

# Courageous Evolution: Co-ops Gather at CCMA in Portland, Oregon

BY DAVE GUTKNECHT

**A**t the end of May and the onset of June, a spirited crowd of 425 food co-op managers, directors, trainers, and allies met in Portland, Oregon, for three days of intensive presentations and discussions on the state of the food co-op sector. A unique, big-tent gathering of cooperators, the CCMA (Consumer Cooperative Management Association) brings together this lively network of veterans and new faces to learn from each other and from leading voices inside and outside co-ops. This year's theme, "Courageous Evolution: Strategies for Strong Co-ops and Communities," reflected on an increasingly challenging retail grocery market as well as threats to systems essential for healthy food and thriving communities.

The scenic Columbia Valley surrounds were colorful and cool, and "keep it weird" Portland offered endless variety in outdoor, cultural, and culinary attractions. Local co-ops—Food Front, People's Food Co-op, and Alberta Cooperative Grocer—provided logistical support and guides to the territory. Busloads of conference attendees plus a bicycling group tour visited these co-op stores and many other local projects, including food hubs, a large grocery competitor, a restoration nonprofit, urban gardens, a brew pub, bike repair shop, and worker-owned allies Equal Exchange and Organically Grown Company.

Annually rotating the CCMA location helps generate a large number of first-time attendees, along with many veterans from a large family of food co-ops and their close organizational allies. CCMA participants themselves are increasingly diverse, with ages ranging from under 30 years to over 70 (plus at least two infants), overall gender balance, and a growing number of people of color.

Program breakouts included sessions focused on training for cultural competency and building diversity within co-op boards and staff. Five additional tracks in a full program comprised some 30 options and offered substantial fare, including sessions on service excellence and coaching, living wage and pricing strategy, capital campaigns and financing options, expanding the co-op to new communities, and much more. Food co-op board members, the largest contingent among attendees, benefited from these topics as well as a track on specific governance issues. And everyone in this busy national community enjoyed added networking over meals, at receptions, and in the corridors.



## C.E. Pugh and Elizabeth Pontefract

Two opening plenary speakers ("C.E. and E.P.") presented vivid co-op sector highlights: first an overview from the National Co-op Grocers (NCG), followed by background to strategic differentiation at PCC Community Markets. NCG is dealing with the intense market competition for its member co-ops, while the Seattle co-op is planning aggressive expansion into additional stores.

At National Co-op Grocers, C.E. Pugh is the interim chief executive officer for a large staff providing technical and purchasing services and more. His presentation illustrated trends among 145 NCG member co-ops, which operate over 200 stores. Its current campaign, "Putting the Customer First,"

attempts to reinforce a slight market rebound among its retail co-op members. (Elsewhere in this CG issue, NCG reports on its member co-op Sustainability Stars.)

Overall, NCG sales had leveled and begun declining five years ago and continued to do so until 2016. The 2017 period showed improvement overall, and 70 percent of NCG members reported sales growth. But individual co-op store sales trends ranged from a 50 percent decline to a 100 percent gain.

In another stark reminder of changed conditions, Pugh stated that seven NCG member co-ops had closed during the previous 18 months. Food co-op transitions and challenges are also indicated by high turnover among general managers. During the previous two years, nearly half of NCG member co-ops experienced turnover in that key position, and NCG itself now has a new top leader.

Next, the conference crowd heard about the evolution and strong market position of our largest consumer food co-op. Elizabeth Pontefract, vice president of finance and strategy at PCC Community Markets in Seattle ([pccmarkets.com](http://pccmarkets.com)), illustrated key points in its remarkable history. Although PCC opened its first store in 1961, it did not reach \$2 million in annual sales until 1976. PCC members debated vigorously for years before expanding the co-op to a second store in 1978. Its store "coordinators" were succeeded by the first PCC general manager in 1982.

During the 1980s and later decades, in a thriving urban and natural foods market, the co-op grew steadily, self-financing one new store after another. PCC has been a leader in food education and

supporting local producers; it launched a nonprofit trust to protect organic farmland and contributes to campaigns for organic integrity and GMO labeling; provides hundreds of good, union-supported jobs; and builds stores to LEED standards at a minimum. Today, PCC Community Markets has tens of thousands of owners, a few hundred million dollars in annual sales, and operates 11 stores while boldly planning to open five more in the next four years.

Despite the significant differences of scale between PCC and the other food co-ops represented in the audience, many of the issues Pontefract mentioned were familiar: local product sourcing; tightening up store efficiencies at all points; bringing everyone in the co-op along—owners, staff, board, producers—when defining a new direction; and rethinking the co-op’s brand (PCC rebranding also was discussed in a separate conference session and reported in CG193).

### Food and capitalism

Eric Holt-Gimenez, the final day’s plenary speaker, has been the executive director of Food First since 2006; his most recent book is *A Foodie’s Guide to Capitalism*. (Find numerous excellent resources at [foodfirst.org](http://foodfirst.org).) Holt-Gimenez delivered an overview of the historic struggle within capitalism to extend fairness to the public realm through cooperatives and political movements. He traced today’s global nightmare of inequality and widespread food insecurity, especially after WW2—the explosives converted to chemical fertilizer, the global spread of mechanization and tractors, and debt-financed overproduction from the very problematic Green Revolution. Food insecurity is growing in the U.S. as well, especially among black and brown communities, who also provide most of the food sector workforce.

