# Developing an Eco-social Enterprise

Session

Thursday, 31 March, 2022

Tim Crabtree, Wessex Community Assets & Plymouth University

Anna: Coffee house

Katerina:
Welcoming centre
for international
professionals

Ludvik: Sustainable outdoor gear shop

Moena: Waste free grocery store

Summer: Reduce waste initiative Tamin:
Plastic bag
recycling

Amit: Flood-proof housing initiative

Bhavesh: Community based solar farms Aditya:
Stone houses
building initiative

Monika: Shop with local food

Tereza: Eco-campsite & organic farm

Tereza: Organic farm

Blanche: Chestnut-based daily goods Veronika:
Organic farm &
bees

Tereza: Organic flower farm

# In any system, identifying the purpose or goal is critical

- "A system isn't just any old collection of things. A system is an interconnected set of elements that is coherently organised in a way that achieves something......
- a system must consist of three kinds of things: elements, interconnections, and a function or purpose."



#### Paradigm:

- Nature is a stock of resources to be converted to human purposes
- The market is the ideal organising mechanism for everything
- Money measures value
- Growth is good
- Self-interest is good



Profit, growth, competition





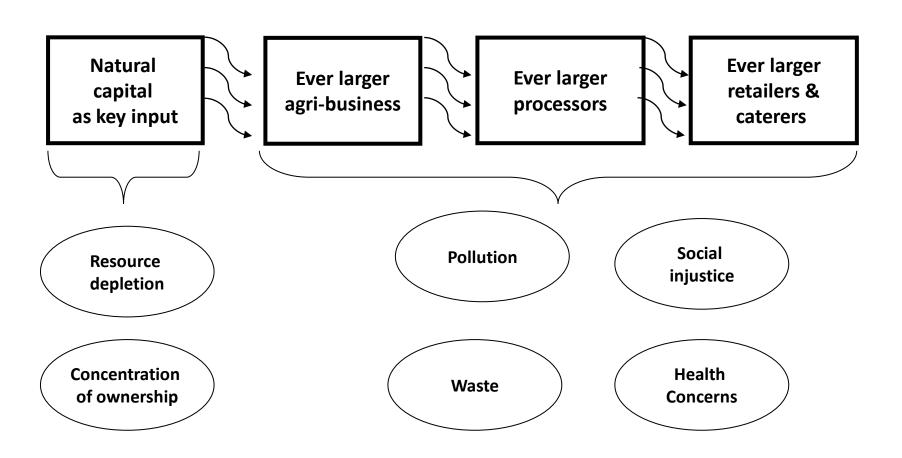
#### **Rules/structure:**

Share company maximising shareholder value

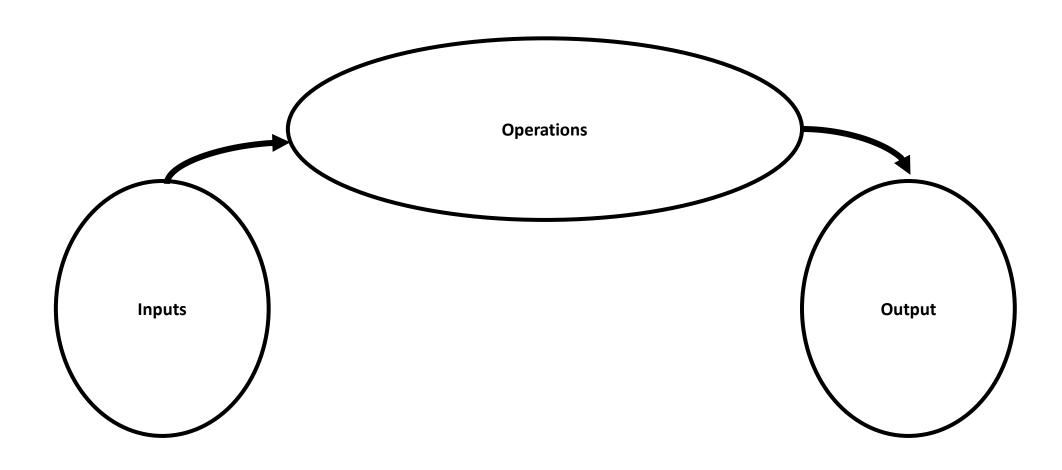




