	X	25
Co-Opportunity	12	400	1500	X			X	X	X	X	X	34
Cotati Food Co-op	6	300	500	X		X	X	X				46
Davis Food Co-op	2	800	2500	X	X		X	X	X	X	X	19
Food Front	6	600	2000	X		X	X	X	X	X	X	26
Grass Valley	6	200	500	X			X		X	X	X	38
Isla Vista Food Coop	12	250	500	X			X		X			31
Kokua Country Foods	12	400	2000	X		X	X	X	X	X	X	30
North Coast Co-op	10	1500	6000	X			X	X	X	X	X	37
Ocean Beach	12	2000	4000	X			X	X		X	X	16
Olympia Food Co-op	4	2000	5000	X		X	X	X	X			36
Puget Cons. Co-op	12	11416	32-37000	X	X	X	X	X	X	X	X	45
Questa Cooperative	4	600	1300	X	X	X	X	X	X		X	38
Rainbow Grocery	4	200	1000	X			X	X	X			N/A
Sacramento Natural	12	1600-2200	5000	X	X	X	X	X	X	X	X	24
Ukiah Cooperative	4						X				X	45
Venice Ocean Park	12	75	500	X	X		X			X	X	

N/A = not applicable

writing for their volunteer work time. This leads to more member participation and self-education.

Chico Natural Foods and North Coast Cooperatives offer free classified space to their members.

Davis and Sacramento Co-ops now make their newsletters available in each other's stores.

Sacramento is looking into producing a statewide cooperative directory that would be inserted into their newsletter, which could be removed and saved for future reference. They are also considering an educational column for their newsletter in the form of a comic strip.

Palo Alto Co-op would like to see a statewide cooperative newsletter that would be jointly published and distributed among all California cooperatives.

### Other Printed Materials

Some of the other materials reviewed are described here to show the scope and creativity of materials produced.

Chico Natural Foods produces an attractive gift certificate, a certificate of appreciation for volunteers, and a five-page document outlining the purpose and functions of the organization's education program.

Community Food Co-op produces a 30-page manual covering every aspect of the organization, from history to parking to eating food on the premises.

Cotati produces a flyer on candidates for the board of directors and ballot and voting information; it is quite concise and informative. They also produce two simple, clear flyers that can be used as posters or handouts: one is the principles and practices of the organization, the other a statement of purpose; both are annotated from the articles of incorporation.

Davis Food Co-op produces a brochure on "Member Work at the Davis Food Co-op" that is quite comprehensive, and the "Big Tomato Report" (the annual notice of share assessment) is full of information on what "share investment" buys. Davis also produces a pamphlet, "Yes, I'm Interested in running for the Co-op Board of Directors." This pamphlet gives lots of information about the benefits and responsibilities of a board member.

Food Front presents in all of its materials an image filled with pride in who and what they are as an organization. All their materials are professional in appearance and colorful.

Isla Vista has drafted a very extensive "owners manual," with an excellent section titled "What is

Cooperative Education?"

North Coast Cooperative has not just one membership brochure, but three: "JOIN US," "Thanks for Joining Us," and "Get the most out of your Co-op investment." North Coast also has flyers and ads in which over 50% of the contents is educational; for example: *Common misconception: The Co-op's prices are too high; Common misconception: Fast Food is Junk Food; Common misconception: Good Bread Costs lots of Dough.* North Coast's newspaper clearly gives the impression that the community is the co-op and the co-op is the community.

Puget Consumer Cooperative has an extensive display of publications of every sort, and they are all done in a very professional manner. Their newspaper has an annual eight-page insert devoted to co-op elections.

Sacramento produces a booklet, "Introduction to the Co-op's Member/Work Discount Program," that contains information about the Rochdale Pioneers.

### Workshops and Training Sessions

Workshops and training sessions range from irregular one-time new member orientations, to more detailed staff, board, and management trainings. Table 6 displays the specific types of sessions offered by the cooperatives surveyed.

Of the organizations studied, 47% have new member orientations, but only 16% had mandatory new member orientations. Mandatory orientations require attendance by the new member in order to get their membership card. The elective orientations are often semi-social, e.g., serving coffee or tea.

Puget Consumers Cooperatives has a member-to-member program in which existing members call new members one month after they join the co-op to see if they have any questions that need to be answered, and to encourage them to attend orientation tours and meetings. The program is designed to promote member participation and education while connecting established members with new members. The program began when volunteer member workers, with scripts provided by the education staff, were giving orientation tours of the store and grew tired of the low new member participation. A member worker had the idea of calling the new members one month after they joined the co-op, after they had had time to shop in the store, and extending a personal welcome as well as answering any questions about the organization and member-

ship. Callers also tell the new member about upcoming events, meetings, and activities, give them the names of key people in the organization, and invite them to the whole-foods kitchen class and tour taught by the staff nutritionist. Both new and established members like the personal touch. The attendance at orientation tours has increased dramatically, since it feels more like a social/educational process among new friends.

The stores who were not currently holding any type of new member orientations expressed a great deal of frustration about not knowing how to encourage greater member participation. The majority held orientations at one time, but gave up on organizing the orientations when few or no new members participated. Those who were not holding new member orientations were currently not able to say how they thought they could turn this situation around.

Perhaps a program such as Puget's member-to-member program could be an effective way of promoting more member participation.

While 90% of the stores have training programs for their board of directors, only 63% use management training programs and 84% bring in outside consultants and guest speakers or have retreats held outside of the store. Davis and Sacramento have done some joint workshops to make these sessions more cost effective and to have greater input from different store perspectives.

Food conferences are attended by staff and board

of director members in 90% of the organizations.

Of the organizations studied, 47% produce a staff memo that contains some sort of educational information about the store, usually focusing on finances, current issues, customer relations, or cooperative history articles.

While staff training programs emphasize job and product-related issues, they provide relatively little cooperative training. Only 68% have cooperative training for their staff that extends beyond the basic job training program. This training includes cooperative principles, democratic management, cooperative and non-profit finances and structure, and membership training. The Co-Opportunity membership director individually trains each new staff member on cooperative structure, principles, and memberships. North Coast Cooperative shows each new employee a video containing information about cooperative principles, by-laws, structure, and membership. Puget Consumer Co-op has a mandatory basic nutrition education program for all new employees, and several non-mandatory classes are available that cover cooperative management skills and government structure. It is interesting to note that the basic nutrition education program (consumer education) is mandatory, while the management and structure program (cooperative education) is not. Sacramento has a training day once a month that all employees must complete, where they are given information on the role of every department in the

TABLE 6  
WORKSHOPS AND TRAINING SESSIONS

	New Member Orient.	Board Training	Co-op Educ. Training for Staff	Outside Consults. & Retreats	Food Conferences	Mgt. Treaining	Staff Memo w/Co-op Ed. Information
Chico Natural Foods		X	X	X	X	X	
CCS of Palo Alto							
Community Food		X	X	X	X	X	X
Co-Opportunity		X	X	X	X	X	X
Cotati Food Co-op	X	X	X	X	X		
Davis Food Co-op	X	X	X	X	X		X
Food Front	X	X		X	X	X	
Grass Valley	X	X	X	X	X		
Isla Vista Food Coop			X	X	X		
Kokua Country Foods		X	X	X	X	X	X
North Coast Co-op		X	X	X	X	X	X
Ocean Beach	X	X		X	X	X	
Olympia Food Co-op		X	X		X	X	
Puget Cons. Co-op	X	X	X	X	X	X	X
Questa Cooperative	X	X		X	X		X
Rainbow Grocery	N/A	X	X	X	X	X	X
Sacramento Natural	X	X	X	X	X	X	X
Ukiah Cooperative		X		X		X	
Venice Ocean Park	X	X			X		

N/A = not applicable. Rainbow has no consumer members. It is worker owned.

store, including consumer services, membership education, operations, finances, and general management. Staff are paid regular wages to attend this day-long training.

