ARON THEATRE CO-OPERATIVE





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CONVERSION TYPE

• For-profit to co-operative conversion: Sole proprietorship to non-profit consumer co-operative

SECTOR

· Entertainment

SUPPORTED BY

- The Co-operative Development Initiative (CDI) Innovative CooperativeProjects" (ICP)
- · Campbellford / Seymour Community Foundation
- · Community Bonds

COMMUNITY IMPACTS AND BENEFITS

- · Preservation of a major anchor business in Campbellford's downtown
- · Large community involvement and investment in the co-op
- $\cdot\,$ Dozens of jobs and much volunteer work experience for the community

Timeline of Conversion

- Through the 1990s and 2000s, Aron Theatre continued a difficult existence.
- In 2009, the owner of the Aron Theatre decided to shut the theatre down.
- Russ Christianson conducted a feasibility study and prepared a business plan to buy the theatre from Paul Imperial, the then owner.

- Russ called for a community meeting on November 18, 2010 to propose salvaging the theatre as a community owned cooperative.
- Aron Theatre Co-operative Inc. was formally registered and incorporated as a nonshare consumer co-operative on June 30, 2010.

Key Lessons From Conversion

- Community Driven: The Aron Theatre conversion was community driven. The community of Campbellford was the primary force driving the execution of the conversion of this anchor business, and to the continued success of the co-operative.
- Knowledge as a Key Enabler: Campbellford has been home to a successful co-operative for over a century and the people of the town were aware of the co-operative model. That, along with recognition of the social and cultural value of the theatre and the economic fallouts of its closure,



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were key knowledge drivers that motivated people of the town to participate in the conversion process.

- **Cooperative Developer**: It was local co-op developer Russ Christianson's initial idea to rescue the theatre by converting it to a community co-operative. His knowledge of the co-operative business model and the conversion process were critical to the successful conversion of Aron Theatre into a co-operative.
- Unlocking Local Capital: Well over half of the \$234,940 conversion bill was funded by the Campbellford community in the form of membership fees, Aron Community Bond purchases, and from a substantial contribution from the Campbellford/Seymour

Community Foundation. Local capital remains a significant component of Aron Theatre's working capital.

Much More than a Business: The converted Aron Theatre Co-operative has lent a sense of ownership and pride to the community. Aron is an example of community ownership and local capital preserving a community institution against all odds.

Key Challenges and Responses

CHALLENGE

RESPONSE

logic, Aron Theatre was doomed. It sense located in a community that was technology, upkeep and partnerships. losing spectators to other regional megaplexes. There seemed to be no logical reason for it to continue.

Unfavourable Business Arithmetic: The community responded by transforming Going by the conventional business themselves from customers to owners. The of ownership and pride drove was an obsolete analog theatre with involvement and patronage. This then led to an owner wishing to retire, and revitalization of the facility in terms of

of erosion of member engagement, the competitive content of the rapidly expanding home entertainment and cultivating streaming media sectors.

Continuing Community Engagement: The Aron Theatre Co-operative continues to Apart from combating the normal rate remain a viable business. The co-operative has been able to repulse the natural erosion of the single screen theater had to face member engagement and a fast-changing entertainment market by deliberately deep relationships with the community. This was accomplished by having a well-articulated strategy that steered outreach, communication, and member engagement.



source: <u>www.arontheatre.com</u>