# ÉPICERIE COOP GROCERY MOONBEAM





C.P. 309 - 85, Highway 11 East, Moonbeam, Ontario POL 1V0 Canada Phone: (705)-367-2163

Email:https://www.moonbeamcoop.com/contact-us(online form)Website:Https://www.moonbeamcoop.com/contact-usFacebook:https://www.facebook.com/coop.moonbeam?fref=ts

### CONVERSION TYPE

 $\cdot\,$  For-profit to co-operative conversion: Sole proprietorship to consumer co-operative

### SECTOR

· Grocery

### SUPPORTED BY

- · Moonbeam municipal government
- . Conseil de la coopération de l'Ontario (CCO)
- . Sobey's, grocery supplier
- . Alliance des caisses populaires de l'Ontario
- . In-kind legal and financial work by Board members

### COMMUNITY IMPACTS AND BENEFITS

- Safeguarding of the local grocery store, which the local population considered to be a key economic and social hub an anchor institution.
- Residents mobilized to avoid economic decline and ensure food security.
- . Residents, especially those in high-risk groups, did not need to travel outside of their community during the Covid-19 pandemic for grocery shopping.

# **Timeline of Conversion**

- The owner of the only grocery store in the small Northern Ontario town of Moonbeam announced that he would close the business unless he found a suitable buyer by August 2012.
- A group of local residents widely felt that their grocery story was vital to the livelihood and social health of the town.

- With the help of a \$5,000 grant from the local municipality, this group quickly moved to explore the feasibility of forming a consumer co-operative to purchase the grocery store.
- The efforts were greatly supported by Gilbert Peters, an influential local figure and municipal councillor, and the Conseil de la coopération de l'Ontario (CCO), the province's apex Francophone co-operative association.
- Through their commendable efforts and the community coming together around the cause, the group raised \$330,000, \$40,000 over their initial target, within the short time frame of three months.
- Key legal and financial services were provided pro-bono by members of the Board of Directors.
- Épicerie Coop Grocery Moonbeam took possession of the local grocery store on June 7, 2013.
- As of late 2020, the co-operative had over 800 members and was looking to purchase a larger building to expand its operations.

## **Key Lessons From Conversion**

- Co-operative conversions, if deemed feasible, could be employed by rural communities in safeguarding their anchor institutions and thereby avoiding economic decline and ensuring food security.
- The community of Moonbeam has a history of mobilizing to safeguard essential institutions and services, such as the provincial park and the local ski hill, through converting them into non-profit entities. The expertise and momentum gained by these previous endeavours greatly helped making Épicerie Coop Moonbeam a reality.
- With the nearest grocery store 25 kilometers away in a larger town, the residents of Moonbeam noted that the Covid-19 pandemic made the conversion even more valuable and appreciated.
- The support of influential local figures, such as municipal councillor Gilbert Peters, has been instrumental in the group gaining legitimacy and ultimately the commitment of the broader community.

• The pro-bono contributions of legal and financial professionals on the Board of Directors were pivotal to the conversion process. Communities without access to individuals with relevant expertise might need to procure such services, thereby hampering the financial feasibility of the conversion.

### **Key Challenges and Responses**

### CHALLENGE

#### RESPONSE

A key challenge for the co-operative is board succession: the Board of Directors is facing the imminent completion of the terms of some of its members that possess key skills and expertise. The co-operative is facing difficulties in recruiting individuals with matching skills and dedication to the Board. Board succession is a common issue with co-operatives moving through their lifecycle and is no-less important for co-operatives created from conversion. One solution the co-operative found against this loss of expertise has been the hiring of an experienced store manager with the ability to manage inventory and provide leadership to the employees.

The co-operative continues to find it difficult to change the shopping habits of local residents who prefer the large grocery store chain in Kapuskasing, a town 25 kilometers from Moonbeam. In response to this challenge, the co-operative is aiming to purchase a larger building and expand its inventory.

The co-operative also differentiates itself from supermarkets and big chain stores through showcasing local products and producers.



Members of the co-operative on the day the purchase of the store was completed. source: Local Food and Farm