Upholding the principle of cooperation among cooperatives, Puget Consumers Cooperatives sends their Staff Educator on exchange programs to meet with delegations from other cooperatives in other countries. Their educator went to China with a delegation in 1991 and in 1992 studied cooperatives in Sweden. Each summer, a member of a Japanese cooperative is hosted by Puget to share information and learn about their programs. Davis and Sacramento do some workshops together. Because of their close proximity, they sometimes hire consultants to work with staff and management from both stores, saving on training costs and promoting more shared information.

Almost all of those surveyed believed that cooperative education training for their staff should be a main focus. Those organizations lacking a strong program in this area are finding that their staff, in particular floor people, are very unaware of the structure and principles behind the store they are working in, because they only received job training and not cooperative education training when they were hired. This leaves a very large gap in the educational system, since the floor staff has the most direct contact with the member/shoppers.

While many organizations would like to have more training and workshops in the future, most did not have specific plans for them.

North Coast plans to start sending copies of the

newsletter to each staff member's residence. In addition, they plan to update their educational video.

Isla Vista felt that any type of training done within their organization would have to be very basic and rudimentary. The general manager doubted that many members really understood what a cooperative is or its basic principles and operating structure and said that the current membership, board of directors, and staff were very inactive concerning cooperative issues and activities. Their board of directors does not currently have any committees meeting regularly.

All of the organizations stated that they would like to continue expanding their board of directors and management training programs. The main consideration for all currently was cost and available time within very busy work schedules. Perhaps more shared training programs would be in order, where cooperatives near each other could arrange joint training sessions, splitting the costs of facilities and bringing in outside consultants and speakers. Shared trainings would also enable participants to swap creative solutions to management problems.

**Member Outreach**

Member outreach includes programs to promote new membership, encourage investment from current members, and provide benefits to the membership. Information about the outreach programs used by the cooperatives surveyed is displayed in Table 7.

Share drives are conducted to encourage increased investment in a cooperatively owned organization. A

TABLE 7  
TYPES OF MEMBER OUTREACH USED

	Share Drives	Special Mailings	Member Discount	Membership Table in Store	Member Insurance Insurance Ben.	Discount from Other Merchants
Chico Natural Foods			X	X		X
CCS of Palo Alto				X	X	X
Community Food	X		X	X		
Co-Opportunity			X	X		X
Cotati Food Co-op	X		X	X		X
Davis Food Co-op		X	X	X		X
Food Front			X	X		
Grass Valley			X			
Isla Vista Food Coop			X			
Kokua Country Foods			X			X
North Coast Co-op			X	X		X
Ocean Beach			X		X	X
Olympia Food Co-op			X			
Puget Cons. Co-op			X			
Questa Cooperative			X			
Rainbow Grocery	N/A		X	N/A	X	X
Sacramento Natural			X	X		
Ukiah Cooperative			X			
Venice Ocean Park			X			

N/A = not applicable



share is usually the minimum investment required to participate; multiple shares equal the "fair share" requirement, which is a suggested level of investment per member.

Only three of the organizations are currently doing share drives. Cotati Food Co-op holds a share drive once a year, conducted over the phone and through the newsletter. Community Food Co-op recently held a share drive to raise equity for its new store. Davis Food Co-op is currently the only store doing a special mailing to promote share investment. The Big Tomato Report is mailed every spring to all members to encourage investment in the store, share what the organization is doing, and provide statistics on where their co-op dollars are going.

At most of the cooperatives surveyed, very little is currently being done in the way of share drives or special mailings to promote membership. Sacramento, Olympia, and Ocean Beach all reported that their membership is increasing so rapidly right now that membership drives are not necessary. They all expressed similar concern for being able to keep up with a phenomenal amount of new growth; currently their main focus is on maintaining high customer service and properly educating the current new membership. They believe it is very important to keep their customers satisfied and their current new flow of membership attended to, rather than overextending themselves and losing members in the long run.

Sacramento also said that they did not want to have a "hard sell" image by constantly interrupting the shopping experience with membership promotion.

Forty-seven percent of the stores set up a membership table in their store from time to time, to be available to shoppers who may have questions about or interest in membership.

To encourage membership, benefits are provided that can include discounts on purchases, health insurance, and other special privileges.

Of the organizations studied, 16% had some type of group health insurance available to their members; 47% had programs where members received discounts from other merchants and business services as added benefits of membership. Kokua Country Foods provides check writing privileges up to the fair-share investment of each member, group-rate automobile insurance, and discounted movie tickets.

Members paid lower prices on their purchases than non-members in all of the organizations except Palo Alto. Of these 18 organizations, 12 gave members

discounts from the shelf price of the product and the remaining 6 stores added a surcharge to the shelf price for non members.

North Coast awards their top 1,000 member shoppers gift certificates, as part of their marketing plan. This innovative program is a way of rewarding strong member patronage and is used as an incentive for strengthening both member loyalty and store sales.

### Community Outreach

Community outreach programs are designed to educate people in the community who may not be familiar with what a cooperative is, and how it differs from other stores. The information reaches people who have never been in the store and are not exposed to in-store programs.

All of the organizations studied are doing community outreach and believe that their involvement makes membership more appealing.

As noted in Table 8, all stores are doing some type of advertising in local newspapers, free community publications, and alternative mailings. Of the stores studied, 68% do radio or television ads with local stations and put out public service announcements about store events. As an innovative alternative to print and radio ads, Puget Consumers Cooperatives is putting advertisements on city buses.

Direct mailers are produced by 42% of the stores. Food Front in Portland, Oregon, produced 8,000 mailers, which were sent to the neighboring city of Vancouver, Washington. The mailer focused on the virtues of a cooperative, how cooperatives differ from other stores, and a listing of all their special sale items.

Of the stores studied, 37% advertise store events and special sale items in community flyers. Ocean Beach People's Food Market recently remodeled their entire store and distributed flyers about their grand reopening celebration, which included food demonstrations and tasting throughout the store, door prizes from vendors, a vacation drawing to Cabo San Lucas, Mexico, and an additional 10% off all merchandise in the store.

Store tours are available at 63% of the stores. Combining store tours with special events, Sacramento Natural Foods has a Senior Appreciation Day once a month that includes a store tour followed by a tea and muffin social and all seniors receive a 15% discount on their purchases.

Of the stores surveyed, 37% are involved in community speaking engagements. Food Front gives pre-

sentations in the public school system on the "Alternative Job Market," which highlights cooperatives and non-profits to expose students to other areas of business besides what is currently being taught in marketing classes.

Many of the stores expressed an interest in doing more community speaking engagements, but currently lack the time and educators to organize these events.

The outreach activities of food cooperatives extend beyond member recruitment. As an example, 90% make donations to local non-profit organizations. Rainbow Grocery spends approximately \$15,000 per year to help support local shelters and other charitable projects such as the Food for Lunch program in the local school system. Co-Opportunity donates \$500 per year to St. Joseph's Center and sends teachers from the store to cook a whole-foods meal with food donated by the store. This is the first exposure to whole-foods cooking for many of the people involved. Cotati Food Co-op gives all of their compostable items from the store to a local organic farm, Sonoma Street Organic Gardens.

Ninety-five percent of the organizations do community outreach at local fairs and events, setting up tables and booths with food and information and sponsoring athletic races and other events.

North Coast emphasizes community outreach more than any other area of education, to broaden public knowledge and exposure to what they believe has been a rather neglected system. They feel it is necessary to

target populations that rarely come in contact with their store. Newsletters and other materials in the store will never educate individuals who have no inclination to enter. They are also addressing the hot political climate in their geographical area, which they feel has created a negative image of their organization. The co-op has been unfairly associated with taking political stances on the timber issue, and it has spent a lot of time and energy educating the community about its non-political position.

