

Cooperative Food Enterprises

Cooperative food enterprises improve local and regional food systems by supporting small-scale producers and expanding access to locally-produced and healthy food.

A COOPERATIVE APPROACH

A variety of cooperative enterprises operating in the food sector exist to advance the interests of stakeholders engaged in the production, processing, marketing, sales, and purchase of food products. After dairy producers organized the first dairy and cheese cooperatives in the U.S. in 1810, other commodity producers followed and the cooperative model continued to expand in the agricultural sector. There is a renewed and growing interest in local, organic, and sustainably produced food which has been accompanied by the development of new cooperatives to facilitate getting food from the farm to the consumer. Locally and regionally oriented producer cooperatives aim to market fresh and value-added products for their members through a number of outlets including retail grocery, restaurants, institutions like schools and hospitals, and through subscription programs like Community Supported Agriculture (CSAs). Retail groceries organized as consumer cooperatives often prioritize local sourcing of products when possible for sale to their members. A growing number of hybrid or multi-stakeholder cooperatives bring together multiple types of member-owners including producers, processors, distributors, customers, and workers to collaboratively overcome challenges with getting local food to larger markets.

TYPES OF COOPERATIVES

Producer Cooperatives

Producer cooperatives are owned by members who produce similar types of goods or services. They help aggregate, process, and/or market the members' products. They can also pool member demand to more cost effectively purchase inputs than individual producers can.

Bayfield Foods Cooperative Washburn, WI

The Bayfield Regional Food Producers Cooperative (Bayfield Foods) was formed in June of 2010 by farmers and food producers in the Chequamegon Bay region of northern Wisconsin. Their mission is to provide customers with high quality, nutritious, and sustainably-grown foods produced in Ashland and Bayfield Counties. With 19 producer members, they provide customers with a full range of healthy food products including meats, fruits, breads, vegetables, and value-added specialty foods like cheese, jams, wines, and lacto-fermented veggies.

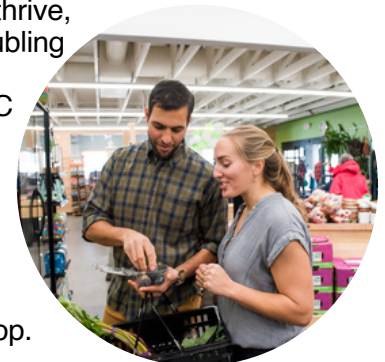


Consumer Cooperatives

Consumer cooperatives are owned by members who use the co-op to purchase the goods or services they need. They purchase food and other products to sell to their members and the community, supporting local and regional food supply chains.

Viroqua Food Co+op Viroqua, WI

The Viroqua Food Co+op (VFC) began as a natural foods buying club organized by a small group of individuals who worked together to provide their families with healthy foods. In 1995, the co-op opened its first retail store and has continued to grow and thrive. In 2018, the co-op completed an expansion doubling their square footage. VFC now has more than 4,200 owners and employs over 80 people. VFC offers a one-stop shopping experience in a beautiful and comfortable environment to match the integrity of the product on the shelves. The co-op emphasizes organic and local foods and products, offering shoppers thousands of local products from over 200 producers operating within 100 miles of the co-op.



Multi-stakeholder Cooperatives

Multi-stakeholder cooperatives are owned by more than one type or class of member. They produce, process, distribute, sell, and provide employment to their producer, consumer, and/or worker members to create and sustain a local food distribution system.

Maple Valley Cooperative Cashton, WI

Maple Valley Cooperative, a pioneer in organic and fair trade practices for maple production, was founded in 1991 and became a cooperative in 2007. Maple Valley has five membership classes: producers, customers, investors, vendors, and employees. There are currently seven board members with fairly equal representation across all classes. The co-op brings together over 30 producers from Wisconsin, Minnesota, Michigan, Ohio, Pennsylvania, New York, and Vermont to produce high-quality, certified organic maple syrup products using sustainable methods and receiving fair compensation. Today, Maple Valley is a thriving cooperative guided by a strong mission and inspired by a vision for a healthy world where nature is protected, people cooperate for the good of all, and communities are strong.



HOW TO START

Organizers should assess the feasibility of the business proposition and prepare a business plan. They will also work to establish a base of potential member owners through outreach and education about the benefits of cooperative ownership. Depending on infrastructure and capital needs for the business to start, a member drive or capital campaign may precede the beginning of operations. Member ownership grounded in the local or regional economy integrates the cooperative into a community and builds on its assets and strengths. Cooperative businesses in the food and agricultural sector will operate differently depending whether their member owners are producers, consumers, workers, or a mix of stakeholders.

COOPERATIVE DEVELOPMENT RESOURCES

UW Center for Cooperatives offers many resources about the cooperative model, including cooperative development.

Assistance is offered to groups directly, or in partnership with other business development assistance organizations.

- [How to Start a Co-op](#)
- [Grocery cooperatives](#)
- [Producer cooperatives](#)
- [Multi-stakeholder cooperatives](#)

Regional organizations that specialize in cooperative food system development:

- [Food Co-op Initiative](#)
- [Wisconsin Farmers Union](#)
- [Columinate](#)
- [Cooperative Development Services](#)

OTHER RESOURCES

Local economic and community development organizations may be able to provide information about existing food system initiatives, and current or past development efforts. They might also know of specific resources, such as food enterprise incubators, shared-use kitchens, co-packing facilities, or local grant programs that could be leveraged for cooperative development.

- Wisconsin Small Business Development Centers - <https://wisconsinsbdc.org/>
- Wisconsin Rural Development - U.S. Department of Agriculture - <https://www.rd.usda.gov/wi>
- Wisconsin Dept. of Agriculture, Trade and Consumer Protection - <https://datcp.wi.gov>

Local Extension Educators

can link groups to appropriate programs offered by community organizations and businesses, and local, state, federal, and tribal government offices. Educators can often also “connect the dots” between related but separate programs within different organizations, bringing together people and resources to facilitate community and group-based problem solving.

- Community Food Systems - <https://foodsystems.extension.wisc.edu/>
- Shared-Use Kitchens and Food Business Incubators - <https://fyi.extension.wisc.edu/foodbin/>