## The dominant food system

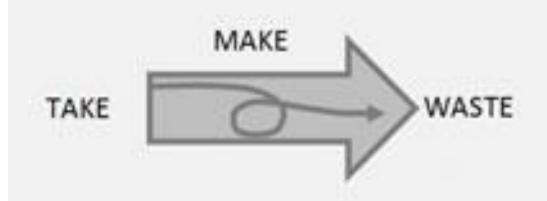


## A simple systems model of a firm



### LINEAR ECONOMY

#### CIRCULAR ECONOMY







BIOLOGICAL MATERIALS

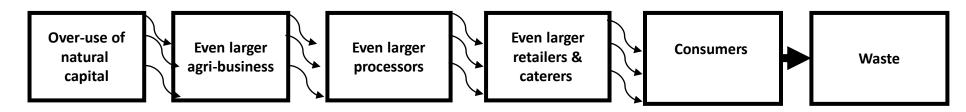


LOSE VALUE

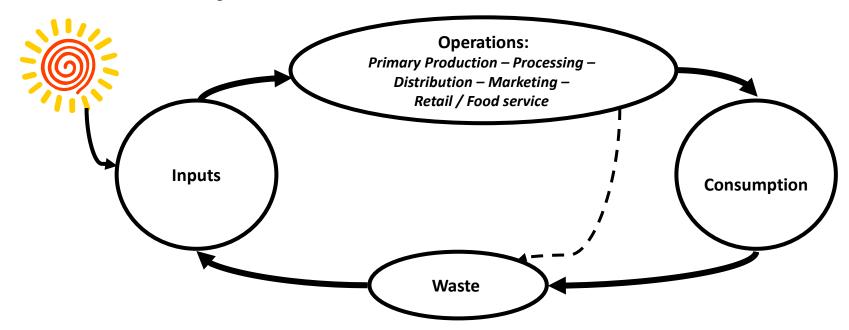
**RETAIN VALUE** 

#### Two types of food system

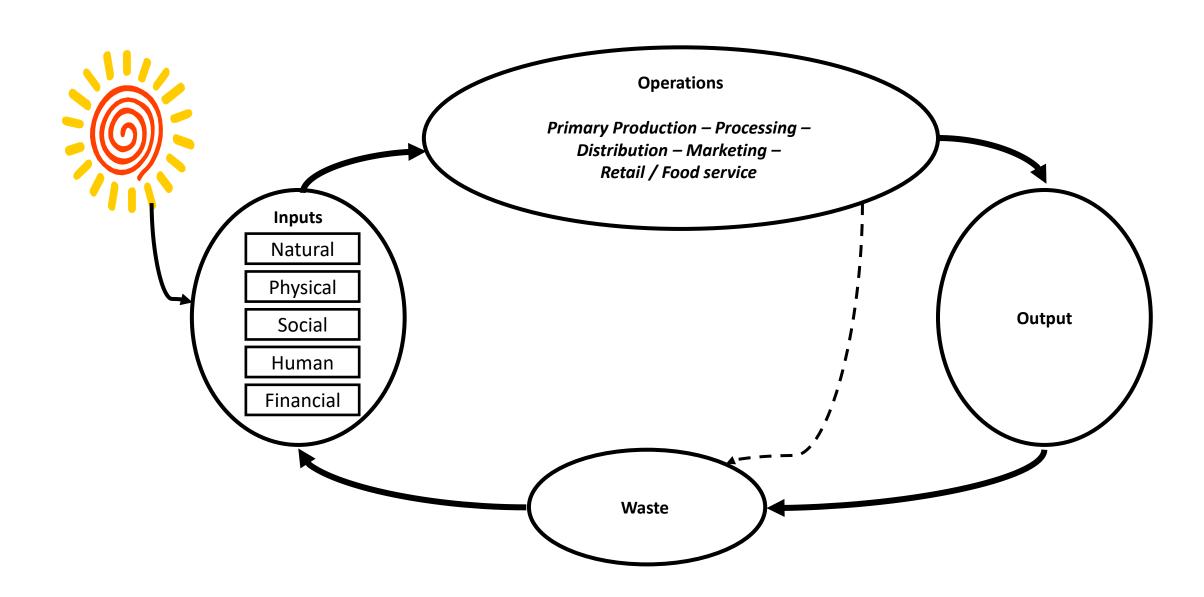
#### "Linear" food systems



#### "Circular" food systems



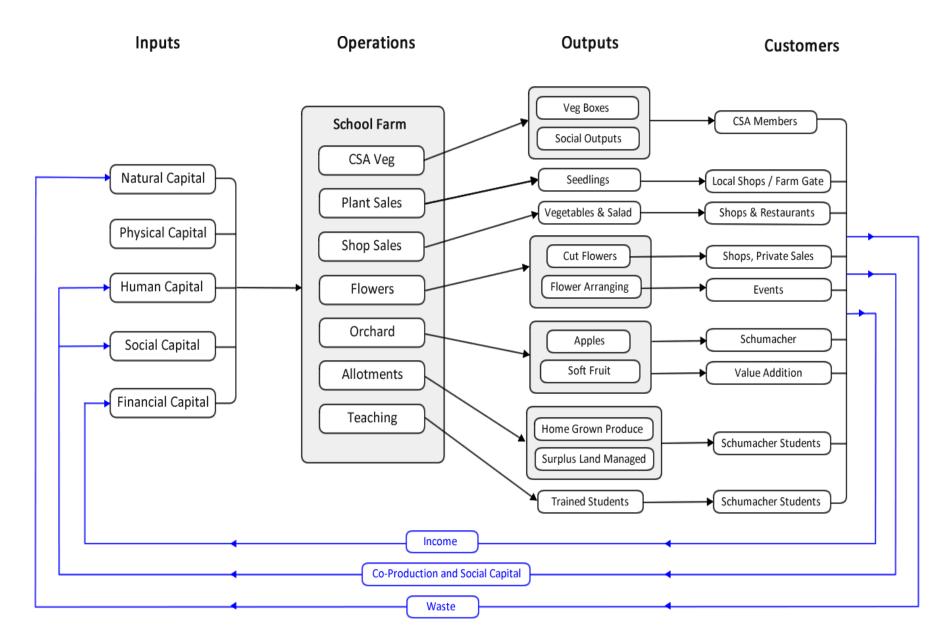
## A simple systems model of a firm



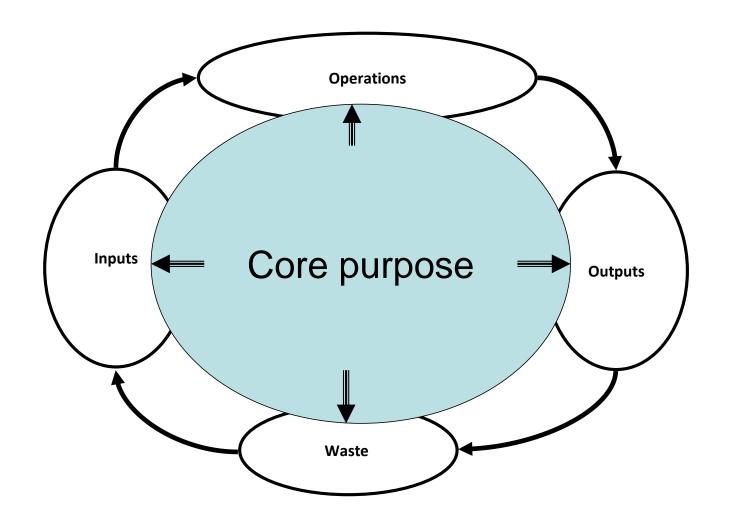
#### School Farm CSA

- A community supported agriculture enterprise
- Run by ex-students of Schumacher College