North Coast is involved with hundreds of community events each year, sponsoring runs, bike races, local Scout troops, holiday celebrations, and events with the Chamber of Commerce. To address what they feel is a lack of educational curriculum concerning cooperatives, they sponsor debates on cooperative issues in the public schools.

An annual "Debate on Cooperatives" is co-sponsored by the Future Farmers of America. Debate winners are awarded one-time college scholarship grants. North Coast also sponsors regional debates and writing contests about cooperatives and contributes to local foundations as sub-funders for cooperative scholarships. There is a great deal of outreach to the agricultural communities. North Coast currently has the most extensive, comprehensive community outreach program of all the organizations studied and is seen as the leader in the community for their outreach events and educational efforts.

Puget Consumers Cooperatives co-sponsor local

TABLE 8  
COMMUNITY OUTREACH

	Newspaper Ads	Radio/TV Ads	Commun. Fairs, Events, Races	Community	Direct Mailers	Speaking Engagements	Donation to Local Org.	Store Tours
Chico Natural Foods	X	X	X	X	X	X	X	X
CCS of Palo Alto	X		X					
Community Food	X	X	X				X	X
Co-Opportunity	X	X	X		X		X	X
Cotati Food Co-op	X	X	X				X	
Davis Food Co-op	X	X	X		X	X	X	X
Food Front	X	X	X		X	X	X	X
Grass Valley	X		X	X		X	X	X
Isla Vista Food Coop	X	X	X					
Kokua Country Foods	X	X	X				X	X
North Coast Co-op	X	X	X	X	X	X	X	X
Ocean Beach	X	X	X		X		X	
Olympia Food Co-op	X		X				X	X
Puget Cons. Co-op	X	X	X			X	X	X
Questa Cooperative	X	X	X	X			X	
Rainbow Grocery	X						X	X
Sacramento Natural	X	X	X	X	X	X	X	X
Ukiah Cooperative	X		X	X			X	
Venice Ocean Park	X		X	X	X		X	

events with other cooperatives and non-profit businesses in the area, such as REI and Cooperative Group Health. Davis and Sacramento worked together in 1990 to sponsor the Pickle Family Circus as a community event.

For the future, Sacramento would like to organize a speaker's bureau made up of staff, board of directors, and members as a public service. They would go out into the community and speak about their area of knowledge while increasing public awareness of the cooperative movement and its purpose.

### Most Effective Areas of Cooperative Education

The organizations surveyed were asked which of their current cooperative education programs were believed to be the most effective. The responses reflect the *opinions* of those people who were surveyed, rather than statistical results. Table 9 displays the cooperative education programs identified as the most effective.

Cooperative education includes education about cooperative structure, principles, government, and membership. It should be noted here that the difference between cooperative education and consumer education (product, food, health related) was clearly defined during the phone interviews, to prevent confusion between the two areas of education.

When asked about cooperative education, 53% responded that word of mouth was an effective way of relaying cooperative education and 53% also listed the

newsletter as an effective vehicle for education. Davis Food Co-op did a member survey and found that 80% of their members read the newsletter, a much higher percentage than they anticipated. Isla Vista believed that frequent short doses of cooperative education in the newsletter were effective.

New member orientations were listed by 21% of those surveyed as effective educational programs. Chico Natural Foods thought that videos on cooperative education issues would be an effective tool for the future.

Only one organization, Co-Opportunity, listed store tours as an effective means of cooperative education; however, 12 organizations are currently giving store tours. Co-Opportunity gives store tours to businesses, community groups, foreign visitors, and school children to explain how the store is operated and owned.

Only 21% believed that community outreach was an effective way of educating people about cooperatives. Questa Cooperative has an outreach director, who goes out into the community to educate people about their organization. North Coast feels that community outreach is by far their most effective way of educating people about cooperatives.

Of those surveyed, 16% listed interaction with an informed staff and 10% listed information in their membership brochures as effective means for cooperative education.

Sacramento Natural Foods has an information booth visible at the entrance of their store; it is staffed eight hours every day during the busiest shopping

TABLE 9  
OPINIONS ON THE MOST EFFECTIVE AREAS OF COOPERATIVE EDUCATION

	New Member Orientation	Newsletter	Word of Mouth	Store Tours	Commun. Outreach	New Member Brochure	Interaction with Staff
Chico Natural Foods		X					
CCS of Palo Alto			X				
Community Food		X					
Co-Opportunity				X			
Cotati Food Co-op	X	X					
Davis Food Co-op	X	X					X
Food Front		X			X		
Grass Valley			X				
Isla Vista Food Coop		X					
Kokua Country Foods			X		X		
North Coast Co-op			X		X		
Ocean Beach			X				
Olympia Food Co-op		X	X				
Puget Cons. Co-op	X	X					X
Questa Cooperative			X		X	X	
Rainbow Grocery			X				
Sacramento Natural		X				X	X
Ukiah Cooperative			X				
Venice Ocean Park	X	X	X				

hours by one of their four part-time customer service clerks. The customer service person is available to sign up members, receive membership dues and class registration fees, relay information to shoppers about the coop and its structure, help people locate products and information about items in the store, answer phones, and direct people to staff and offices within the store. The customer service clerks are familiar with all departments of the organization and have been trained in cooperative membership, structure, and principles. By having this service available, they have been able to speed up check out lines, since cashiers no longer have to sign up new members. Questions by shoppers about membership and about cooperative structure and principles are given more attention, and the booth makes all this information very accessible.

Questions about cooperative education elicited the least response, as most stores surveyed were unclear as to the effectiveness of their current programs and were not sure what future areas would be most effective. A possible source of information on this question would be surveys to study current levels of member education and to determine member interests concerning education. Organizations could determine where to concentrate their energies if they had some method of tracking the results and effectiveness of their programs.

It is interesting to note that none of those surveyed listed their membership meetings as effective areas of cooperative education, possibly because the meetings were overlooked or because there was such low turnout

for many of the organizations that they became ineffective tools for education.

### Most Effective Areas of Consumer Education

Consumer education provides information about products and nutrition. The organizations surveyed were asked which consumer education programs they *believed* were most effective. Table 10 displays the specific programs identified by each cooperative. Of those surveyed, 42% listed vendor or manufacturers' materials as being effective educational sources, and 42% also listed food demonstrations with recipes as effective areas of consumer education. Only 26% listed their newsletter as a highly effective vehicle for relaying consumer product information, while 31% felt that a well-educated staff capable of answering customer questions about product and general nutrition was a very good way of educating shoppers. Of those surveyed, 26% felt that shelf talkers, which are informational brochures available near the product on the shelf, and informative shelf signs and labeling were effective ways of getting information out. While only 10% listed inserts and ads in local papers as effective tools, Food Front recorded dramatic increases in sales during several insert campaigns that they conducted with the local paper. Food Front reported that they got a much greater response to the insert ads than to the print ads in the newspapers.

Chico Natural Foods is using information and

TABLE 10  
OPINIONS ON THE MOST EFFECTIVE AREAS OF CONSUMER EDUCATION

	Vendor Material	Newsletter	Food Demos/ Recipes	Point of Sale Info from Staff	Shelf Talkers & Labeling Signage	Inserts/Ads in Local Papers
Chico Natural Foods	X		X			
CCS of Palo Alto					X	
Community Food				X		
Co-Opportunity	X	X	X			
Cotati Food Co-op	X			X		
Davis Food Co-op		X			X	
Food Front			X			X
Grass Valley						X
Isla Vista Food Coop	X					X
Kokua Country Foods			X			
North Coast Co-op		X		X	X	
Ocean Beach	X					
Olympia Food Co-op		X	X			
Puget Cons. Co-op		X	X	X		
Questa Cooperative	X			X		
Rainbow Grocery					X	
Sacramento Natural	X		X		X	
Ukiah Cooperative	X					
Venice Ocean Park			X	X		

ideas from Arcata Co-op flyers and regularly reproduces articles on consumer education from other cooperative newsletters as a way of sharing information and making the program more cost effective.

