

# Starting A Farmers' Marketing Co-operative

Joy Emmanuel

Turning Times Research &  
Consulting



## Starting a Farmers' Marketing Co-op

- ▶ What is a Co-op?
  - ▶ Types of Co-ops
  - ▶ Farmer Marketing Co-ops - Some Examples
  - ▶ Getting Started
- 
- ▶ Launch: *A Guide to Starting a Farmers' Marketing Co-op*

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a viable model for achieving common goals through:

- ▶ Sharing decision-making
- ▶ Sharing responsibilities
- ▶ Sharing resources.

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- a values based business model,
- a viable model for achieving common goals, and



a business option  
for meeting  
common needs  
while sharing  
risks and  
rewards.



The co-op model has been adapted and used in many ways





# Marketing Co-ops



A co-operative business structure adopted to facilitate the sale of products or services produced by its members.

- Arts and crafts
- Finished wood products
- Eco-tourism services
- Agricultural products

# Example 1: A Worker Co-op Model

WHO?

Individual  
farmers coming  
together



- ▶ Individuals who are growers
- ▶ Likely no private ownership of land - must lease, rent or access in other way
- ▶ Have skills, knowledge, experience, and desire to farm
- ▶ Limited capital resources or needs
- ▶ Each member subscribes to a minimum of one share in the co-op

# Separate Farmers - WHY?

Purpose - A group of people come together to:

- ▶ Grow food
- ▶ Sell - market - their produce together
- ▶ Provide work/income to support grower-members
- ▶ Able to meet personal goals through collective process



# Separate Farmers

## - HOW?

- ▶ Lease or rent land
- ▶ Incorporate as a single business  
- a co-op
- ▶ All contribute to growing produce ... plan and divide work load
- ▶ Income from sales goes through co-op back to growers (wages/surplus)
- ▶ Business expenses paid by co-op.



## Example 2: A Producers' Co-op Model

### WHO?

### Separate Farm Businesses

- Farmers who own and operate their own farm business
- Own, rent or lease land to operate their business
- Multiple farm businesses come together
- May sell their produce through multiple channels - through the co-op or on their own



# Separate Farm Businesses - WHY?

- ▶ To grow food
- ▶ To sell produce together
- ▶ To support and expand their own farm business and livelihood
- ▶ See benefits to collective marketing



## Separate Farm Businesses - HOW?

- ▶ Separate farm business plans
- ▶ Incorporate a marketing co-op
- ▶ Share equipment / resources; co-op purchases some
- ▶ Do cooperative crop planning
- ▶ Divide tasks and work load
- ▶ Sell under co-op business
- ▶ May have multiple markets
- ▶ Co-op income distributed
- ▶ Co-op pays business expenses



# Things to Consider

## BENEFITS

- ▶ Shared knowledge
- ▶ Shared resources
- ▶ Shared workload
- ▶ Shared costs
- ▶ Access to bigger market
- ▶ Focus on farming
- ▶ Increased opportunities

## CHALLENGES

- ▶ Meeting a wide variety of needs through one co-op
- ▶ Cultural shift from control to cooperation
- ▶ Differences in resources too great
- ▶ Livelihoods intertwined



# Getting Started - Five Levels of Care

## 1. Find your Co-op Cluster

- ▶ Need minimum of 3 people
- ▶ Common needs/interests
- ▶ Shared vision of how to meet those needs/desires



## 2. Developing a Practical Plan

- Sketch out a detailed plan (feasibility study, business plan)
- What resources? skills? expertise? Interests? Strengths?
- Where is the market? Criteria. Health Regulations.
- How will you work together?



### 3. Develop your Co-op Organization / Business

- ▶ Incorporate co-op
- ▶ Governance:
  - Collective decision making
  - Management decisions
  - Co-operative practices
  - Conflict



## 4. Member Engagement

- Feel a sense of ownership
- Involved and contributing
- Meeting members needs
- Meeting broader values / community benefits

*“We ask growers to volunteer time for the co-operative - we each take on at least one of the market outlets and do a lot of collective crop planning in the winter.”*

## 5. Cultivating A Co-operative Culture

*“Communication is absolutely key. Consensus takes time, patience, and good communication.”*



# Keys to Success

1. Clearly define Business Focus.
2. Do Business / Farm Plan.
3. Develop sound Business Policies and Practices.
4. Clarify Roles and Responsibilities. Document all Agreements
5. Encourage Strong Member Commitment
6. Ensure consistent Quality Control Standards
7. Embrace ongoing Co-op Education.
8. Connect with other Co-ops

Joy Emmanuel  
joy.turningtimes@gmail.com

**Thank you!**  
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