

# Cincinnati Union Cooperative Initiative (CUCI)



# 2014

## Celebrating Success & the Journey

Here in Cincinnati, like many other parts of this country, the need to create jobs is paramount. Families and neighborhoods across our region are struggling with high rates of long-term unemployment.

These workers and the families and communities they support need and deserve not just a job — but a career path that provides a family sustaining wage, benefits, essential training, and effectively diminishes barriers to long-term employment.

### An Economy that Works for All

Our goal is to create an economy that works for everyone — an economy that supports good, sustainable jobs, closes the wage gap, and is accountable to the communities that drive it.

Transforming communities is a big undertaking, but it's important, necessary work. It's about strengthening a community's existing resources and supporting its most valuable resource — the people who live and work there.

Mondragon Cooperatives are showing us how. During the last 57 years, the Mondragon cooperative network has transformed a war torn, devastated, region of Spain rife with poverty and unemployment into thriving, vibrant, prosperous communities, employing over 80,000 people.

The Mondragon business model is the foundation of our effort. CUCI and our partners *1worker1vote.org* and *Mondragon USA* are committed to developing an integrated network of union cooperative businesses and supporting like-minded individuals and organizations striving to transform their communities and create an economy that works for all.

In solidarity,

*Kristen Barker*

President & Founding Board Member  
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### Cincinnati Union Cooperative Initiative (CUCI)

We are a non-profit who partners with individuals and organizations to develop union cooperatives. These worker-owned businesses provide family-sustaining jobs and create an economy that works for all.

### Union Cooperative

A Union Cooperative is a for-profit business which is owned and directed by workers. This business model utilizes the collective bargaining process and is guided by the 10 core Mondragon principles.

## Creating the Way Training & Education

CUCI's capacity to support existing and launch new union cooperative businesses is dependent upon our ability to provide consistent, quality training on concepts and culture unique to the union cooperative business model.

Above all else union cooperatives recognize the worker owner as their most valuable resource — barriers to employment such as education or skill level, socio economic status, and criminal records do not negate an individual's value as a worker owner. Training and skill development are understood to be a corner stone of every union cooperative business and the entire network of union cooperatives.

The Mondragon union cooperative business model, specifically the principles, cooperative culture, solidarity, and co-op of co-cops related to this innovative business approach, are being introduced for the first time to workers here in the United States.



This positions CUCI to be a national leader in developing and implementing trainings, protocol and curriculums specific to this business model— potentially providing a framework for union co-op professional development in cities across the country.

In 2014 the Greater Cincinnati Foundation awarded CUCI a grant to jump start education and training efforts specific to the union cooperative business model. As a result a full time staff person was hired to meet these goals.

### The Role of CUCI

The Cincinnati Union Cooperative Initiative (CUCI) incubates Mondragon union cooperatives by:

- Developing potential union cooperative business ideas
- Funding business feasibility studies
- Supporting business development
- Identifying community partners
- Providing training and education on the union cooperative business model and ten Mondragon principles.

## Union Cooperative Business Model

### Value Beyond the Bottom Line

#### Mondragon Principles

The union cooperative model implements ten Mondragon principles. These principles articulate the cooperative and participatory values that have guided Mondragon's business success.

They are labor-based and rooted in a variety of movements and experiences. These principles affirm the freedom and empowerment of working people and the value and importance of community.

#### 10 Mondragon Cooperative Principles

<b>Open Admission</b>	Coops will not discriminate in hiring
<b>Democratic Organization</b>	One worker, one vote
<b>Sovereignty of Labor</b>	Workers run the cooperative
<b>Participation in Management</b>	Development of adequate systems for participation, transparency, consultation, and negotiation
<b>Instrumental &amp; Subordinate Nature of Capital</b>	Providing and creating jobs is prioritized over increasing the marginal return on investments.
<b>Wage Solidarity</b>	Highest paid workers earn no more than 5-7 times more than lowest paid workers.
<b>Inter-Cooperation</b>	Working cooperatively with other co-ops is valued and essential.
<b>Universality</b>	Solidarity with all those who work for economic democracy
<b>Social Transformation</b>	Support and invest in social change
<b>Education</b>	To promote establishment of these principles

## IN DEVELOPMENT

**Jewelry Makers Co-op**[facebook.com/SarahCenter](https://www.facebook.com/SarahCenter)

**Vision:** Sustain Sarah Center — a nonprofit, supporting women on the margins by providing jewelry making classes, health & wellness programming, & entrepreneurial education. Expand successful, high quality jewelry making to create family sustaining jobs.

**Progress:** Feasibility Study completed and suggested go slow, develop signature Sarah Center line, and expand market channels before launching separate entity.

**Yucky Cookie Co-op**[facebook.com/YuckyCookies](https://www.facebook.com/YuckyCookies)

**Vision:** Create family sustaining full time jobs via selling and baking cookies from proprietary recipes made with whole fruit and vegetables. "A little bit of good, a whole lot of delicious"

**Progress:** Yucky Cookies are now available on-line. When market demand requires the support of a steady baking and distributing workforce, a union cooperative will be launched to meet these needs.