Co-Opportunity surveyed its membership and found that they were far more interested in nutrition and product-related educational activities than in cooperative educational activities. The store is currently discussing their focus on education, since it is the members who ultimately make the decisions as to what type of store they want.

### Types of Member Participation

All of the organizations are currently scheduling membership meetings, which are held annually, biannually, or quarterly. The majority, 74%, have activities for their members, often in conjunction with their membership meetings, such as picnics, potlucks, talent shows, and live music. Table 11 indicates the types of member participation activities for each cooperative.

As part of the cooperative structure, committees that form to develop store policies are open for member participation, and 84% currently have members sitting on committees. Almost half, 47%, have classes available to members; often the classes are taught by members as well. Questa Cooperative is renting a house where they plan on teaching classes for cooking, homeopathy, childbirth, herbs, and natural healing, as well

as having more training programs for members concerning cooperative education.

The majority, 80%, have a volunteer work program for their members. Most organizations give greater discounts to working members than to non-working members. However, Co-Opportunity no longer gives additional discounts to member workers, but offers \$15-\$30 gift certificates instead. Olympia Food Co-op has an extensive volunteer program, with approximately 150 volunteers per week who receive up to a 25% discount on their purchases. They described the volunteer program as the real "nuts and bolts" of the store, as volunteers do most of the cashiering, stocking, and general floor operations with the help of a 12-person management team.

Of those cooperatives studied, 74% require members to purchase shares as their investment in the organization. The balance are non-profit organizations requiring a membership fee or yearly dues.

Members in organizations vote in yearly board of directors elections. In an attempt to improve voter turnout and educate the membership about current cooperative issues, Co-Opportunity just created a new by-law requiring all members to vote in one out of two consecutive elections in order to maintain their active status. This new by-law was created to encourage members to educate themselves about the issues, policies of their store, and board activities and to encourage more active participation in store governing. Puget

TABLE 11  
TYPES OF MEMBER PARTICIPATION

	Membership Meetings	Members on Committees	Member Activities	Classes	Volunteer Work	Percent Vote in Last Board Election	Share Investment
Chico Natural Foods	X	X	X	X	X	5	N/A
CSS of Palo Alto	X				X	3	X
Community Food	X	X	X	X		10	X
Co-Opportunity	X	X	X		X	35	X
Cotati Food Co-op	X	X	X		X	7.5	X
Davis Food Co-op	X	X	X		X	21	X
Food Front	X	X	X		X	33	
Grass Valley	X	X			X	2	X
Isla Vista Food Coop	X				X	no quorum	X
Kokua Country Foods	X	X	X		X	8	X
North Coast Co-op	X	X	X	X		8	X
Ocean Beach	X	X	X	X		8	X
Olympia Food Co-op	X	X	X		X	2	N/A
Puget Cons. Co-op	X	X	X	X	X	12	X
Questa Cooperative	X	X	X	X	X	5	
Rainbow Grocery	X	X		X		no election	N/A
Sacramento Natural	X	X	X	X	X	15	X
Ukiah Cooperative	X				X	no election	X
Venice Ocean Park	X	X	X	X	X	7	X

N/A = not applicable. Chico has a yearly fee, Olympia a one-time fee, and Rainbow is worker owned.

Consumers Cooperatives reported a three-fold increase in voter participation since last year, from 4% to 12%. Three organizations had high voter turnouts compared with the others in the study. Co-Opportunity, with the highest percentage, 35%, stated that the 1990 election produced their highest voter turnout ever, when the issue of becoming a strictly vegetarian store was put on the ballot. It got members interested in voting on issues, and this carried over to the 1991 election. Food Front, with a 33% voter turnout, reported that it was extremely helpful to have in-store voting this year. Last year, members had to vote at another location in town, which many people found very inconvenient. Voting in the store not only reminded members of the election as they entered the store, but also made it very easy to vote while they did their shopping. Davis, with a 21% voter turnout, said that they had two extremely attractive candidates who put an unusual amount of effort into educating people about their position within the organization and beliefs about the issues at hand. They believed that these candidates really helped to get people involved with voting, by making them aware of how important the issues were.

While all organizations scheduled regular membership meetings, many did not actually hold the meetings, owing to lack of participation. The same holds true for other areas of member participation, such as committee work, member activities, and voting. They are all open to the membership, but members are not necessarily active. It should be noted that not all of the organizations had low levels of member participation. There seems to be a correlation between organizations lacking strong educational programs and low member participation.

Lack of member participation was by far the most notable complaint in many of the organizations, and again it was most prevalent in those organizations lacking solid educational programs. Within these stores it was felt that most members joined because they wanted a high quality product at a competitive price and liked the structure of the organization, but did not have the time or interest to be active within the organization on a regular basis. It was believed that most members were willing to support the organization and the service it provided but were not interested in giving their time.

Many of the stores have board of directors seats that they are unable to fill and have committees that are not currently active. Again, it is a pattern within organizations that also lack strong educational programs.

Many stores create classes for their members on the basis of member interest, and find that the membership has a greater interest in health, food, and nutrition than in cooperative activities. This is still an excellent form of member involvement.

Not all the organizations are in this dilemma. The stores with more active memberships reported that all of their educational efforts contributed to greater participation, and none of them could pin-point one particular action as most effective. They all agreed that an actual education program with a budget, paid or volunteer educators, and an active board committee were essential components in getting their projects off the ground.

Too often education efforts are left to managers and other persons within the organization who are already overloaded with responsibilities and find it very difficult to give education programs the attention they require to be successful. This is a key issue, especially within the smaller organizations that do not have separate educational staff whose time is devoted solely to educational efforts.

Many persons said that the volunteer program could be a tremendous vehicle for getting an educational program started, and that a volunteer coordinator would be most essential for real effectiveness.

Co-Opportunity believes that their new by-law, which makes voting in one out of two consecutive elections mandatory, will greatly increase member participation at many levels, because, as they get information about issues on the ballot and what their candidates are working for, members will automatically become more informed about the organization's structure, policies, and membership and have more exposure to current events and activities.

### **Institutional Structures for Education**

Only 58% of the cooperatives surveyed have a board of directors education committee or a member affairs committee that deals with education, outreach, and membership issues. Less than half, 42%, have a paid educator as part of their staff. These educators included membership education directors, consumer education directors, nutrition education coordinators, paid volunteer coordinators, and newsletter editors. Only 26% had volunteer educators from their membership. Of those surveyed, 74% have a formal budget for education that includes the costs of advertising, producing in-store materials, and staff salaries. Table 12 displays

the institutional structures for education at each cooperative.

Only 47% allocated hours specifically for education-related programs in their organization. However, the hours given to consumer education far surpass the hours given to cooperative education. Approximately 80% of the hours allocated to education were used for nutrition, food and product, or consumer-related programs, while only 20% of the hours were used to educate people about cooperative principles, structure, and membership.

Those organizations without education committees or paid or volunteer educators said that these would be very effective methods for incorporating a more rigorous educational program. However, many believed it would be very hard to get these structures into place with their current levels of member participation. It is hard to create a new board committee when the board has empty seats and existing committees are not active.

Of those surveyed, 26% stated that no formal budget for education existed at this time, even though money was spent on what would be considered educational materials. All stores had some form of advertising, newsletters, and membership brochures that were considered educational. Apparently in these cases there was no actual program in place that went beyond basic store operations.

All organizations expressed the need for more hours allocated specifically to education, to be filled by adding staff members rather than by loading more responsibilities onto existing staff. This would require

greater budget allocations than many of the stores currently have.

All the organizations surveyed expressed a strong desire for more sharing of information among stores. They said it was very important to visit other organizations and to form a networking structure for real effectiveness and communication.

