



## Preserving an Essential Queer-Centered Workplace via a Unionized Co-op Conversion

*Written by Derya Tarhan*

For the city of Halifax and its LGBTQQIP2SAA (LGBTQ+) community, the prospects of the café at the corner of Springer and Carleton shutting its doors in early 2018 was devastating news. Charlie, one of the worker-owners of Glitter Bean Café Co-op, notes that the only other queer-centered space in the city was a bar, which means that it is inaccessible for under-aged or sober individuals. Hence, if it were not for the baristas coming together to take over the café and form Glitter Bean, a crucial space for Halifax's LGBTQ+ community could have been lost. This is why the story of Glitter Bean's conversion into a co-op is about so much more than saving its employees' jobs and turning them into worker-owners of a café. It is rather a story of preserving an essential community space by and for the LGBTQ+ community in Halifax.

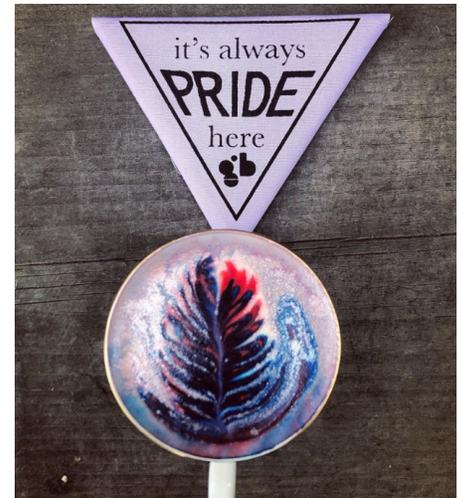
This case study begins by outlining the decade-long process of labour dispute between workers of the café and its two previous owners that eventually led to the mobilization of baristas to form Glitter Bean. In the second part, we delve into the process of the conversion of the café into co-operative ownership, with specific attention paid to actors and factors that enabled or hindered this process. We finally conclude with an account of Glitter Bean's journey after the conversion, with a keen eye

for their successes and lessons learned, specifically around issues of governance and operations.

## The Pre-Glitter Bean Era:

### A Decade-Long Process of Labour Dispute and Organizing

The story of the group of baristas that eventually formed Glitter Bean began in the early 2010s as employees of another Nova Scotia worker co-op: Just Us! Coffee Roasters. Founded in 1995 in Annapolis Valley, Just Us! is Canada's first fair trade coffee roaster and has been a highly successful co-operative enterprise for the past two and a half decades. Building on their success in coffee bean retail, Just Us! decided in the mid-2000s to open their own brick-and-mortar cafés both in Annapolis Valley and in urban centres in Nova Scotia, such as Halifax and Dartmouth.



source: Glitter Bean Instagram page

Their outpost in Halifax was called the Spring Garden location, where the baristas were not worker-owners of the co-operative but rather salaried employees. Furthermore, the management of the Spring Garden location was delegated to an appointed manager as Just Us! was not involved in the day-to-day operations of their geographically remote cafés. This specific location, due to its proximity to Dalhousie University, was primarily staffed by university students. In the early 2010s, this group of young employees began experiencing issues with the manager of the Spring Garden location and demanded intervention from Just Us! for improved management practices. When these initial efforts were unsuccessful, the Spring Garden baristas began a unionization drive in 2012 with the Service Employees International Union (SEIU) that involved a media campaign supported by key public figures in the Halifax area. Tom Galivan, a representative from the SEIU that was involved in Spring Garden workers' unionization drive, situates this process in historical context:

*What we started seeing in the coffee sector baristas was that it was traditionally a sector that was pretty impervious to union organizing. Largely part-time students, so there wasn't the kind of continuity necessary to have a union-organizing drive coalesce. But as the economy started changing, you had people with post-secondary educations not staying in these jobs on a temporary basis but really staying for much longer periods of time. Workers began having discussions around the issues they [were] having at the workplace through unionizing.*

The Spring Garden workers' efforts can thus be seen as part of a groundswell of service sector unionization in the Halifax region at the time that was directly supported by SEIU. Eventually, the Spring Garden café baristas succeeded in becoming unionized in 2013. It was also during this time that the group's efforts to turn the café into a LGBTQ+-friendly space came to the fore. Charlie, a current worker-owner of the co-op who was involved in the unionization drive, explains this community-building process following unionization:



