

## 'New' grocery format may compete by cooperating

East Bay Business Times - August 18, 2008 by [David Goll](#)

Eighteen years after losing what was once one of the nation's largest cooperative businesses, the East Bay may again be home to this unique grocery-buying concept.

A group of East Bay residents is trying to resurrect the idea locally by creating the Berkeley Cooperative Grocery by early next year. At first an online "store" with a product pickup center, members of the group hope to have a brick-and-mortar location somewhere in the Oakland-Berkeley-Emeryville area open within a year or two.

Elisa Edwards, spokeswoman for what's being called the "CoG," said she and other local organizers hope to tap into an effort being made to expand the number of cooperatives from about 300 nationwide today to 500 by 2015.

The Food Co-op 500 program, a collaborative effort of the National Cooperative Grocers Association, National Co-op Bank and Cooperative Development Services, is providing seed funding for fledgling co-ops.

Edwards said her group hopes to sign up 100 members, at a one-time fee of \$25 and an investment of \$100 per person, to qualify for a \$10,000 matching grant from Food Co-op 500 by Sept. 1. To date, the group has recruited 73 members.

Elisa and her husband, Martin Edwards, were surprised to find no co-op in Berkeley after moving to the famously progressive city in 2004 from New York. There, they belonged to the Park Slope Food Co-op, which opened in Brooklyn 33 years ago, has 13,000 members and is the nation's largest wholly member-owned and operated cooperative.

The Park Slope co-op claims members can save up to 40 percent off what they would pay for groceries in retail stores, since product markups are smaller and many tasks at the stores are handled by co-op members instead of paid staff.

After befriending another couple at their son's school, the Edwards discovered they weren't alone in their co-op interest.

"Over dinner about six months after we started talking about this and how much we missed (Park Slope), we decided to stop complaining and do something," Elisa Edwards said. "One of the hardest things about leaving New York was leaving Park Slope."

The core group includes the Edwards and fellow Berkeley residents Julia Carpenter and Michael Weiler, who used to work as a buyer and store manager for the five-store New Leaf Community Markets chain in Santa Cruz County; Shannon Kelly; and Greg Bilyk, a Web designer who created the group's site on the Internet at [www.berkeleyvcog.org](http://www.berkeleyvcog.org).

When they started their efforts, the Edwards had not heard of the area's once-thriving co-op, the Consumers Cooperative of Berkeley, which had its origins in the 1930s and eventually grew to a Bay Area-wide chain of 12 stores that did more than \$83 million in annual sales and had more than 100,000 members.

Observers differ on the cause of its decline and eventual demise in 1988, with some blaming over-expansion. Edwards said organizers of the 21st-century Berkeley-based co-op will endeavor to avoid those pitfalls.

"What I'm hopeful about is that our model is different in some positive ways," Edwards said.

That will include careful, methodical growth, a minimum number of paid staff since members will be required to work at least 2½ hours a month, and a requirement that one must be a member to shop. Not to mention mandatory education for visitors about the co-op concept.

"When people come to our pickup center or (the eventual) store, for the first time they will have to take a guided tour," she said, in hopes some will decide to become paying and working members.

Though dormant in the East Bay for nearly two decades, the grocery co-op movement has flourished elsewhere in California. According to the National Cooperative Grocers Association, there are 12 member-owned organizations registered with the association statewide, from Arcata to San Diego. The closest to the Bay Area are located in Davis and Sacramento.



DINO VOURNAS | EAST BAY BUSINESS TIMES  
Julia Carpenter, Michael Weiler and Elisa Edwards have started a push for an online grocery cooperative and hope to open a store soon in Berkeley, Emeryville or Oakland.  
[View Larger](#)

There are some local examples of successful cooperatives. Berkeley's Cheeseboard Collective and the Arizmendi Bakery Cooperative that began in Oakland and has spread to Emeryville and San Francisco, are owned and operated by their workers.

But the larger grocery industry has changed dramatically since the last Berkeley Co-op store closed its doors. Besides competition from traditional supermarkets such as Safeway and Albertsons, the rise of discount supermarkets, especially Wal-Mart Stores Inc., natural foods behemoth Whole Foods Markets, small upscale grocery chains such as Andronico's Market and club stores such as Costco have flooded the marketplace.

Natural and organic produce and other products are now readily available at all of those stores. To make things even more competitive, dozens of weekly farmers markets dot the Bay Area landscape, selling locally grown fruits and vegetables.

What's a fledgling co-op to do?

"Those are often expensive shopping options," Edwards said. "We feel there are a lot of people looking for something like this."

Besides seeking bargains, there are the social and political statement aspects to it, too.

"At Park Slope, there are members who come all the way from New Jersey and Pennsylvania," she said. "They would come to New York once a month to shop and fulfill their work obligations. It becomes an economical and enjoyable exercise."

*dgoll@bizjournals.com | 925-598-1436*

---

*All contents of this site © American City Business Journals Inc. All rights reserved.*