### On-Site Visits

The on-site visits by this author were conducted not to obtain additional information through personal interviews, but rather to see what educational programs would be obvious to a shopper who walked into the store for the first time. Six organizations were visited: Chico Natural Foods, Davis Food Co-op, Grass Valley Briarpatch, North Coast Cooperatives, Sacramento Natural Foods Co-op, and Ukiah Co-op.

It should be noted that many of the programs currently in place were not apparent during the on-site visits (i.e., community outreach, workshops, and training sessions). The visits concentrated on obvious in-store materials, visibility of signs and displays, and staff/customer interaction and store atmosphere.

### In-Store Materials

Membership brochures were available in all stores at their front registers. Vendors' materials such as pamphlets, flyers, and brochures as well as recipe sheets were also in all stores, located near the corresponding products.

Sacramento, North Coast, and Chico had nutrition

TABLE 12  
INSTITUTIONAL STRUCTURES FOR EDUCATION

	Board Educ. Committee	Paid Staff/Educator	Volunteer Staff/Educator	Budget for Educ.	Hours Allocated to Paid Educator
Chico Natural Foods	X	X	X	X	30/wk
Palo Alto					volunteer
Community Food	X		X	X	volunteer
Co-Opportunity	X	X			40/wk
Cotati Food Co-op	X		X	X	volunteer
Davis Food Co-op		X		X	90/wk
Food Front	X	X		X	25/wk
Grass Valley	X			X	volunteer
Isla Vista Food Coop				X	5/wk
Kokua Country Foods					volunteer
North Coast Co-op	X			X	to hire
Ocean Beach		X		X	20/wk
Olympia Food Co-Op		X			15/wk
Puget Cons. Co-op	X	X		X	250/wk
Questa Cooperative					volunteer
Rainbow Grocery	X			X	volunteer
Sacramento Natural	X	X	X	X	210/wk
Ukiah Cooperative				X	volunteer
Venice Ocean Park	X		X	X	volunteer

information flyers available to their shoppers. Sacramento, Davis, and Chico produced specials flyers listing sale items, and Sacramento had a calendar of events flyer available at the store entrance. While four of the six stores reported they had copies of their by-laws available, we were only able to locate the by-laws in two of the stores. Newsletters were available at the front entrance of all the stores except one that had not recently produced a newsletter.

The majority of the materials found in the stores were product/food related. All stores had literature on environmentally friendly products, recycling, and whole-foods cooking. Consumer-related handouts and free publications made up approximately 80% of the materials available.

### *Signs and Displays*

All stores had community bulletin boards near the front entrance. Chico's bulletin board included articles from the cooperative newsletter and notices of cooperative events. Davis has a bulletin board with the board of directors' pictures, board notes, and committee notes. They have another bulletin board with boycott information and loose-leaf binders with member work information. Sacramento and North Coast had bulletin boards with board of directors reports, committee information, Co-op Camp Sierra information, and cooperative principles. Sacramento also had loose-leaf notebooks with member work information. The information areas were very visible in Davis, North Coast, and Sacramento and well stocked with the in-store materials mentioned previously. Sacramento has a staffed information center as you walk in the door that is very accessible. One cooperative had a library at the front of the store, but had no signs to indicate who could use the library or when. In another case, a library was located inside the consumer services room, but it was unclear whether it was available to shoppers. All stores had reference books and charts for their herb and bulk departments. All stores had organic and commercial produce labeling and bulk ingredient listings that were very easy to read.

### *Staff/Customer Interaction*

In all of the stores visited, we were asked if we were members as we went through the registers, and when we replied that we were not, we were asked in all stores if we needed information on membership and were offered a membership brochure.

Grass Valley, North Coast Co-op's Eureka and

Fortuna stores, Ukiah, and Chico were all very quiet, friendly stores. We were asked in all these stores if we needed any assistance, something we were not asked in the much larger and busier stores of North Coast's Arcata store, Sacramento, and Davis. However, in these three larger stores, there were always staff members visible to answer any questions.

## CONCLUSIONS

Most organizations studied are involved in member education, but very little of this member education is "cooperative education." The largest commitment of staff time and budget is to consumer (food) education. It is difficult to be critical of this bias, since all of the organizations are in the business of selling food. However, it was apparent that when many of those responsible for cooperative education were asked what was being done in that area they had difficulty focusing on the subject. While programs related to food were in place in all organizations, most of them had no formal cooperative education programs. Most staff could not identify budget dollars for cooperative education, since they are also involved in consumer services and consumer education.

Newsletters are produced by each organization, and in fact 10 organizations said their newsletters were an effective means of cooperative education.

While 90% of the organizations send staff and board members to food conferences, none reported sending staff or board to conferences where cooperative education was promoted.

Many organizations commented that their stores are filled with vendor and product information, and that cooperative information is lost in the sea of information. In many of the cooperatives the impression one gets from the deluge of vendor information is that the organization represents the vendors instead of the members!

Most organizations when asked about "cooperative education, training, etc." said that there should be more, but most also said there were no plans in place for additional programs.

At best, there is a deficiency in the area of cooperative education.

What are the causes of this deficiency?

The principal one seems to be that information about food takes priority. It appears as if the boards of directors are not giving an emphasis or directives to staff that cooperative education is important. In some



instances boards of directors and management place the focus on operations at the expense of cooperative education.

Many of the educators had little knowledge of what other organizations are doing in this area. There is a lack of training for educators beyond food-related education, and certainly a lack of cooperative education training for floor staff.

Additional causes of the education deficiency are that many times the Co-op educators have other responsibilities that are operational—these things take precedence, and they also take over!

What kind of corrective action can be taken? Boards of directors need to look to the longevity of their organizations beyond just meeting the market food trends, and think about how the organizations will need to change with the times. In order to be able to adapt to future changes in the market and survive, a strong member commitment is needed to the cooperative, not just to the products it sells or to their prices. This requires a clear sense of purpose, explicit messages of ownership and of democratic control, and a sense of community.

Training in cooperative philosophy, organization, and action for the educators and staff is considered by many to be more important than food training. It is the educator and staff who inspire the membership to be committed, involved, and loyal to the cooperative.

Many cooperative education programs operate without spending a lot of money. In this study we found that some small organizations with little or no staff or budget do as much as organizations with a large staff and budget.

In the co-op world, little is done to document cooperative education programs or activities and their effectiveness. Therefore most cooperative educators work in a void.

Cooperation among cooperatives is a principle that seems to have gone somewhat by the wayside, especially concerning educational efforts, and it is the hope of all those involved in this study that more genuine sharing can be done between organizations.

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## APPENDIXES

### Appendix I. Phone Survey

Each question was addressed in three parts:

1. What is currently being done in this area?
2. What future plans do you have for this area?
3. What type of shared information (to and from other organizations) exists in this area?