Baristas at several Smiling Goat locations voted to unionize in March 2018. source: Paul Palmetier [CBC News](#)

*When you unionize, it is not just the first initial fight, it is always building relationships with each other and we lucked out with a few managers in terms of being able to persuade them to hire certain people. When other queer people would apply, we would say, “you should hire them,” talk them up. Slowly we have a workforce that is majority queer and trans. I mean, we are all friends. We were friends at the time and there are some folks that don't get along with others but for the most part we were quite close. For me, that's a huge part of building the union, a successful one, is being close with each other in terms of sharing your lives with each other.*



A rally in support of unionization at the Just Us! Spring Garden Café – May 2013.  
source: [Halifax Media Co-op](#)

It was also during this post-unionization phase that the relationship between Just Us! and its unionized workers began to improve. Further, the labour dispute process helped Just Us! reflect on the negative impacts of owning corporate cafes outside of Annapolis Valley. Joey Pittoello, the current General Manager of Just Us! explains:

*I think having cafes far away from the core of the business, particularly in a worker co-op kind of scenario is really tricky. [...] We were saying, "We don't want to own cafes outside of the valley, it is too difficult". Nobody is particularly happy, neither the baristas there nor ourselves. [...] We didn't know how to do it effectively. And we weren't sure if it really fit into the values of our organization either. So, we decided we would actively look to find a buyer for the Halifax and Dartmouth coffee houses, which were the only two we had left at that point.*

As Just Us! began to consider passing on the ownership of the café, they initially considered the group of unionized baristas, who were very experienced in operating the café, as potential buyers if they were to start a worker co-op. Subsequently, they communicated this idea to both the workers and SEIU. As Pittoello elaborates:

*We were trying to manage a group that didn't want to be managed from afar. (...) As you might know, they also have a particular community, folks that they are trying to serve. Which creates a very strong sense of identity, a strong sense of mission. That's why when the unionization thing happened, we felt, "They are so much their own independent entity, why not a worker-owned cafe?"*

At that time, the group of unionized baristas decided not to pursue taking over the café as a worker co-operative. Charlie explains the reasons behind this decision:



source: Google Images: Deanna Whalen 2019

*I think that once I have been working there for six years, they [Just Us!] trusted that we would be able to [run the café as a co-op]. It was something that we joked about. It is a joke because we are baristas, right? We are low-wage service workers, and this is not something that we thought was accessible to us financially, you know? When you are working pay cheque to pay cheque, how can you imagine buying a business? So, it sort of was like, "Ha ha, what if we had our own gay café!".*

Subsequently, in 2016, Just Us! sold the café to a company called Hebron Hospitality Group, owned by Kit Singh, who renamed the café Smiling Goat. In doing so, Singh also took over the lease to the building from Just Us! and the unionized contracts of its workers. This is when things unfortunately got worse for the baristas. As Charlie explains:

*It didn't take long to realize that this guy was shady. Eventually we stopped getting pay on time, then we stopped getting pay. So, we said, "OK, here we go again!". Me being the only one that was remaining from that other time that we went to the press. We decided to go to the press again and we filed grievances. But as you know, labour law takes a long time to see any sort of recourse. We told the press we are not getting paid; he is not following our contract; he does not have a health plan for us. Because when he buys the business, he buys the union contract essentially. Yeah, we went very public. We had a lot of protests. We were in grievance and arbitration.*

It was during this period of organizing that the baristas' belief in the fact that they can collectively operate this business solidified. Besides being a socially cohesive group with a shared purpose, many of the baristas had also been working at the café as unionized workers for many years. Thus, when Smiling Goat stopped paying its sublet rent to Just Us!, who ultimately changed the locks to the café in April 2018, the idea of taking over the café as a worker co-operative was perceived by the group as a real possibility. Charlie underscores this turning point when they seriously took up the idea of taking over the café and converting it to a worker co-op:



source: Google Images: Jess Greeregat 2018

*[Mr. Singh] owed [Just Us!] quite a lot of money and they said, "OK we are going to change the locks on this guy, boot him out, he owes us so much money". They show up, they change the locks, Just Us! does, and they call our union and ask what they think of the idea of the workers starting a co-op. (...) We got together the next day and we were all on board. That's sort of how it all happened.*

In short, Glitter Bean's conversion journey began long before they finally converted the café, first with a labour dispute with Just Us!, which led workers to express their collective rights through unionization and build a community around their identity as LGBTQ+ individuals. Subsequently, when another labour dispute took place with the new owner of the café, this time with both Just Us! and the SEIU as their ally, the workers decided that they were ready to form the Glitter Bean Worker Co-operative.

