

GLITTER BEAN CAFE CO-OPERATIVE LTD.



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CONVERSION TYPE

- For-profit to co-operative conversion: Sole proprietorship to worker-owned co-operative

SECTOR

- Food Services

SUPPORTED BY

- JustUs! Coffee Roasters Co-op
- Service Employees International Union (SEIU)

COMMUNITY IMPACTS AND BENEFITS

- 5 jobs saved and 1 new job created
- The Glitter Bean conversion saved the only safer space for under-age and sober LGBTQ2+ people in the city of Halifax,
- Worker-owners of Glitter Bean feel empowered to pursue their social and economic missions, especially in the light of challenges LGBTQ2+ people experience in the labour market

Timeline of Conversion

- The conversion was realized by a group of baristas who had been experiencing labour dispute issues with two previous owners of the café between 2010-2018.
- In the early years of the decade, the baristas ran a successful unionization drive and became members of Service Employees International Union (SEIU) in March 2013.
- The café was then sold to a company called Hebron Hospitality Group in 2016, which renamed the café as Smiling Goat and repeatedly failed to pay the baristas' wages.

- It is at this stage, in 2017, that the baristas began considering conversion to a co-operative as a serious option for taking over the ownership of the café. But the closure of Smiling Goat in April 2018 and the advice and support of their union SEIU and Just Us! Coffee Roasters Co-operative made them finally decide to go ahead with the conversion.
- 90 percent of worker-owners self-identify as queer and operate the café as a “safer space for queer, two-spirit, and trans people in K’jipuktuk (Halifax)”.
- Glitter Bean operates the only queer-centered space in Metropolitan Halifax that is accessible to under-age and sober members of the LGBTQ+ community.



source: Glitter Bean Instagram

Key Lessons From Conversion

- Community characteristics played a significant role in this conversion story: The fact that the worker-owners of Glitter Bean were a unionized labour group with a decade of organizing experience; were highly skilled and experienced in running the café; and were a socially cohesive group with a shared LGBTQ+ identity and purpose provided them with the necessary expertise and momentum to successfully execute the conversion.
- The role of support organizations also cannot be understated: A fellow worker co-operative, Just Us! Coffee Roasters, the original owner of the café before being privatized as Smiling Goat, floated the idea of a conversion into worker co-op when Smiling Goat entered troubled times, and supported the workers in conceptualizing the idea of converting to a worker co-op. At the same time, the baristas’ union, the SEIU, provided financial support to make possible the hiring of a co-operative developer, Greg O’Neill, whose financial, legal, and management expertise before and during the conversion was invaluable to the group.
- The fact Glitter Bean was still able to successfully execute the conversion without government support is a testament to the dedication and expertise of the worker-owners and supporting institutions. Glitter Bean’s story also serves as a warning that similar groups without access to essential legal, financial, and management services might not end up succeeding in their conversion into a co-operative without adequate governmental support.

Key Challenges and Responses



source: Glitter Bean Instagram

CHALLENGE

RESPONSE

The baristas experienced significant financial hardship between the closing of Smiling Goat in March 2018 and the re-opening of the café as a worker-owned co-operative in July 2018.

During this period, a worker-owner cashed in \$10,000 from their Registered Education Saving Plan (RESP) to help with the co-operative development process.

Glitter Bean's first significant barrier in its early operations arose as both a financial and a governance issue: One of the worker-owners promised to keep track of the co-op's financial books but failed to do so. Consequently, even two years after their opening, the co-operative still suffered financially from the lack of adequate financial records during the first six months of operations.

The group of worker-owners had to make the difficult decision to ask their co-worker-owner (and friend) to resign from the co-operative. Just Us! stepped in during this phase to offer bookkeeping services to Glitter Bean.



source: Google Images: Graham Brownlie 2021

Soon after their opening, the ice maker broke and the co-operative was unable to afford a new one.

Worker owners utilized a social media marketing campaign to fundraise for a new icemaker and reached their goal within a very short period of time.

Having partially recovered from their precarious financial situation, Glitter Bean's business prospects were hit once again by the Covid-19 pandemic that forced them to temporarily shut their doors in March 2020.

Glitter Bean was able to re-open their doors in June 2020 with strict measures to protect the health of their worker-owners and customers alike. As of November 2020, the café was still operational.