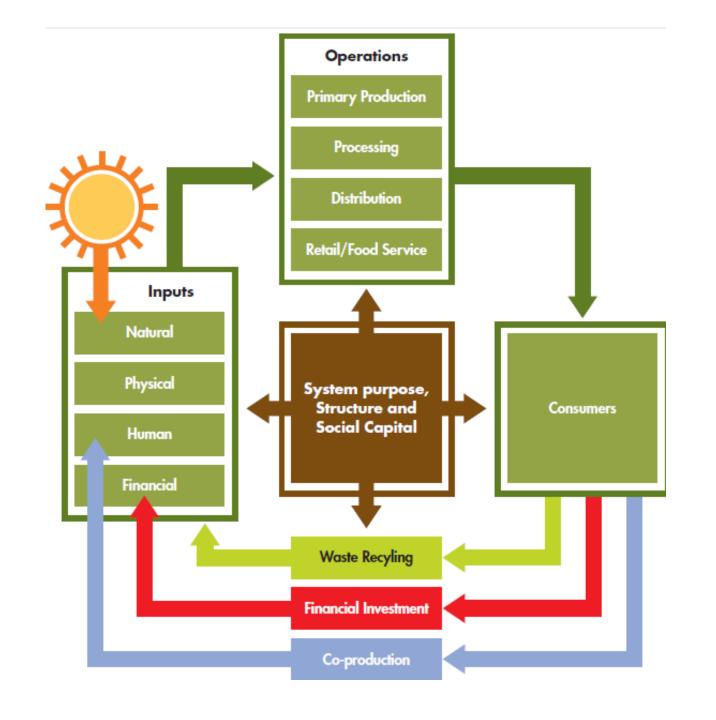




Source: Damon Steed



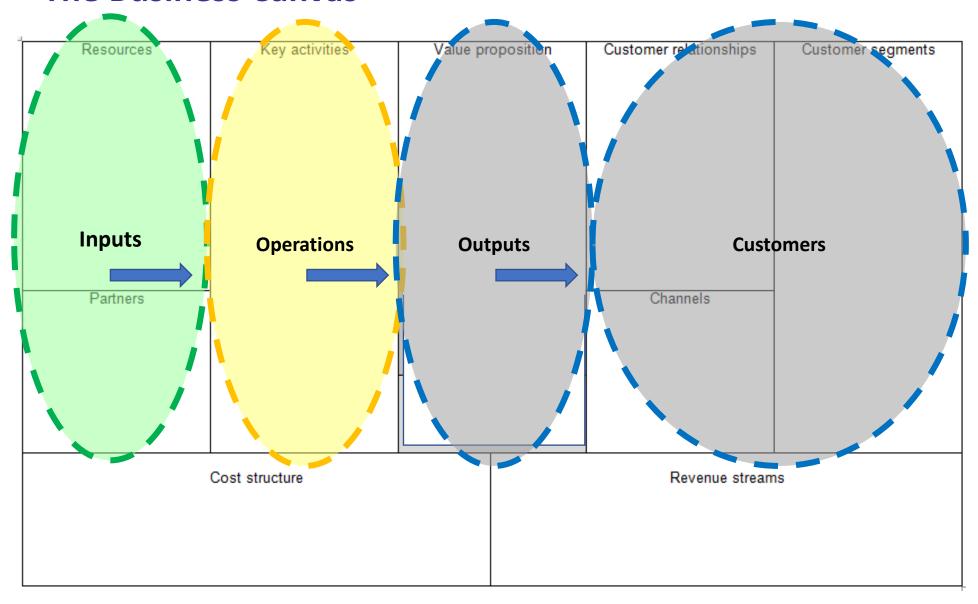
According to Meadows "the least obvious part of the system, its function or purpose, is often the most crucial determinant of the system's behaviour."

