

PEOPLE & PERSEVERANCE
2020 ANNUAL REPORT

 co-operatives first

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THANK YOU TO OUR FUNDER

The Co-operative Retailing System (CRS) and Federated Co-operatives Limited (FCL) have been a vital part of healthy, thriving rural communities across western Canada for nearly 100 years. It's an incredibly unique business built over time by many people with a lot of perseverance. This year perhaps more than any other, their robust network, infrastructure, and place in the supply chain played an essential role in ensuring rural people had safe access to food, fuel, and other necessities.

Thanks to their ongoing investment in rural and Indigenous communities across Western Canada, community leaders working together to do more, be better, and adapt to rapidly changing social, cultural, and economic environments also had numerous supports. One of these supports is Co-operatives First.

We thank the thousands of people that make up the CRS and FCL for their continued investment in our organization and their faith in the ingenuity of rural and Indigenous people.

LETTER FROM THE CHAIR AND EXECUTIVE DIRECTOR

2020 was a year unlike any other for all of us. We witnessed human tragedy and economic collapse on a scale many of us have never seen before, and the pandemic continues to threaten lives, communities, jobs, and businesses. Without question, the social, cultural, and economic impacts will be felt for many years. But 2020 was also a year of people working together and persevering through difficult times. We saw this firsthand.

A group of Saskatchewan parents with immunocompromised kids formed a co-operative school called At-Risk Together. They started this co-op to ensure these kids learn in a safe environment together with peers. In Northern Alberta, with restrictions putting a halt to the Powwow circuit, Indigenous artists came together to market their products as a co-op. And a group of BC women concerned about food security and access to fresh produce formed Squamish Fresh, a co-op that delivers boxes of produce.

These examples prove the strength of the human spirit in challenging times. But they also

show, despite lockdowns and restricted travel, the world has not stopped moving. In fact, in some ways, it accelerated and pushed along trends already in the works.

We saw the mass adoption of online meetings and attended digital conferences, delivering presentations and workshops through software few had heard of just months before. Besides accelerating digital adoption, we also had more people exploring ways to make their supply chain robust and entrepreneurs searching new markets. Many boomer-age business owners looking to transition a business are at a crossroads. And rural communities began in earnest attracting urban families working remotely and hoping to escape the cost and pace of city life.

These and others trends got a boost of adrenaline thanks to the economic and social changes brought on by the pandemic.

The board and team at Co-operatives First adapted quickly to these changes. With many digital platforms already

integrated into our processes, and the digital infrastructure in place to adopt remote work, the team focused their energies on making it more robust and effective.

Despite all the disruption caused by the pandemic, we saw an increase in online engagement. People still attended our workshops even though they were online, and we incorporated more co-ops this year than any other in our short history.

The disruption also provided an opportunity to re-evaluate how we reach our audiences and what we use to increase their awareness and understanding of the co-op model. The result of this assessment will be two distinct outreach strategies highly targeted at our primary audiences in rural and Indigenous communities.

Together, this blend of tactical and strategic developments positions us to do more with the same and reach new audiences with a message of hope and optimism often missing in narratives about rural and Indigenous communities.



Audra Krueger
*Executive Director,
Co-operatives First*



Sheldon Stener, Q.C.
*Board Chair,
Co-operatives First*

A special thanks to our board, who helped steer us through these turbulent waters, and to our funder for sticking with us despite a challenging year. We look forward to brighter days in the coming year.



SUCCESS DURING A STRANGE YEAR

That 2020 has been a strange year comes as no surprise. What may be surprising is that despite widespread lockdowns and the broad economic fallout that has resulted, people are starting co-ops and actively learning about the model. In fact, in many ways, we are busier than ever. Here's why.

Shortly after the start of our

fourth year in operation, COVID-19 arrived in western Canada. Along with the virus came fear, uncertainty, and a collective effort to “flatten the curve.” What we hoped might be weeks of restrictions turned into months, and even now, with the light of vaccination on the horizon, there are still months to go before any sort of “normal” returns. The length of

time this “get back to normal” is taking has changed people's habits, and probably in a way that will carry forward.