As this section demonstrated, this decision was enabled by years of community-building, learning on the job, and organizing by the workers.

**Table 1: Catalyzing Factors for Glitter Bean’s Conversion into a Co-op**

<p>Previous enterprise characteristics</p>	<ul style="list-style-type: none"> <li>● Mismanagement/lack of wage payment</li> <li>● Business closed doors prior to conversion</li> <li>● Labour conflict with owners ensues and mobilizes workers to first unionize</li> </ul>
<p>Group/Community stakeholder characteristics</p>	<ul style="list-style-type: none"> <li>● Unionized labour group with a decade of organizing experience</li> <li>● Highly skilled and experienced in running the café</li> <li>● Socially cohesive group of workers</li> <li>● Shared LGBTQ+ identity and purpose</li> </ul>
<p>Supporting organizations/institutions characteristics</p>	<ul style="list-style-type: none"> <li>● Important space for the LGBTQ+ community in Halifax, linked closely to this broader community</li> <li>● Another worker co-operative, Just Us! Coffee Roasters, floated the idea of a conversion into worker co-op and supported the workers in conceptualizing the idea of converting to a worker co-op</li> <li>● Baristas’ union, the SEIU, very supportive and committed to the collective rights and success of the co-op</li> </ul>

## The Process of Conversion into a Co-op:

### Unionized Workers Becoming Glitter Bean

Once the group decided to explore the idea of starting their own worker co-operative and taking over the café, they found a key sponsor in their union, SEIU. Initially, SEIU

sponsored the hiring of Greg O'Neill, an experienced co-operative developer, to help guide the baristas through the co-operative development process. Right off the bat, Greg helped the group establish whether the conversion indeed was worth pursuing. He explains this process:

*So Just Us! provided us with a line-by-line revenue/expense report from the last year that they operated before the Smiling Goat took over. We were able to look at month-by-month where the sales were and how it fluctuated. [...] We came up with a set of projections. The projections showed that it was going to be pretty marginal, but it could work. It could be a viable thing.*

Based on these projections, and with O'Neill's help, workers put together a comprehensive business plan that was to guide the co-op's operations for the coming years. O'Neill told us that while he provided the framework of what needed to go into each section, it was workers' years of experience operating the café that primarily helped them put together a very strong business plan. Subsequently, the business plan was successfully presented to SEIU, who agreed to also provide the co-operative wage support in their early months of operation. Overall, Greg estimates that SEIU provided the co-op with \$24,000 of financial support both during and after the conversion process.

In addition to the financial support received from the SEIU, the baristas were provided with critical in-kind support by their previous employer, Just Us! Coffee Roasters Co-op. Just Us! also offered the group preferential rent (an overall 28% discount) until the end of their lease in exchange for an exclusive agreement to carry their coffee. Further, they transferred the ownership of all of the café's equipment to the workers for a dollar. As a result, as far as the café itself was concerned, Glitter Bean was ready to get off the

ground. That being said, the group still needed to pay for incorporation and other business start-up costs that were not covered by SEIU. Charlie explains:

*I think that some of the trickier points were figuring out how we are going to go through all of the bureaucratic things with the money that we have? The money that the SEIU was going to give us was for the wages, so we had to figure out who is going to pay for and who is going to apply to incorporate? Who is going to pay for the smaller things until we get money and get started?*

During this testing period, which lasted about two months, each barista's commitment to their fellow workers and to the social cause of the café proved to be essential. As the café was closed and the baristas did not have an income, Glitter Bean risked losing many key individuals who were involved in the development of the co-op as they could have sought employment elsewhere. In an interview with the Halifax weekly The Coast, Charlie related the following:



source: Glitter Bean Instagram page

*It is a privileged perspective to think people can just quit their jobs and go to the next one. It doesn't reflect the economic realities of Halifax or gender non-conforming people— unemployment rates are much higher for us. Finding a job that respects us and doesn't erase us is very hard.*

