

# Remaking the Economy

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**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*



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**#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



1. Proliferation of Dollar Stores
2. 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, 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!

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