THE PANDEMIC

As a small team working over an extensive geographical area, we travel a lot. Fall and spring are hectic times for us as we usually attend tradeshow and conferences during these

times. In March 2020, travel came to an abrupt halt. What came next surprised us but confirmed that the strategic moves we made before the pandemic hit were smart.

Before the pandemic, we knew online is where we needed to be and how we wanted to engage people. Increasing numbers of people visiting our sites, taking

our workshops, and signing up for our courses indicated that as a small team, being capable of delivering services online is an advantage that would allow us to scale our efforts. The increase in capacity online meetings and conferences provide are incentivizing factors – especially as more and more people come to us looking to start co-ops. Eventually, we will hit a limit. Online communications – coupled with more partnerships and educating other front-line supports, such as economic developers – are part of the solution.

THE ADOPTION OF ONLINE COMMUNICATIONS

The problem we faced pre-covid was people not adopting online communications platforms. Many had never used Zoom or preferred in-person meetings. After the pandemic struck, the adoption of online platforms came more quickly and soon was familiar and relatively comfortable for many people.

Today, we can speak with and host numerous meetings across western Canada in a single day. This new reality is significantly more cost-effective and increases our ability to work with many groups at one time.

A BETTER WAY TO INCORPORATE A CO-OP

To complement the increasing number of online meetings, workshops, and courses we offer and host, we streamlined the incorporation process for groups starting co-ops. We noticed the incorporation process tends to slow down the business development process, and bureaucratic details could distract a group from focusing on more important work. Of course, we can complete the steps much more quickly than a group busy trying to start a business because we have experience with the process. So, we do it for them. This move also saves us the time of coaching groups through the tedious, bureaucratic steps of incorporating.

So far, the new service has been a success. This year, we incorporated 21 new co-ops. Besides incorporating co-ops, we provided 12 groups business plans and feasibility studies. We enrolled over 300 people in our governance course. And we surpassed a significant milestone in our young history – surpassing 100 projects and finishing the year, having worked with 133 groups looking to start a co-op.

THE DIVERSE FACES OF SUCCESS

Not surprisingly, we work alongside people with diverse interests and needs. In 2020, we worked with parents of immune compromised kids, rural newspaper publishers, Indigenous artists, meat producers, and seed producers. Each had unique problems to solve, but everyone recognized the value the co-operative model brought to solve that problem.

2020 HIGHLIGHTS

133 co-op projects since 2016

32 active co-op projects

44 co-ops incorporated since 2016

21 co-ops incorporated this year

12 feasibility studies and business plans

300+ enrolled in the governance course

100+ economic developers enrolled in accredited workshop

6 groups received hands-on board governance training



NEHIYAWASKIY INDIGENOUS PEOPLES ART CO-OP

In the small, northern Alberta town of Lac La Biche, a group of talented artisans have set up a co-operative to help them sell their goods.

The Nehiyawaskiy Indigenous Peoples Art Co-op showcases the talents of numerous Cree, Dene, and Métis artists in northeast Alberta. Originally inspired by the Aboriginal Art program at Portage College,

the co-op is a way for artists to continue to use the skills they learned in the program, and partner with the Lac La Biche Canadian Native Friendship Centre, Metis Crossing, and the University of Alberta gift store to sell the goods they make.

“The elevation of the Indigenous art of the region will further impact Indigenous peoples and community

sustainability in the job creation opportunities within the retail, instruction, and hospitality and tourism industries,” a co-op representative said.

This co-operative, created with Indigenous artists in mind, ensures that the art often purchased by tourists is made by Indigenous craftspeople who are compensated for their work — not in factories

overseas. It also aims to be an educational resource for cultural information by secondary and post-secondary institutions, community agencies, and government departments.