While all workers worked day and night without pay during the gestation period to open the café back up as fast as possible, one barista even cashed in their Registered Education Savings Plan (RESP) to contribute \$10,000 to the co-operative development process. With their support and the dedication of all of the worker-owners, the group incorporated as a co-op with the help of Greg O’Neill and opened the doors to their café in July 2018. Through the expertise and dedication of each worker to each other and to the broader LGBTQ+ community in clear expressions of solidarity, the key enabling support of Just Us! and SEIU, and the help of co-operative developer Greg O’Neill, Glitter Bean was born: one of Canada’s best examples of the Union-Co-op model best known from several similar union-driven community co-op initiatives in the US<sup>1</sup>.



Lorelei Carey and Charlie Huntley are among a small team of workers who are also part owners.  
source: Emma Smith [CBC News](#)

Table 2 is a summary of the ecosystem of support that ultimately enabled the conversion of Glitter Bean into a co-operative.

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<sup>1</sup> See: Vieta, 2020, p. 162.

Table 2: Enabling Conversion Ecosystem for Glitter Bean

Type of Support	Enabling Actor(s)	Enabling Action
Financial support	Service Employees International Union (SEIU)	<ul style="list-style-type: none"> <li>• Financial support</li> <li>• Paid to hire co-operative developer Greg O’Neill (see below)</li> <li>• Early wage support when needed the most</li> <li>• A total of about \$24,000</li> </ul>
	A worker-owner cashed in their RESP	<ul style="list-style-type: none"> <li>• About \$10,000</li> </ul>
In-kind support	Just Us! Coffee Roasters Co-op	<ul style="list-style-type: none"> <li>• Initially floated the idea of a conversion</li> <li>• Reduced rent in exchange for exclusive coffee merchandise deal</li> <li>• Provided all café equipment in exchange for \$1</li> <li>• Provision of pro-bono bookkeeping services</li> </ul>
Technical/development support	Greg O’Neill, co-operative developer, with the work experience of the worker-members	<ul style="list-style-type: none"> <li>• Viability study</li> <li>• Business plan development</li> <li>• Incorporation support</li> <li>• Ongoing management support</li> </ul>

Government  
Policy/ Program  
Support

N/A

- N/A



Prior to delving into the co-op's post-conversion operations, it is important to note that Glitter Bean did not benefit from any policy or program support at any level of government. Greg O'Neill explains that this was simply because "there really wasn't anything". It was the financial support that Glitter Bean received from SEIU and the in-kind support from Just Us! that ultimately helped make the conversion a reality. Glitter Bean's story also serves as a warning that similar groups without access to such dedicated institutional partners might not end up succeeding in their conversion into a co-operative without adequate governmental support.

source: Google Images: Ruth Vandergeest 2019

## The Post-Conversion Glitter Bean Story:

### Successes and Challenges

As soon as Glitter Bean opened their doors in July 2018, the worker-owners experienced an immense outpouring of love from their clientele. As mentioned earlier, the café at Springer and Carleton was one of the two queer-centered spaces in Halifax – and the only one accessible for under-age and sober individuals. Having saved a monumental space for Halifax’s LGBTQ+ community, the worker-owners of Glitter Bean were showered with words of gratitude in their initial weeks of operation – and continue to be today. As Charlie recounts:

*But the first two weeks that we opened, it was busier than that place has ever been. People were expressing, like I never had this much gratitude expressed towards me in such a great quantity before about us re-opening that space and also being a gay café. So many people appreciated it. It was very incredible. People would still say it.*

While workers have already transformed the space into an LGBTQ+-friendly space through their organizing efforts over the past decade, Charlie notes that they feel even more connected to the café now that they collectively own it. The café became a space by and for the LGBTQ+ community in Halifax – and beyond. Further, as the collective owners of the café, worker-owners of Glitter Bean decided to open the space up to other groups and events that also celebrate queerness. As Charlie told us:



source: Google Images: Deanna Whalen 2019

*Because we are the gay café, a lot of the queer folks book the space. Things [such as] the Youth Project, which is the queer youth organization that supports queer youths from across Nova Scotia. They have their AGM there. Some leftist organizations also host some of their events there too. Social groups also host their events. It is a very big space, we have an upstairs, a small room, and a larger room around the back. So, we can have open mics and people can have private meetings. People can have larger private gatherings too. So, there is a lot happening there. People are also having their union meetings there.*