If we want to change the food system, said Holt-Gimenez, co-ops and others must understand capitalism. We must oppose further loss of the public sphere, a realm based centrally on addressing the needs of the entire society. The classic capitalist historical pattern is economic “liberalization” generating social abuses by the wealthy, followed by a reformist period, then gradually reverting to liberalization and more class abuse: two sides of the same system.

Holt-Gimenez noted that the disastrous Trump administration is but a continuation of many years of official policies and practices. Today, we need a stronger counter-movement, unifying progressives and radicals: “courageous evolution” to prevent devolution and the worsening of social disorder.

### Sponsors and allies

CCMA is organized and presented by UWCC, the University of Wisconsin Center for Cooperatives ([uwcc.wisc.edu](http://uwcc.wisc.edu)), since 1962 a source of research, education, and outreach for cooperatives of all kinds. The CCMA conference is strongly supported by a large array of allies led by several national cooperatives: CoBank, National Co-op Bank, National Co+op Grocers, National Cooperative Business



Association, and Organic Valley. In addition, three other sponsors, 12 exhibitors, and 4 co-op friends also contributed to this big-tent event for food co-ops. (See page 14 for a full listing of CCMA supporters.)

Deep social ties and professional sharing make CCMA an outstanding value for both the many newcomers and veteran managers, allies, and trainers. UWCC planners Megan Webster and Courtney Berner, aided by staff and volunteers from across the country, created a program dense with resources and learning opportunities.

The value of conference presentations was enhanced by the subsequent online posting by the UWCC staff, shared with all conference attendees, of the presentations from most of the breakout sessions and speakers. These presentations, supplemented with additional materials from the presenters, will also be available to CGN member co-ops at [grocer.coop](http://grocer.coop).

## A Cooperative Moment

We are in a cooperative moment: a time when people look to cooperatives as a solution to economic and societal challenges, and a time when many people feel disconnected from their economy and society. The challenges are familiar: the changing nature of work, increasing inequality, climate change, accelerating information technology that many times does not serve people, and a society that in some ways is deeply divided. With confidence in institutions at historic lows—whether government, journalism or business institutions—people are looking for new ways to address the challenges they face.

— Doug O'Brien, president and CEO of National Cooperative Business Association, at the 2018 annual meeting

## CCMA 2018 Sponsors

### Silver sponsor

CoBank

### Star sponsors

CDS Consulting Co-op  
 National Cooperative Bank  
 National Co+op Grocers  
 National Cooperative Business Association  
 Organic Valley Cooperative

### Supporting sponsors

Cooperative Development Foundation  
 Intertribal Agriculture Council  
 SimplyVoting

### Exhibitors

Capital Impact Partners  
 Cooperative Foundation  
 Cooperative Grocer Network  
 Dorsey-Whitney  
 Food Co-op Initiative  
 Frontier Co-op  
 Local Enterprise Assistance Fund  
 Pachamama Coffee Cooperative  
 Shared Capital Cooperative  
 Wegner CPAs  
 Rosie  
 Saint Mary's University Co-operative Management Education

### Friends of CCMA

Cabot Creamery  
 Cooperative Fund of New England  
 Equal Exchange  
 Organically Grown Company


## Milestones and new co-ops

Each year at CCMA we honor our legacy of consumer food cooperatives by announcing the names of those co-ops that have reached a 10-year milestone. The 2018 milestones ranged in age from 10 to 110 years:

- 1908:** Dillonvale Co-op (Dillonvale, Ohio)
  - 1938:** Greenbelt Co-op (Greenbelt, Maryland)  
 Regent Consumers Co-op (Regent, North Dakota)
  - 1978:** Central Co-op (Seattle, Washington)  
 Rising Tide Co-op (Damariscotta, Maine)  
 River Market Community Co-op (Stillwater, Minnesota)  
 Winooski Valley Co-op (Plainfield, Vermont)
  - 1988:** Weaver Street Market (Carrboro, North Carolina)
  - 2008:** Fiddleheads Food Co-op (New London, Connecticut)  
 The Lakes Community Co-op (Stone Lakes, Wisconsin)
  - 2018:** First-year milestones include 10 food co-ops that opened their doors since CCMA 2017
- For profiles of new co-ops, see the accompanying report from Food Co-op Initiative*








Bianca Mendoza of the Intertribal Agriculture Council at CCMA. The Intertribal Agriculture Council promotes the conservation and development of Native American food products, available for sale in food co-ops. Learn more at [indianaglink.com](http://indianaglink.com)



# PACHAMAMA

- COFFEE COOPERATIVE -

At Pachamama Coffee,  
 the farmers own the cooperative.  
 This means better coffee for you and  
 a higher quality of life for family  
 farmers around the world.

[www.pacha.coop/ownership](http://www.pacha.coop/ownership)

**100% FARMER-OWNED**