Co-operatives First is proud that it could assist the Nehiyawaskiy Indigenous Peoples Art Co-op to incorporate, write its bylaws, and train its first board of directors.



AT RISK TOGETHER

This year parents had a difficult decision: send their kids to school or keep them home? While a first for most parents, it's nothing new for those with immunocompromised children. Cleaning protocols and social isolation are familiar realities for these families. But social isolation comes with challenges as well.

In Saskatchewan, a group of parents with immunocompromised kids created a third option. They decided to find a way to provide a safe in-person learning environment for their kids and formed the At-Risk Together (ART) Co-op — a co-operative

school. According to one of the co-op's founders, Krysta Shacklock (pictured), finding a way for her child to learn and interact in person is vital.

"I can teach my kids math and their letters, but I can't teach them how to share unsupervised, or deal with conflict, or trust in others," she said. "They need friends. It's so important."

We helped Krysta and her group of parents with incorporation and business planning. We can't wait to see how this brilliant co-operative idea develops and makes life better for kids and their families.

WHAT OTHERS ARE SAYING

“The Gathering Place Co-op started out as a small group of people with a big idea. A year and a half later, we are still a small group of people with a big idea... but we are now incorporated, have Bylaws and governance structure in place and our idea is taking shape. We are looking forward into the future. We would not be where we are without the help of Kyle, Aasa and the team at Co-operatives First.”

Michelle Melnyk

Founding Member of the Gathering Co-op
Smoky Lake, AB

“The Co-operatives First Creating Connections workshop transformed the way that I think about co-operatives. The content and delivery of the workshop were engaging, informative and insightful, and provided me with information that I applied immediately to improve the quality of my consulting practice in ways that deliver lasting value for me, my colleagues, and my clients. I highly recommend this workshop to consultants seeking to improve their knowledge of the innovative co-operative business model and its impact on stakeholders.”

James Grieve

Certified Management Consultant
British Columbia

RETURN ON INVESTMENT

Co-operatives First helps leaders in rural and Indigenous communities across western Canada start co-operatives. To achieve this goal, we promote the model and support groups using the model to create businesses in these communities.

The investment made through Co-operatives First into rural and Indigenous communities makes an impact and a difference. Despite a pandemic and resulting economic turmoil, people are persevering, resilient, and eager to work together.

No question that many rural and

Indigenous communities are struggling – this was true before the pandemic, and losing a year to dealing with a crisis hasn't helped most. But the people who live in these communities haven't given up, and many see the value in the co-operative model and the role it might play in helping revitalize their hometowns.

We still have lots to do, of course. It will take time to help transition businesses, create new ones, and develop innovative ways to spur on broader investment and attract new businesses.

Changes like these require a long view and focused concerted effort. But co-ops are no strangers to tough times. They have a long history of working when nothing else does – this is as true today as it has ever been.

To further support young co-operative businesses, we worked with third-party providers to offer 12 co-op start-ups business plans and feasibility studies. We also explored new business opportunities with 13 groups and supported two other groups with organizational design workshops.

A newly revised online governance course offered in partnership with the Centre for the Study of Co-operatives at the University of Saskatchewan attracted 300 more students. Six new co-ops gained valuable governance and board training through our brand new Board Basics workshop. We have testimonials from each suggesting that these newly formed groups make better decisions and work together more effectively, thanks mainly to this workshop.

Here are a couple of examples.

“Our co-op was very satisfied with the level of detail, professionalism, and heart that Cooperatives First offered us. In the customized workshop we participated in we felt our needs and level of development were not only acknowledged but supported to strengthen with helpful resources, comments and insights. We're grateful for the opportunity to build our governance literacy with support from Co-operatives First and appreciate what the organization does for emerging co-ops such as ours.”