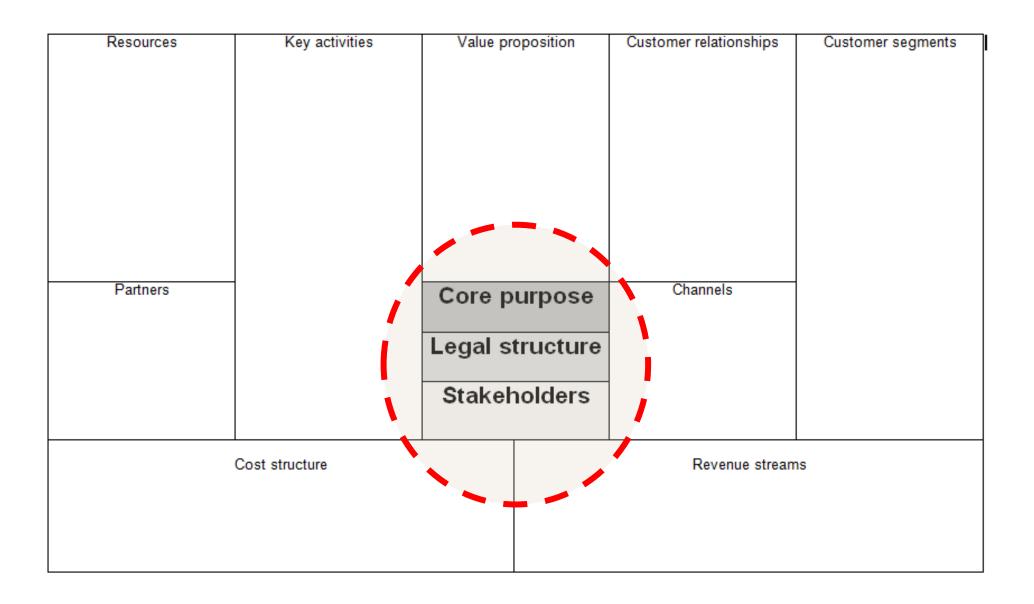


#### **The Business Canvas**

Т Ветемина	Managarinisia a	V-lu-		Contantantantiantian	Contamonata
Resources	Key activities	value pr	oposition	Customer relationships	Customer segments
Partners	]	Īi .		Channels	
		-			
Cost structure			Revenue streams		