The following questions were asked in the phone survey:

1. What are you doing in the area of in-store materials? (handouts, brochures, flyers, pamphlets, other)
2. What are you doing in regards to the Newsletter? (budget, no. of copies, how distributed, response, paid ads, educator's column, percent devoted to board minutes, member meetings, committee reports, co-op issues, principles, etc.)
3. What are you doing in the area of educational signs and displays in the store?
4. What are you doing in the area of workshops and training sessions? (staff, board of directors, members)

5. What are you doing in the area of member outreach? (share drives, special mailings, member discounts, activities)
6. What are you doing in the area of community outreach? (advertising, brochures, events, displays)
7. What are the most effective areas of consumer education? (product/merchandise, nutrition related)
8. What are the most effective areas of cooperative education? (cooperative principles, structure, investment, issues)
9. What types of participation are there by members in your organization? (meetings, committees, volunteers in the store, activities, classes, voting, shared investment, other member benefits such as health insurance or discounts from other merchants and business services)
10. What institutional structures for education exist in your organization? (committees, paid staff, volunteer staff, volunteer coordinator, budget, educator's wage, hours allocated to member education by paid staff)

#### Appendix II. Persons Interviewed by Phone

Ashby, Jim, General Manager, Community Food Co-op  
Bailey, Jack, Assistant Manager, Isla Vista Food Co-op  
Blackman, Carol, Newsletter Editor, Sacramento Natural Foods Co-op  
Corbett, John, General Manager, North Coast Co-op  
Dart, Hillary, General Manager, Grass Valley Briarpatch  
Deavey, Sue, General Manager, Cotati Food Co-op  
Denley, Pat, Membership & Marketing Manager, Ocean Beach People's Food Market  
Eggen, Ann, Outreach Coordinator, Education, Chico Natural Foods  
Girouard, Susan, Financial Manager, Food Front  
Hamilton, Nan, General Manager, Questa Cooperative  
Hansen, Dorothy, President, Board of Directors, Cotati Food Co-op  
Harmony, Joyce, Management Team, Ukiah Co-op  
Hubbard, David, General Manager, Isla Vista Food Co-op

Joerling, David, Board of Directors, Rainbow Grocery  
LaBianca, Amy, Newsletter Editor, North Coast Co-op  
Laning, Chris, Newsletter Editor, Davis Food Co-op  
Levin, Carol, Volunteer Program Administrator, Puget Consumers Co-op  
Levine, Harry, Personnel Coordinator, Olympia Food Co-op  
Loomis, Adriana, Administrative Assistant, Kokua Country Foods  
Lynn, Debra, Outreach Director, Questa Cooperative  
McDowell, Teresa, Member Coordinator, Olympia Food Co-op  
Moster, Ross, General Manager, Venice Ocean Park Co-op  
Reynolds, Don, Grocery Bookkeeper, Rainbow Grocery  
Rivera, Mara, Buyer, Rainbow Grocery  
Rosenburg, Laurie, Operations Manager, Ukiah Co-op  
Sheridan, Joe, General Manager, Ocean Beach People's Food Market  
Simon, Will, General Manager, Co-Opportunity  
Smith, Brad, Operations Manager, Community Food Co-op  
Stapenhorst, Fred, General Manager, Kokua Country Foods  
Sweatland, Greg, Marketing Director, Food Front  
Vargas, Vickie, Administrative Assistant, Consumer Co-op of Palo Alto  
Walen-Zeller, Janet, Consumer Services Manager, Sacramento Natural Foods  
Walter, Doug, Membership Director, Davis Food Co-op  
Weishan, Laurie, Member Services Coordinator, Sacramento Natural Foods  
Williams, Rex, General Manager, Consumer Co-op of Palo Alto  
Winn, Ginny, Membership Director, Co-Opportunity

## Appendix III. Organizations Studied

Chico Natural Foods  
Ann Eggen  
818 Main Street  
Chico, CA 95928  
(916) 891-1714

Community Food Co-op  
Jim Ashby, G.M.  
1059 N. State  
Bellingham, WA 98225  
(206) 734-8158

Consumer Cooperative Society  
of Palo Alto  
Rex Williams, G.M.  
2605 Middlefield Road  
Palo Alto, CA 94306-0759  
(415) 321-6610

Co-Opportunity Consumer Co-op  
Ginny Winn, Education  
1530 Broadway  
Santa Monica, CA 90404  
(310) 451-8902

Cotati Food Co-op  
Sue Deavey, Manager  
8250 Old Redwood Highway  
Cotati, CA 94928  
(707) 795-2790

Davis Food Co-op  
Karl Kruger, G.M.  
620 G Street  
Davis, CA 95616  
(916) 758-2667

Food Front  
Dennis McLearn, G.M.  
2675 NW Thurman Road  
Portland, OR 97210  
(503) 222-5658

Grass Valley Briarpatch  
Hillary Dart, G.M.  
416 Washington  
Grass Valley, CA 95945  
(916) 272-5333

Isla Vista Food Co-op  
David Hubbard, G.M.  
6573 Seville Road  
Isla Vista, CA 93017  
(805) 968-1401

Kokua Country Foods  
Fred Stapenhorst, G.M.  
2357 S. Beretonia Street  
Honolulu, HI 96826  
(808) 941-1922

North Coast Cooperative  
John Corbett, G.M.  
333 1st St.  
Eureka, CA 95501  
(707) 445-3185

Ocean Beach People's Food  
Market  
Joe Sheridan, G.M.  
4765 Voltaire Street  
Ocean Beach, CA 92107  
(619) 224-1387

Olympia Food Co-op  
Theresa McDowell  
921 North Rogers Road  
Olympia, WA 98502  
(206) 754-7666

Puget Consumers Co-op  
Lyle Whiteman, G.M.  
4201 Roosevelt Way NE  
Seattle, WA 98105  
(206) 547-1222

Questa Cooperative, Inc.  
Nan Hamilton, G.M.  
745 Francis Street  
San Luis Obispo, CA 93401  
(805) 544-7928

Rainbow Grocery  
Mara Rivera  
1899 Mission Street  
San Francisco, CA 94103  
(415) 863-0620

Sacramento Natural Foods  
Co-op  
Karyn Kleinschmidt, G.M.  
1900 Alhambra Avenue  
Sacramento, CA 94816  
(916) 455-2667

Ukiah Cooperative  
Laurie/Joyce Harmony  
308 B East Perkins Street  
Ukiah, CA 95482  
(707) 462-4778

Venice Ocean Park Co-op  
Ross Moster, G.M.  
839 Lincoln Blvd.  
Venice, CA 90291  
(213) 394-1771

## Appendix IV. Organizations Not Surveyed

Boise Consumer Co-op  
1674 Hill Road  
Boise, ID 83702  
(208) 342-6652

Feather River Food Co-op  
P.O. Box 326  
Quincy, CA 95971  
(916) 283-3528

General Store, Student Center  
UCSD  
LaJolla, CA 92093  
(619) 534-3167

Kresge Food Co-op  
Kresge College #811  
UCSC  
Santa Cruz, CA 95064  
(408) 426-1506

People's Food Co-op  
3029 S.E. 21st  
Portland OR 97202  
(502) 232-9051

Santa Rosa Community  
Market  
1215 Morgan St.  
Santa Rosa, CA 95401  
(707) 546-1806

No. of members 4,800  
Retail sq. ft. 7,500  
Gross/yr. \$3,000,000  
No. of employees 28

