KINCARDINE LADIES FITNESS CO-OPERATIVE





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-ladies%E2%80%99-fitness-co-op/1459239344120924/

CONVERSION TYPE

· For-profit to co-operative conversion: from sole proprietorship to member-owned co-operative

SECTOR

· Fitness

SUPPORTED BY

- · The Co-operators
- · Previous owner

COMMUNITY IMPACTS AND BENEFITS

- · Ongoing provision fitness services in community
- · Local non-profit co-op so dollars kept in local economy

Timeline of Conversion

- Curves Franchise opens in Kincardine, ON in mid-2000s.
- Curves Kincardine operates until 2013 when the owner starts to feel economic pressure from the franchise headquarters' new strategic plan and an increase in rent.
- Original Curves owner sells to a new owner, who tries to run it for about 8 months.
- In 2014 the new owner closes Curves.
- Gym members decide to explore using the co-operative model to reopen their gym reopen using the co-operative model.
- Founders organize membership drive, create a budget, incorporate as a co-op, relocate to a new building.

- Sept 15, 2015, Kincardine Ladies Fitness Co-operative opens.
- Successful operations with some membership ups and downs.
- March 2020 COVID-19 sweeps the globe, Kincardine Ladies Fitness Co-op responds to provincial protocols including closing and opening with new health and safety procedures in place.

Key Lessons From Conversion

From a multinational franchise to local non-profit co-op:

Sometimes big is just big and not better and in this case it did not fit the needs of local, rural residents. The conversion to a co-op model has meant better services and better business by responding and adapting more directly and effectively to the needs of members. As one member stated, "Now I feel a lot more committed. Previously if I stopped going, it wasn't a big deal. Now I couldn't quit!. How can I quit? I would be quitting on myself."

New business design:

It works because they had the ability to design the co-op to be economically sustainable and to be a nimble and responsive organization, again responsive to the needs of members. It is a small gym with no employees and so therefore no salaries. They can keep the costs down and plan membership fees accordingly, and no one is looking to take a personal profit out of the business. "People have taken ownership of it because they are owners."

Supportive former owner:

"We are so fortunate to have the previous owner. We couldn't have thought to do this without her." Resoundingly, members recognize the role the previous owner played in supporting them to convert to a co-op. Although she did not join the co-op, she was instrumental in giving the core group confidence to pursue the co-op idea and in supporting them financially and technically.

Deliver exactly what the membership want:

With the co-op model they are able to deliver services (workouts) exactly tuned into the members' needs. Flexibility is appreciated and built into the design of delivering what members want.

Key Challenges and Responses

One of the successes of Kincardine Ladies Fitness Co-op is the ability to deliver exactly what members want. Because it is co-owned, operated, managed and governed by its members, they know exactly what members want and are able to deliver this. Where previously the franchise and private business were able to provide clients with services (workouts) that generally met their clients' needs, now the co-op is able to flex, be nimble, adapt to members' wants and needs. They wanted treadmills, stationary bikes and group workouts, so they made it happen for their members. The co-op has also been able to stay dedicated to their membership niche - 55 plus, women-only, quick workout - thus delivering specialized services that differentiate the co-op from other gyms. Moreover, they have been able to offer flexible memberships to the Snowbirder, the Golfer and the Cottager, which most gyms will not allow clients to do. This is important in a town with many other gyms to compete with for members.

While many members feel like the co-op is just like any other business in the community, clearly, its impact is felt from the work that members do in and for the community. Members are already people deeply involved in the community and they bring this civic-mindedness to the co-op to work together. The co-op has been able to support many community organizations i.e., Multiple Sclerosis society, Alzheimer's association, the Christmas Hamper, and the trail association.

There are some challenges that have been overcome, others that continue to plague the co-op, and others that are emerging. The volunteer trainers' time has been taxed, but not their good will. Taking time to train each new member on the machines is time-consuming but worth it if they continue to be a member. If they do not, it is disappointing. Solutions to promoting ongoing membership and also recognising trainers' time have been implemented effectively.

There are some succession planning issues for the Board. The leadership of the co-op has been in place since the start and they continue to be strong; however, as they tire or want to do other activities, new people will have to step up into those leadership positions. A succession plan for Board members is an enduring challenge for the co-op.

Membership recruitment is also a challenge. The co-op is able to pay its expenses because of good fiscal management; yet, there are fewer new members joining the co-op. While the co-op does not generally lose members because they are unhappy, they terminate their membership because they moved, are sick, or, especially with this demographic, die.

Membership with this gym means "people need to be committed to health and fitness and to the co-op."

An additional challenge at this time, is managing the co-op during the COVID pandemic. Due to the many different protocol changes and a complete shut down for four months, the Board is concerned about membership numbers and their ability to continue to pay all of their expenses. While at the gym members are being safe, wearing masks, and doing the necessary cleaning, there are members who worry about the ability to physical distance in a gym.



Co-op members in front of their gym. source: Canada's Emerging Co-operators Facebook Page