

Ontario Organic Farmers Cooperative Beginnings

- Started as Organic Grain Coop in 1989
- 30 farmers - \$2,000.00 membership
- Major Challenges
 - Getting organized
 - Identifying leaders
 - writing the Mission Statement
 - persuading people to believe in the dream
 - working through the legal/administrative maze



OntarBio Organic Farmers Cooperative

- Now buys and sells Grain, Eggs and offers range of Dairy products like Fluid Milk, Yogurt, Cheese, Ice Cream, Butter
- Organic Meadow brand well known
- Sold Across Canada in all major retailers
- Leader in the Organic dairy market



Challenges to Growth

- Establishing a decision making process
 - Consensus? Votes? Endless Discussion?
 - Sorting out roles (volunteer vs. paid positions)
 - Role of Board - governance vs. operations
 - Outside expertise is essential

OntarBio Organic Farmers Cooperative Process of Growth

- Brand Development and market development was a challenge.
- Required Managerial and marketing expertise at board level
- Growth required funds to expand
- Formed a subsidiary company – “Organic Meadow Inc.” – invited a minority external shareholder
- Has external board members to guide the business



OntarBio Organic Farmers Cooperative Facts of Growth

- Started with 30 Members. Now has more than 100 members
- Actively working to unite producers across Canada
- Revenue growing at average 25% in the last four years
- Profitability has increased with growth and recognition of brand name
- The message that the brand is owned by farmers is a very powerful competitive advantage



OntarBio Organic Farmers Cooperative Membership

- Producer joins as member of Coop with investment
- Membership creates sense of belonging and commitment
- Member relations team help work through transition period of 4 years
- Peer member support available throughout the period
- Members' investment returns, Patronage and profit sharing dividend



OntarBio Organic Farmers Cooperative

Why A Coop?

- Serves the producers and links them to market
- Democratic process gives power to members
- Links the brand to the farm
- Together producers are stronger
- Guards against buyout



OntarBio Organic Farmers Cooperative

Support required for Coop's (Suggestions)

- Need for Prospectus VS offering statement, maybe based on sales volume.
- Board training to members of coop
- Possibility of voting over video conferencing, through telephone etc., would increase participation at meetings
- Funding for marketing of products during the initial years could be useful



Going Forward – Challenges Facing Organic Meadow

- Staying true to the vision and mission
- Keeping the members involved
- Maintaining a sense of ownership
- Dealing with big players
- Risks and compromises
- Succession of leadership