

COMMENTS OF RUSTY SIVILS TO THE FBFC BOARD, NOV. 20, 2014

I would like to reiterate my comment last month that the term “members” of the Co-op conveys a better sense of belonging and participation than the term “owners”. I understand that Co-op is legally organized as a shareholder corporation, and that a sense of ownership is an important aspect of being a Co-op member, (and that this would be even more true if our members were accorded the rights of ownership, for instance making decisions for the Co-op.) For me, the term “members” seems more in tune with the cooperative spirit of a group of people working together. I will use the terms interchangeably, as seems appropriate.

I had a conversation recently with Cicada Brokaw and he corroborated my memory that the two ballot questions passed by the owners in 2007 were the last time the members have been asked to decide anything other than electing board members and occasional bylaws changes. Democratic governance should be the bedrock of any cooperative, but at the FBFC we have a situation where the only questions the members have decided in the last 14 or so years had to be forced onto the ballot by a petition of owners, and when they were passed by the owners the Board refused to carry them out. This is not just a breakdown or neglect of democratic governance, this is an active suppression of democracy in our co-op. The second of the International Cooperative Principles states that a cooperative shall be governed by its members who will set its policies and make its decisions through a democratic process. This is fundamental to what it means to be a cooperative. A cooperative is not just a store, it is a democratic community. We have this dismissive disregard of the members at the FBFC because the staff, boards and managements of the past had developed a great sense of entitlement, that this was “their” co-op, and only they were smart enough to make decisions for it. At one point, when there was a proposal to let the owners decide, through the ballot, whether to sell meat, about a dozen staff came to the board meeting to object strongly. As one of them said, “It would be irresponsible for the Board to allow the owners to decide this question, because the owners are apathetic and uninformed, and might not make the best choice for the store.” For this staff member, it was not a cooperative, it was a store, and it was *her* store. If the members are apathetic and uninformed, they should be educated and given reasons to care about the co-op.

My friend David Wheeler has encouraged me to be positive rather than just pointing out the Co-op’s flaws, and the Bible tells us that it’s better to light one candle than to curse the darkness, so I would like to light a candle now by discussing the idea of setting aside one percent of the Co-op’s gross sales to be given to local non-profit groups, which I feel would be tremendously beneficial to the Co-op in a number of ways. First of all it would give our members a sense of empowerment and participation because the recipient groups would be nominated by members and would be selected by a vote of the members. This program has been very successful at the long distance telephone company CREDO. For years they have awarded millions of dollars each year to national non-profit groups nominated by their customers, and selected by a vote of their customers, with the money awarded according to the proportion of votes each group received.

Such a program would also be worth its weight in gold in good public relations for the Co-op because the awards would be publicly announced and celebrated each year, and all the members and

supporters of the recipient groups would be keenly aware of the Co-op's generosity. It would build valuable alliances between the Co-op and other civic sectors. And apparently the Co-op could easily afford it since Kelly commented at the September board meeting that the Co-op is already giving away more than one per-cent to local groups. The difference with an official one-percent program would be that the recipient groups and the Co-op both would benefit from the good public relations that would come with these awards.

But the greatest benefit of such a program in my view would be the sense of participation and power that our members would feel as they nominated and selected the recipient groups. Our members would feel that they owned this program of civic philanthropy, thus lending greater meaning and excitement to their membership in the Co-op. In fact, not just our members but all of our shoppers would be excited by knowing that they were supporting local non-profit groups whenever they shopped at the Co-op. And this program would make the Co-op unique among grocery stores, or any stores, since none of our competitors could emulate it, because they don't have a membership base that could do the nominating and voting on the recipient groups. Only the Co-op is in a position to do this.

Our mission statement says that the Co-op should be a transformative force in the community. What better way to be a transformative force in the community than to actually give concrete aid to the community. Are we doing anything else that is making us a transformative force in the community?

Even if we were nothing but a business that cared only about making a profit, this idea should be a no brainer just as a business strategy alone.

The Board could put this program in place, but in my view it would be preferable for the Board to put the proposal before the members as a ballot question and let them decide whether to adopt it, because it would be a meaningful exercise in democratic governance, and, if it passed, it would already have a lot of buy-in before it began.

I would be happy to discuss this further with any of you. You can reach me at 242-6073.