Remaking the Economy

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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

- RCC was unable to compete solely on price, location, and convenience.
- People needed to additional reasons to shop there.

We needed to create a movement!
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
  o You can build a genuine movement, your competition cannot

• Don’t underestimate your competition
  o Build that awareness into your marketing and movement building

• Find and develop skilled management who will keep learning
  o Support them in acquiring the additional skills they will need

• Build in time/opportunity for ongoing training of staff
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