**Apple Street Market**[applestreetmarket.coop/](http://applestreetmarket.coop/)

**Vision:** Develop a viable network of worker and community owned grocery stores in Cincinnati neighborhoods with inadequate food access. Apple Street Market will increase access to fresh foods, provide family sustaining jobs, and serve as a catalyst for community revitalization.

**Progress:** Apple Street incorporated with its own board of directors May 2014. Feasibility study completed March 2014 for Northside and College Hill, projects startup costs of \$15 million. Over 650 households have pledged or joined to date. Apple Street will serve more than 2000 residents at opening.



*Our Harvest Cooperative has over 300 CSA members, is developing a web based regional food hub, and was recently awarded a three year, \$385K grant from Interact for Health to increase access to fresh produce in underserved communities.*

## Update on CUCI Initiatives

### Union Cooperatives: Launched & Developing

**Our Harvest Cooperative**[ourharvest.coop](http://ourharvest.coop)

Build a food hub to strengthen the local food system & increase access to healthy food, Increase organic vegetable production, Sustain these efforts by training more farmers, create family sustaining jobs in Greater Cincinnati.

**Progress:** Consisting of a food hub and both urban and rural cultivation, OHC employed 20 people and had over 400 families participate in a Weekly Harvest box program, additionally; OHC aggregated produce and supplied various retail and wholesale outlets. OHC is partnering with Cincinnati State's newly launched Sustainable Agriculture Management Program; students come to the urban farm weekly for their practicum.

**Sustainergy**[sustainergy.coop](http://sustainergy.coop)

Sustainergy specializes in leveraging PACE (Property Assessed Clean Energy) financing to dramatically improve the energy efficiency of commercial, industrial, and institutional buildings within the City of Cincinnati. They assess potential efficiency gains on a building-by-building basis and tailor upgrades to each customer's needs.

**Progress:** Sustainergy has been retrofitting properties and marketing their unique strategy to improve energy efficiencies. CUCI & Sustainergy were leaders in establishing Cincinnati as a PACE district and kick starting our local energy efficiency market.

**Renting Partnerships**[rentingpartnerships.org](http://rentingpartnerships.org)

Renting Partnerships is a non-profit cooperation that aims to build the social equity and wealth of households that lack opportunities for home ownership. They provide the structure and support necessary to assure the system can and will be honored over time and despite changes in management. The key elements are:

- 1) Model Legal Agreements
- 2) Facilitated Community-Based Leadership
- 3) Administrative Practices
- 4) A Financial System

**Progress:** Renting Partnership is operating in the Cincinnati neighborhood of Avondale and exploring projects in East Walnut Hills and consulting similar initiatives in other U.S. cities.

# The Mondragon Model

## Our Inspiration

The Mondragon Corporation embodies the 1956 co-operative movement conceived in the Basque region of Spain. This region, devastated by war and extreme poverty, came together and aspired to change their quality of life and build an economy that would flourish for generations.

In Mondragón, Spain, five worker-owners formed the first industrial cooperative. Their business philosophy included the cooperative values of co-operation, participation, social responsibility, and innovation.

Today Mondragon is the world's largest network of worker-owned industrial cooperatives. They are the leading industrial group in the Basque region



and are ranked tenth in Spain. With 80,000 personnel, they have a presence in 70 countries and were awarded the 2013 Financial Times Boldness in Business award.

For over five decades, Mondragon's mission has been to generate wealth for

society through business development and job creation under the "one worker, one vote" cooperative framework.

[www.mondragon-corporation.com](http://www.mondragon-corporation.com)

### LEARN MORE

[cincinnatiunioncoop.org](http://cincinnatiunioncoop.org)

[mondragon-corporation.com](http://mondragon-corporation.com)

[usw.org](http://usw.org)

[1worker1vote.org](http://1worker1vote.org) is building a national network of unionized worker-owned cooperative businesses to overcome opportunity, mobility, and income inequality.

[1worker1vote.org](http://1worker1vote.org)

## United Steelworkers & Mondragon

### *A Historic Partnership —*

In October, 2009 Mondragon and the United Steelworkers (USW) signed an historic agreement laying the ground work for formation of Mondragon union cooperatives in the United States.

This partnership between the world's most successful cooperative business model and North America's largest industrial union provided the framework and support to successfully launch Mondragon union cooperatives in the United States.

CUCI emerged in the wake of this agreement with a team of dedicated and enthusiastic individuals ready to replicate Mondragon's successful worker owner cooperative model and the benefits made possible by (USW) - Mondragon agreement.



## Co-op of Co-ops

The Co-op of Co-ops ends isolation of individual co-ops and harnesses the power and possibilities of the whole worker movement and co-op movement together.

Creativity and resources can be pooled to make things happen. It has been a cornerstone to the success of the Mondragon cooperatives.

A multi-sector association of co-ops can take advantage of opportunities in certain sectors and buffer periodic crisis in other sectors, thereby protecting workers who are suffering from crisis in any one sector of the economy.



## A Special Thanks to Our 2014 Sponsors

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Greater Cincinnati Building Trades  
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 Ohio Cooperative Development Center  
 UFCW Local 75  
 United Steelworkers District 1

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