Furthermore, Glitter Bean takes art pieces on consignment from LGBTQ+ artists and provides them an opportunity to showcase and potentially generate income from their works. In short, through forming the Glitter Bean Worker Co-operative, the baristas ended up not only saving their jobs and becoming co-owners of a café, but they also preserved and expanded a space for individuals in the Halifax region to feel safe and celebrated. The city's LGBTQ+ community got their opportunity to thank Glitter Bean through direct action when their icemaker broke in their first month of operation, putting the co-op in a quite difficult financial situation. Recognizing soon that buying bags of ice from the grocery store multiple times a day is time consuming and expensive, the group decided to start a fundraising campaign for a new icemaker. As an incentive, Glitter Bean started a new private Instagram page where they would share latte art and comedic videos that were only accessible to folks who donated to the fundraising campaign. They were able to raise the money quite expediently through this innovative campaign, which also serves as a testament to how much Glitter Bean and the space they provide mean to the broader community.

Despite these very positive aspects of the co-op's early operations, Glitter Bean also faced significant challenges during this period. Specifically, while being highly skilled and experienced in operating the café, the group learned how to manage the café's finances the hard way. A worker-owner, who had been a core part of the group for



source: Google Images: Graham Brownlie 2021

many years, stepped up to keep Glitter Bean's financial records when they first opened their doors. However, when Greg O'Neill asked to see the books six months after operations began, it was revealed that the person failed to keep track of most financial transactions. Ultimately, Just Us! co-op, continuing to actively practice the seventh co-op principle -- co-operatives co-operating (ICA, 2020) -- stepped in and offered the services of their controller to Glitter Bean pro-bono. That being said, the lack of financial records for the first six months impacted (and continues to impact) the co-op in a major way. As Greg O'Neill states,

tracking cash flow is crucial in the initial months and businesses could feel the negative impact of poorly kept records even years into their operations. He notes that by the time the co-op produced its first set of accurate financial statements with the help of Just Us!, they realized that their financial situation was quite precarious. Charlie indeed confirmed that it took a while to establish an accurate picture of their monthly income versus expenses and that the co-op still suffers from it:

*I think that if we [would] have had a strong start and [...] had the books being managed properly, we would have been able to adjust our efforts. But because this sort of debacle happened, us trying to catch up with that many months afterwards zapped a lot of our energy. So, you know, efforts that we could have made into marketing got zapped up by trying to sort the books out. The two are very related, books inform how to market. So [our current income is] definitely less than we hoped for.*

Nonetheless, Greg O'Neill considers the fact that Glitter Bean was able to survive the first two years of operation a massive success, especially given the fact that the café was in severe financial distress prior to the conversion into a co-op. A crucial support they received during this period was from Dr. David Roach, the father of one of the worker-members who is a professor of entrepreneurship at Dalhousie University. Dr. Roach provided the group with essential management, business planning, and marketing support during this testing time – and continues to do so.

On the other hand, the practical and mental transition from being co-employees to co-owners has been mostly rewarding but at times challenging for the Glitter Bean team. As a democratically managed organization, the group needed to make a decision regarding their fellow worker-owner, who they considered a friend but evaded their bookkeeping responsibility and put the co-operative in a potentially fatal situation. Charlie recounts this difficult process:

*It was pretty rough. There was a huge falling out with that person. Because they weren't on the Board and they had some shame, they quit. So that was a huge hurdle for us because we had to clean up the books and do all the things that didn't get done. (...) That was the first six months and we still see the effects of that now. It is pretty frustrating. I think in terms of running a business with your friends, it is definitely hard when somebody lets you down in such a significant way.*

That being said, the group notes that they overall are extremely happy with collectively owning and managing their workplace. In an interview with The Coast, worker-owner Lorei Carey noted:

*We'd been more or less running this place from a managerial standpoint for a few years now with little-to-no management intervention, but to finally be able to explore what we want this space to mean was really exciting.*

