

Remaking the Economy

December 17, 2019

Steve Dubb, Nonprofit Quarterly Sohnie Black, Fund for Democratic Communities Roodline Volcy, Democracy at Work Institute, former RCC Board Chair Ed Whitfield, Fund for Democratic Communities



image courtesy of artist Heather Goodwind



#RebuildTheEconomy



Anatomy of a Failed Coop:

Lessons from Greensboro's Renaissance Community Cooperative

The RCC Vision

 A vehicle for the community to come together to meet their need for fresh, healthy, affordable food

 A place where community members would have good jobs

 An example of the community's capacity to do-for-itself



The RCC Reality



Despite:

- years of planning, organizing and fundraising
- attracting over 1000 owners and support from local government
- a well-attended Grand
 Opening
- being the best job many employees said they had ever had ...

After 2+ years, RCC had to close its doors due to insufficient sales

Reasons for failure? 2 C's and 3 M's

- Corporate Competition
- Capacity
 - Management
 - Marketing
 - Movement Building



Corporate Competition Challenges



- Proliferation of Dollar Stores
- Market domination by Walmart and similar retail giants
- 3. Deeply entrenched shopping habits built around (1) and (2)



Capacity Challenges



- Difficulty in closing a general skills gap
- Difficulty finding
 General Managers with
 the hard and soft skills
 to manage a store in a
 black, working-class
 neighborhood



Management Woes

- Dearth of skilled GMs is an industry-wide problem
- GMs must combine understanding of socio-cultural factors common in marginalized communities, and connect these to
 - staffing and training
 - product selection
 - pricing
 - merchandising
 - marketing

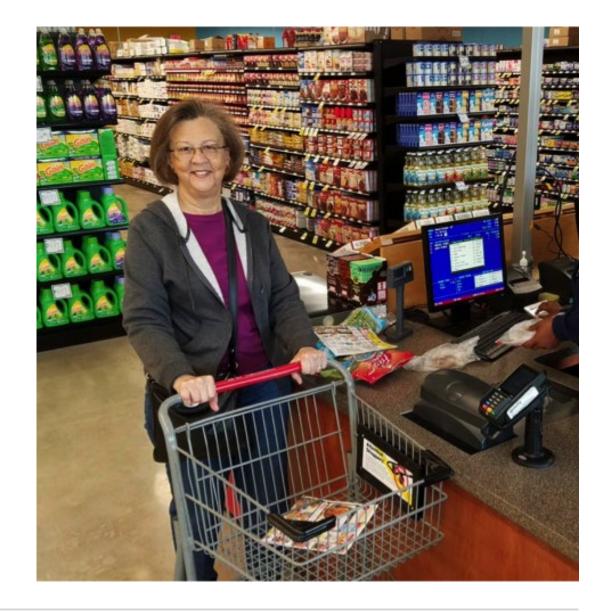


Marketing Fallacies

- "If we build it, they will come."
- "This community has no other choice."
- "All this free publicity, we don't need to market."

Reality

We needed a context specific marketing plan and the capacity to execute it – to **recapture** the market



The Need for Strong Movement-Building



We needed to create a movement!

 RCC was unable to compete solely on price, location, and convenience.

 People needed to additional reasons to shop there.



How We Lost Our Movement

- We began with a broadly held understanding about mutual aid and equity
- Unfortunately, when the store opened, we began to act simply as a business.
- The spirit of self determination and deep democracy got lost.





Lessons Learned: Keys to Sustainability

- Organize, organize, and never stop
 - You can build a genuine movement, your competition cannot
- Don't underestimate your competition
 - Build that awareness into your marketing and movement building
- Find and develop skilled management who will keep learning
 - Support them in acquiring the additional skills they will need
- Build in time/opportunity for ongoing training of staff

Thank you for joining us!

Nonprofit Quarterly relies on your generous support. If you enjoyed this webinar, please consider donating today.

For a limited time, the John R. Oishei Foundation will match your gift up to \$7,500. Please go to the link below to help us take advantage of this matching campaign!

http://bit.ly/2qkhluu