Keeley Nixon

Coordinator, BC Eco Seed Co-op

“The Board Basics Workshop is just one of the many useful services our organization has used during our start-up phase. The thoughtful intake process ensured that the workshop was curated to target our specific needs and answer all of our questions efficiently and thoroughly. We were also impressed with the follow-up process that summarized our leanings and offered useful templates and resources to ensure smooth integration. This workshop is definitely time well spent for any board at any phase of working together!”

Shelley Kavia

President, Heart Linked Community Service Co-operative



To help scale our operations and impact, we work closely with local economic developers and provincial economic development associations. Part of this work includes training these professionals on the co-operative model. This year, we delivered 7 Creating Connections workshops to over 100 economic developers. The workshop aims to provide economic development professionals with the tools and resources to

identify opportunities for co-ops to form and facilitate co-op start-ups with limited support.

The results – especially considering the implications of the pandemic – have been pretty impressive.

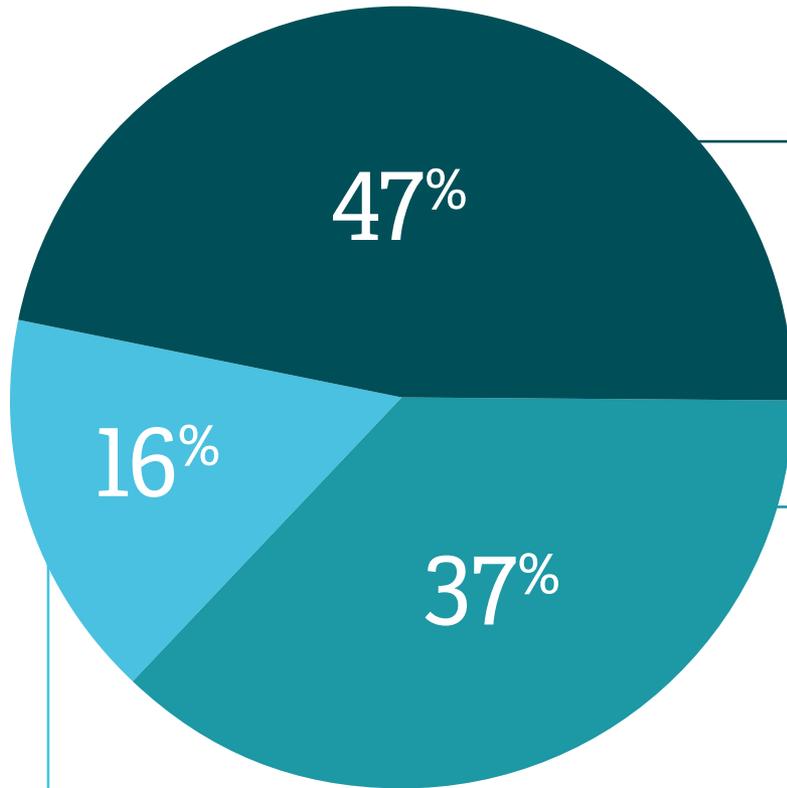
To date, we worked with 133 groups looking to start co-ops. Forty-four of those have incorporated, and thirty-two are still actively working towards

incorporation. Thanks to the streamlined incorporation process we introduced this year, groups can focus on better business development and spend less time on government paperwork. The result? Twenty-one new co-operatives were incorporated this year with our support.

As a whole, this investment promotes people, and it rewards perseverance. The return is

tangible and multitude. It's the economic benefits of parents returning to work thanks to a daycare co-op. It's Indigenous artists bringing in revenue from abroad because of a marketing co-op. Or meat producers being able to process their products when the supply chain breaks down. It's small towns keeping their local newspaper and small independent retailers competing with global corporate chains. In short, it's invaluable.

1.06 M TOTAL



CO-OP EDUCATION

- 300** students in online courses
- 100** economic developers through an accredited workshop
- 67K** website visits
- 1M** reached through social media
- 12M** impressions through ads

DEVELOPING NEW CO-OPS

- 32** active projects
- 12** business plans
- 21** new co-ops

ADMINISTRATION COSTS



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