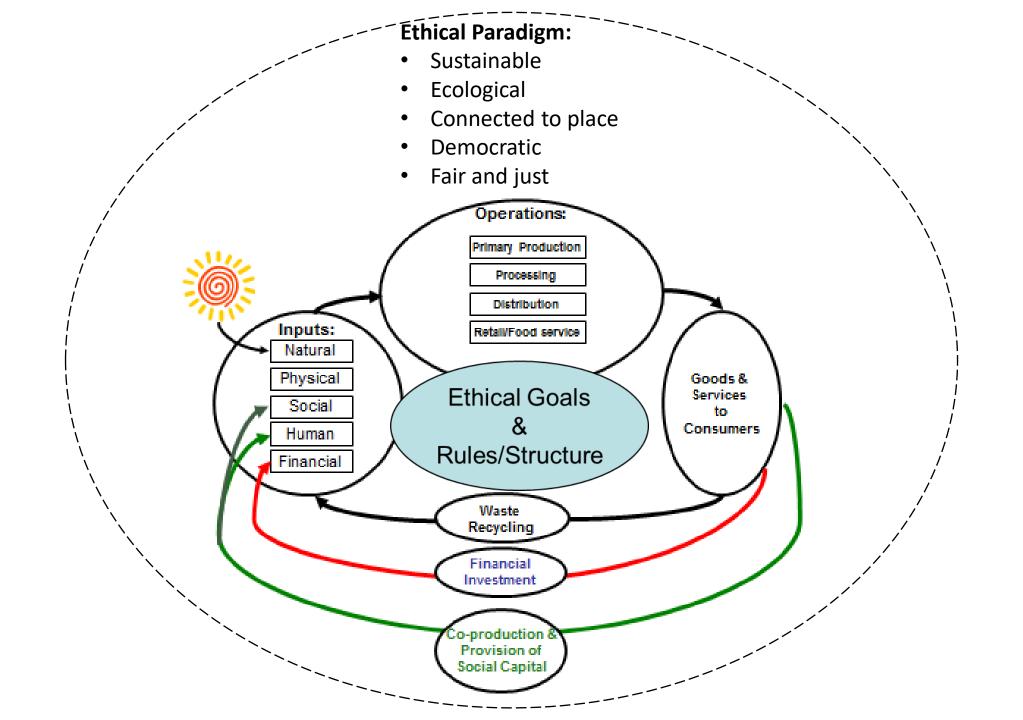
#### **The Business Canvas**





# Marjorie Kelly

There are many changes needed to get us to a new economy — political, cultural, technological. We'll need changes in regulation, changes in personal values system. But I would suggest there's a critical element we aren't talking about enough, and that is ownership design. As one colleague put it, "Ownership is the original system condition." Ownership is how wealth is created, and it determines who gets that wealth; it determines who controls the economy.





#### Inputs:

Goods (fresh vegetable, fruits and all things necessary to produce grocery, diary...), waste separation, re-usable materials, composting organic waste and its circulation

Building reconstructed in eco-friendly and energy saving way, Equipment and Furniture: mostly donated or from second hand. Partly also self-designed and created by old used things

Co-operative system based on a company rules

Staff: professional waiters, cookers, Volunteers as part of the program (artists...) or part of the distribution system, Trainees interested in getting new professionals skills in the area

Grants: professional training and cultural events, Loans: physical capital (equipment...), organization, management

#### Operations:

Retail/food service

Networking, gathering communities, culture support, education (propagation of alternatives for everyday life)

Co-operative system with consumers, employees, suppliers and investors; but the enterprise will be based on a company rules

Products and services corresponding with those in normal (non alternative) cafeterias but with special importance given to environmentally friendly processes, sustainability and quality - with maximum effort to purchase necessary goods from small local producers or from fair or direct trade organizations.

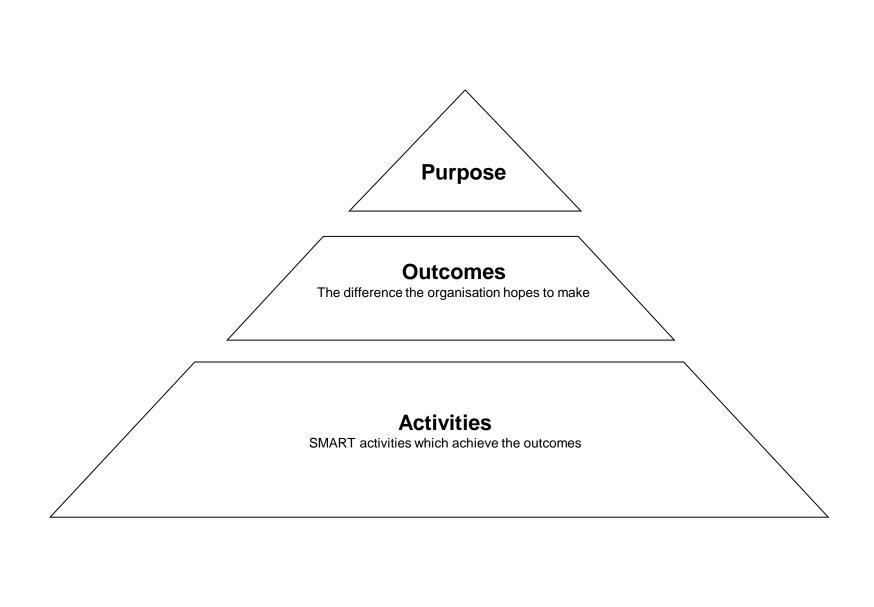
Strict separation of waste, circulation of bio waste, reusable wrapping materials

Investment to physical capital and eco-friendly (energy, heat, water) system

Delivery system based on customers' network and cultural events supporting local artists

# Local Food Links' intention or purpose

"Creating affordable, user-led food services which support health & well-being, stronger communities and a better environment"