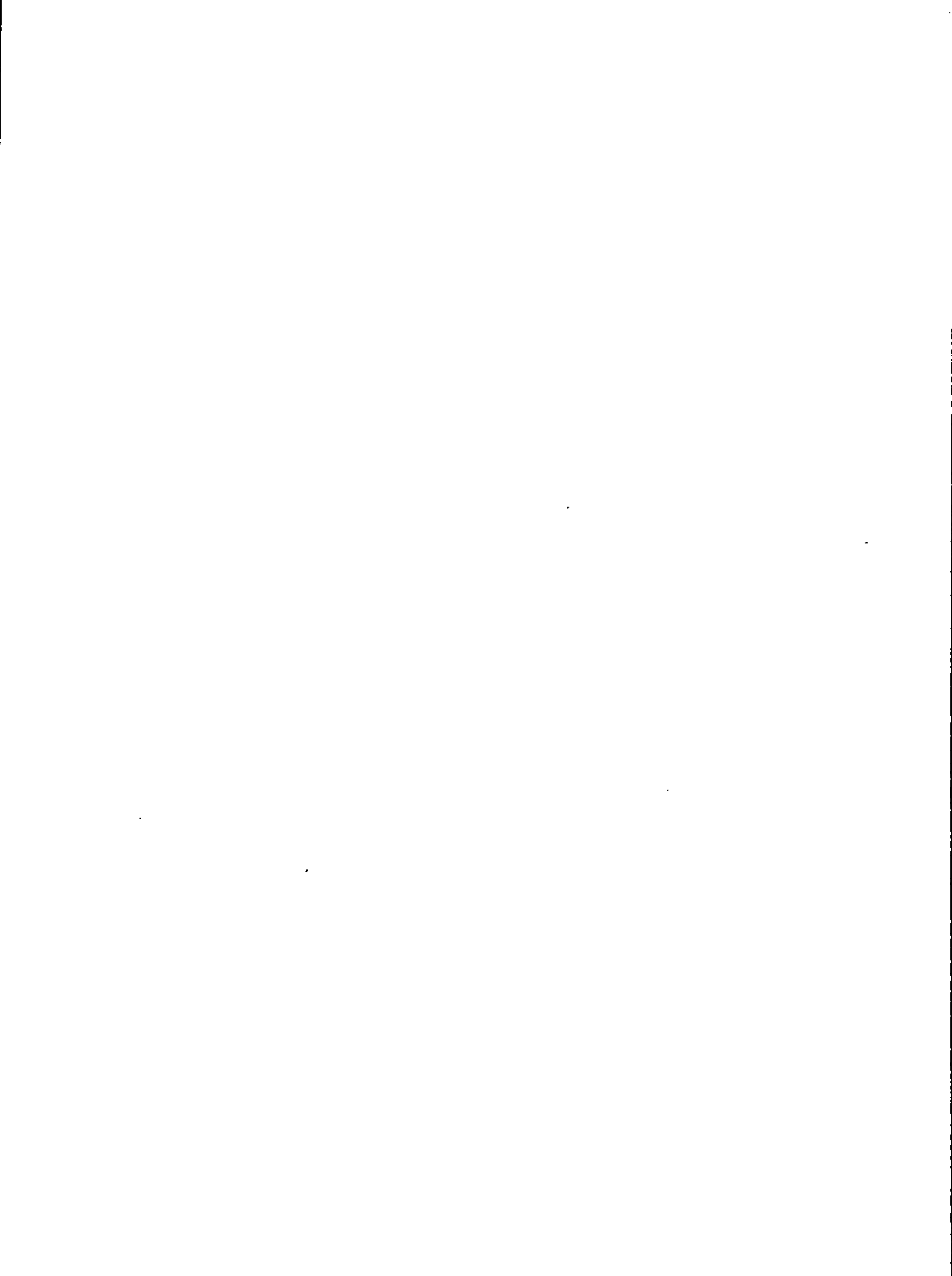
No. of members 300  
Retail sq. ft. 1,200  
Gross/yr. \$150,000  
No. of employees 4

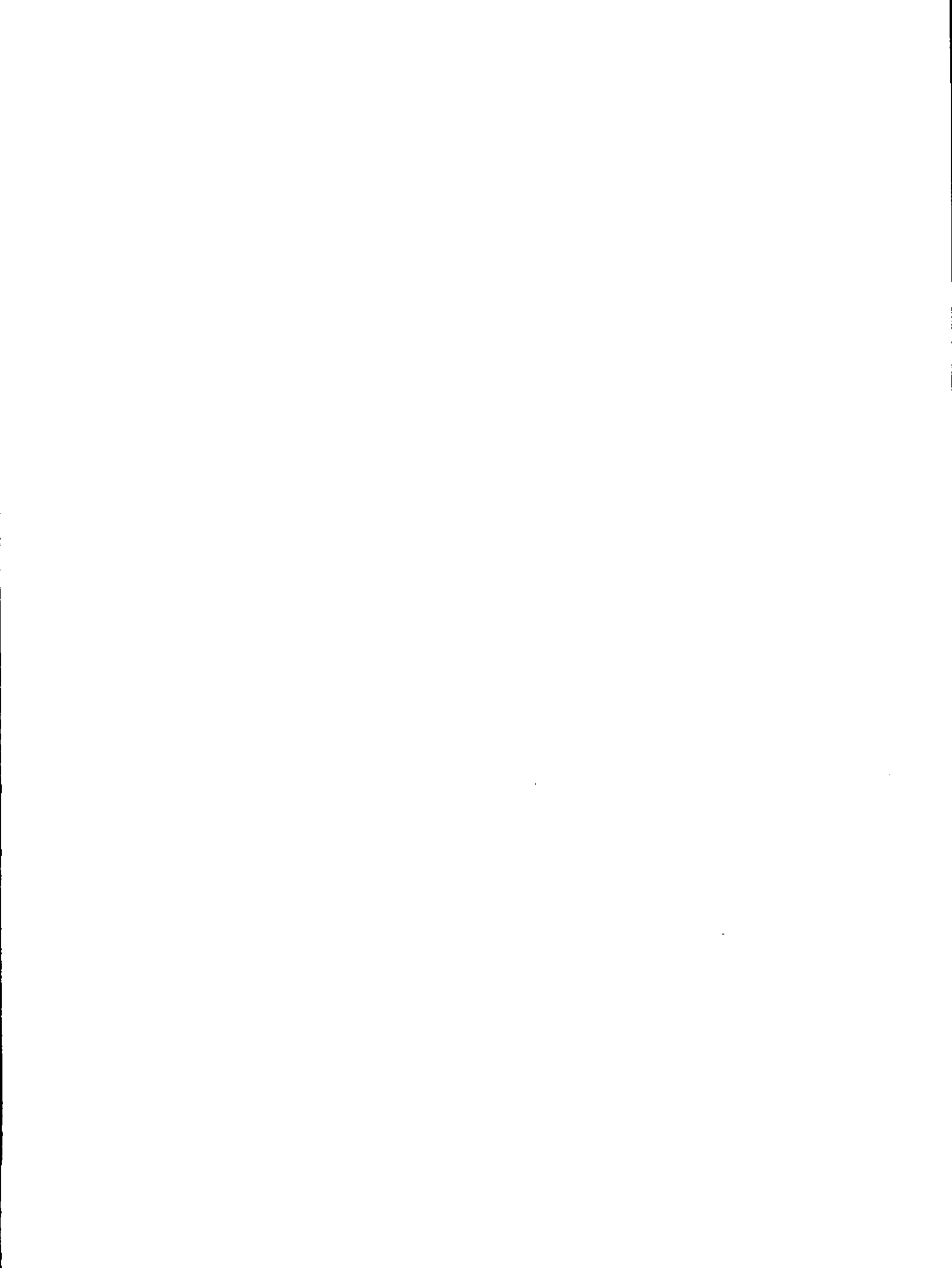
No. of members 13  
Worker owned  
Gross/yr. \$ 400,000