For Charlie, the co-operative model made the group feel empowered in terms of decision-making power over the workplace after long years of labour dispute. Furthermore, the co-op model allowed them to share the workload in a democratic and just manner all the while “minimizing hierarchy”. Another significant change worker-owners experienced under co-operative ownership is that they no longer needed to rely on a boss for support but rather on one another. Specifically, in terms of customer service, Charlie told us that “it really sucks to have a boss that does not support you and takes the customer’s side”. Instead, now they can assess each situation collectively and make sure that each worker-owner feels heard and supported.



source: [The Star Halifax](#)

Finally, 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 shut their doors in March 2020. Charlie explains:

*I think Covid is also going to be a huge hurdle because we are essentially on a university campus. Many of our customers are from the university, whether they are students or workers. We just don't know... The university announced they are going to be doing online stuff, so that means that they are not going to be around. So, I don't know if we will make it, to be honest. Especially because we had rent deferred, but a deferral is different than a reduction if rent is going to go up and we are going to have fewer customers. So it is hard to see how we will make it. There is a lot of uncertainty.*

Glitter Bean was able to reopen their doors in June 2020 with strict measures to protect the health of their worker-owners and customers alike. That being said, the impact on Glitter Bean's business prospects of primarily online instruction at Dalhousie University is still to be seen. Nonetheless, worker-owners and the broader community they serve are pulling together during this difficult time and weathering the storm together, and dedicated customers have not abandoned the café.



source: [Glitter Bean Instagram page](#)

## Conversion Lessons from Glitter Bean

Overall, it is evident that Glitter Bean's story is about preserving and advancing so many things at once: For the workers themselves, the conversion into a co-operative allowed them to save their jobs, especially given the difficulties LGBTQ+ individuals experience finding meaningful employment opportunities where they feel valued and respected. The worker-owners are now also able to collectively self-govern their workplace and, as Charlie noted, feel quite empowered as a result. Meanwhile, Glitter Bean's conversion into a co-operative allowed for the only non-alcohol serving queer-centered space in the city of Halifax to continue to exist. Furthermore, as worker-owners, they are now able to make their own decisions regarding hiring practices and ways in which they want the space to be used, while the LGBTQ+ individuals, artists, and organizations in the city now have access to a space that celebrates and supports them.



source: Google Images:  
Boderick 2018

Finally, the decade-long process that eventually led to the forming of Glitter Bean has been an educational experience for their key institutional partners. For Just Us!, General Manager Joey Pittoello notes that they completely distanced themselves from running corporate cafés in order to ensure they continue to champion the seven co-operative principles and that their workers feel empowered and respected. Instead, using the experience of Glitter Bean as an example, they are now looking to support more communities and groups in taking over and/or starting their own local cafés. Joey told us that this strategy is aligned both with their social mission and their economic bottom line. In supporting rural communities to transform their local cafés into worker co-operatives, Just Us! realized that they could also advance their coffee bean sales through an expanded clientele base.

The Glitter Bean experience is also a Canada case of the union-co-op model. As for the SEIU, Tom notes that they now consider worker co-operatives as a viable option for many labour dispute cases. Specifically in cases where the business itself is having financial difficulties, with the support of institutional partners and government policies and programs, SEIU believes that workers, who already have the skills and the experience in running the workplace, could start a co-operative and take over the business – thereby both saving their jobs and being empowered as co-owners and key decision-makers of their workplace.



Lorelei Carey and Glitter Bean Café board member Charlie Huntley are getting ready to open the shop by the middle of July. (Emma Smith/CBC) source: [CBC News](#)

Overall, the case of Glitter Bean is a beaming testament to the potential of the co-operative model to a group of workers, unionized or otherwise, in overcoming situations of business distress and labour dispute. Glitter Bean also shows how unions can and should support the co-operative model, not always easy for unions who have historically not seen their role in a worker co-op<sup>2</sup>. Furthermore, Glitter Bean's story also shows the compatibility of the co-operative model with expanding the interests, economic or otherwise, of an already socially cohesive group with a shared agenda.

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<sup>2</sup> See: Vieta, 2020.

## Sources

Vieta, M. A. (2020). *Workers' Self-Management in Argentina: Contesting Neo-Liberalism by Occupying Companies, Creating Cooperatives, and Recuperating Autogestión*. Leiden: Brill Publishers.



source: Google Images: Ruth Vandergeest 2019