

Cooperatives in Philadelphia

Fact Sheet: February, 2012



The Co-op Model

Locally Owned – Democratically controlled – Principled – Stable Businesses – Meeting People's Needs

Philadelphia Cooperatives

- **Consumer-owned** co-ops provide quality groceries through **4 existing food co-ops (9 start-ups)**, essential financial services through **53 credit unions**, and **1 affordable renewable energy co-op**.
- **Worker-owned** co-ops provide equitable pay, safe working conditions, stable work, and empowerment to their employee-owners of **3 worker-owned co-ops** in Philadelphia.
- **Housing co-ops** provide affordable, safe, stable and quality housing at **10 co-ops** in the area.
- **Producer co-ops** allow farmers, artists, and other producers to market and distribute their products cooperatively at **5 co-ops** in the region.

Long History of Cooperation in Philadelphia

1752 - Benjamin Franklin –Philadelphia Contributionship of the Insurance of Houses from Loss by Fire

The Philadelphia Contributionship is the first mutual insurance company in the U.S., modeled after the Amicable Contributionship of London. Policyholders elected a board of directors to issue policies.

1860 - Union Cooperative Association Number 1

Labor reformers formed a cooperative grocery store modeled after the Rochdale Pioneers cooperative store in England. The store provided its members with the necessities of life at fair prices.

1976 to 1985 - Philadelphia Association of Cooperative Enterprise (PACE)

PACE promoted worker ownership through worker cooperatives and democratic ESOPs (Employee Stock Ownership Plans) in the Philadelphia area from.

1982 - O&O Supermarkets

The Philadelphia Area A&P grocery stores closed, laying off 2,000 employees. Two were converted into worker-owned and operated cooperatives, called the O&O Supermarkets (Owned & Operated)

Co-op Development

Philadelphia Area Cooperative Alliance

In November, 2011 the Philadelphia Area Cooperative Alliance (PACA) was formed to advocate for, increase the awareness of, and support the development of co-ops in the Philadelphia area.

National Cooperative Development Act (HR3677)

Congressman Chaka Fattah, representing Pennsylvania's 2nd District, introduced HR3677 to fund cooperative business development in underserved communities throughout the United States.

Limitations

Financial support is limited for co-op development technical assistance as well as capitalization of new co-op businesses. Increased funding for co-op development will provide expert business planning and organizational development to ensure greater success with co-op business start-ups.