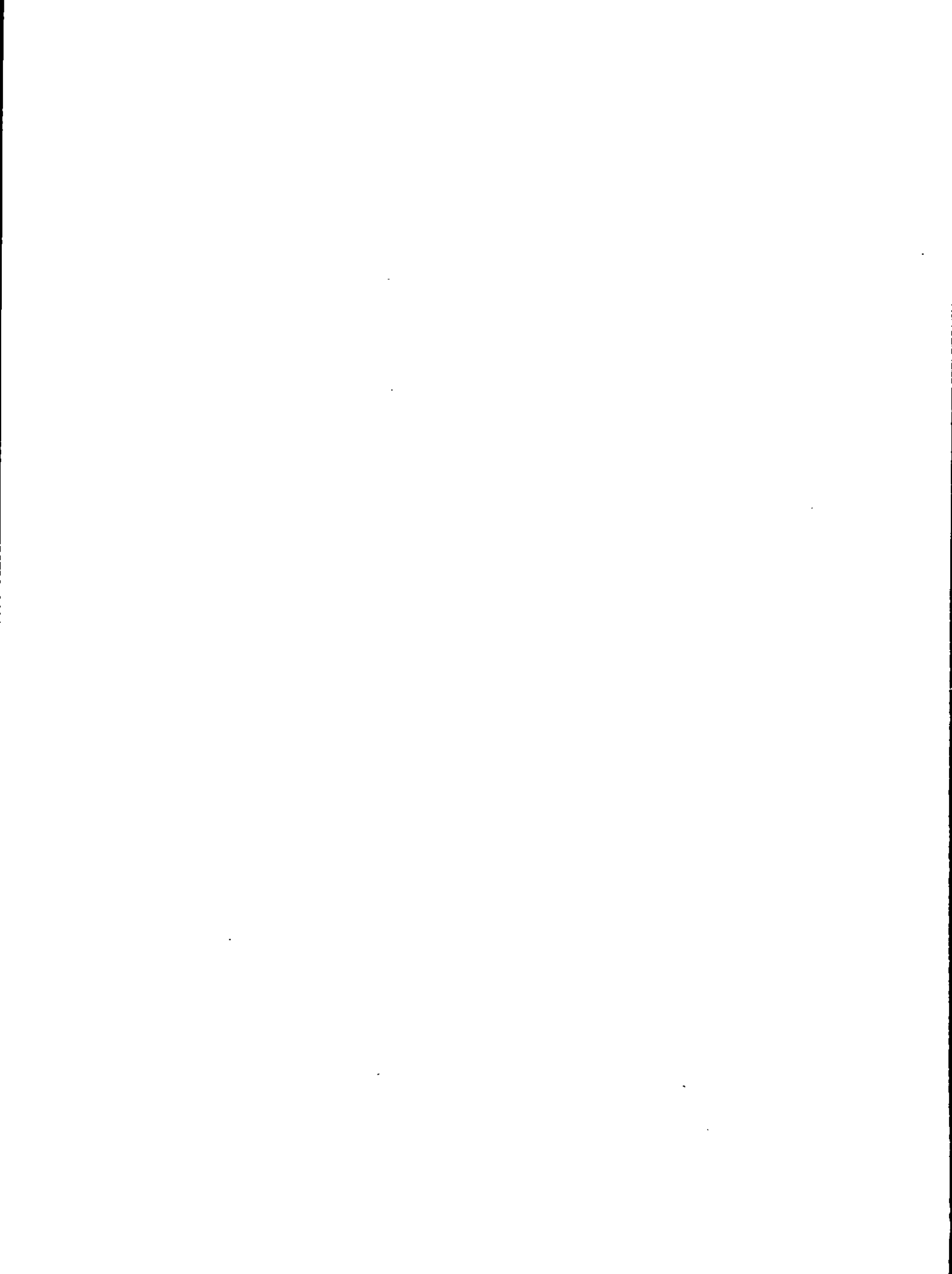
No. of members 50  
Gross/yr. \$180,000  
No. of employees 10

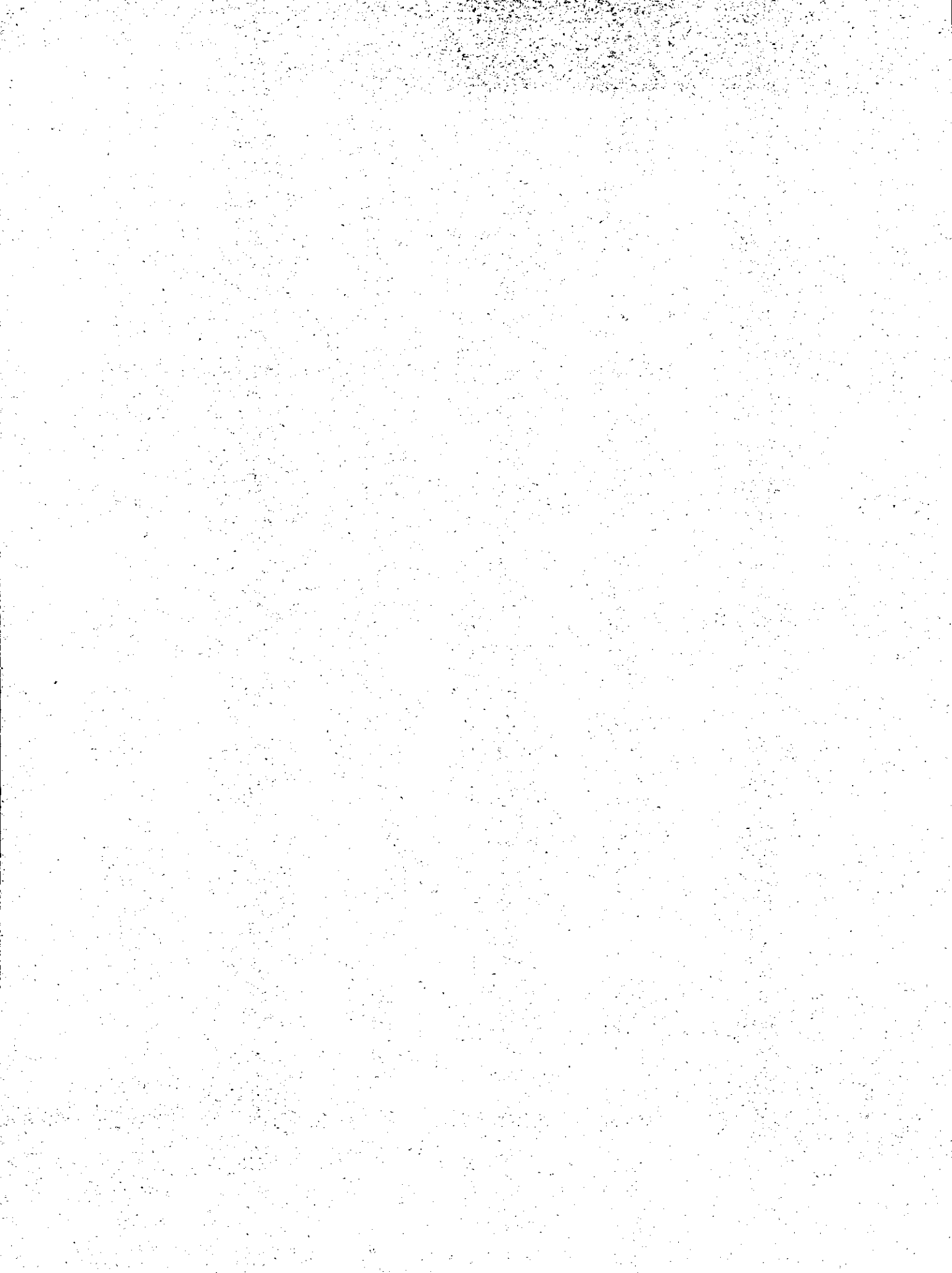
No. of members 200  
No. of employees 13

Non-member collective  
No. of employees 16









## ABOUT THE CENTER FOR COOPERATIVES

The Center for Cooperatives was established by the California Legislature in 1987 as a Center in support of research, education, and extension activities to advance the body of knowledge concerning cooperatives in general and address the needs of California's agricultural and nonagricultural cooperatives.

The Center's objectives are to promote:

- o **EDUCATION:** The Center offers formal and informal educational programs to those involved in cooperative management and develops teaching materials for all levels of interest.
- o **RESEARCH:** To help the state's cooperatives reach their objectives, research is conducted on economic, social, and technical developments. Practical aspects of this research are the provision of competitive research grants and conducting studies for government agencies on how cooperatives can help achieve public policy objectives.
- o **OUTREACH:** The Center informs the public on cooperatives and their significance to the economy of California.

The Center is a University-wide academic unit. Its teaching and research resources are drawn from expert professionals at all University of California and state university campuses, other colleges and universities, and sources indigenous to the cooperative business community.

The Center has established an endowment fund to receive gifts and contributions from the public, foundations, cooperatives, and other sources.

For more information about the Center or its programs and publications, call 916-752-2408 or FAX 916-752-5451 or write to: the Center for Cooperatives, University of California, Davis, CA 95616.