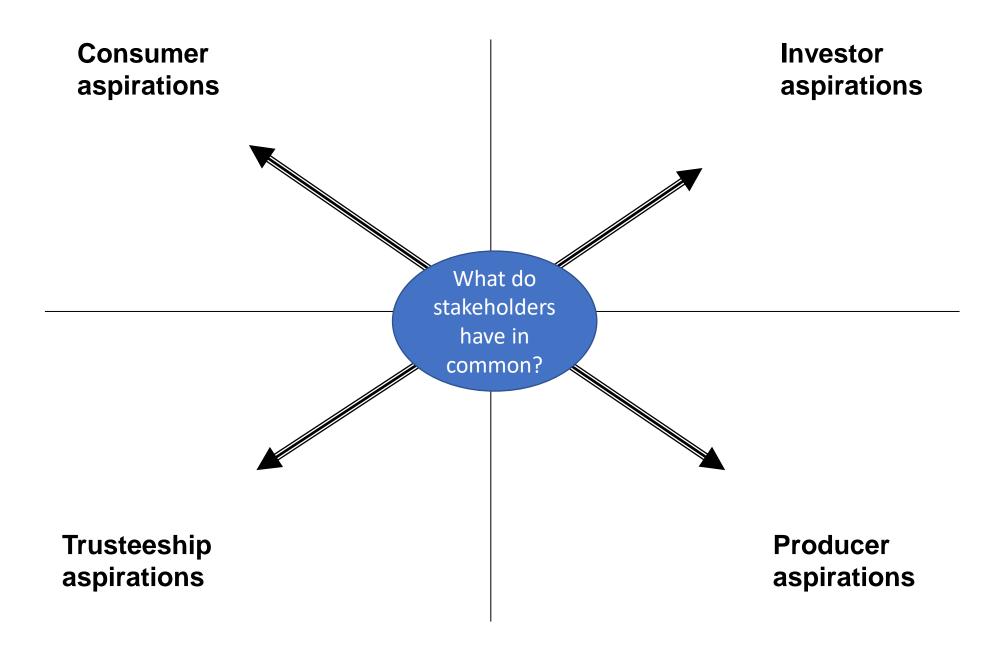
# The form of the organisation

- What will be the RULES of the organisation the constitution or governing document which sets out the legal structure
- E.g.
  - Foundation
  - Company
  - Co-operative
- Who will be in MEMBERSHIP?

## Key stakeholders and their motivations

- Paid workers
- Volunteers
- Service users (inc. volunteers)
- Commissioners, e.g. local government
- Suppliers

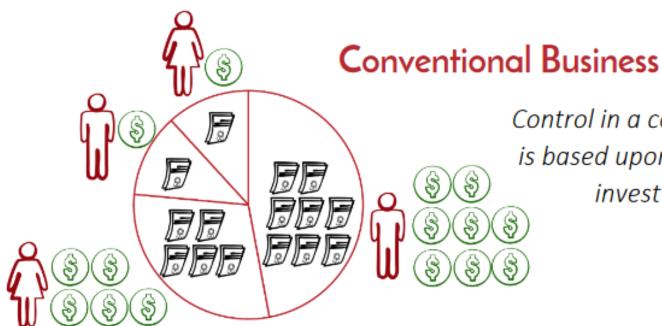
#### Stakeholders may have divergent aspirations



# What rights will the members have?

Potential stakeholder	Membership: Yes or no?	Voting rights?	Income rights?	Property rights?
Consumer				
Worker				
Supplier				
Investor				





Control in a conventional corporation is based upon the capital individuals invest in the company.

#### Worker Cooperative

Control in a *cooperative* is based on working at the firm. Traditionally everyone's capital contribution is equal.





#### INTERNAL CAPITAL ACCOUNTS

AN ILLUSTRATED GUIDE TO THE INTERNAL CAPITAL ACCOUNT SYSTEM FOR WORKER COOPERATIVES

# Humanity at work

MONDRAGON, a social innovation ecosystem case study



SOCIAL INNOVATOR SERIES: WAYS TO DESIGN, DEVELOP AND GROW SOCIAL INNOVATION

# THE OPEN BOOK OF SOCIAL INNOVATION

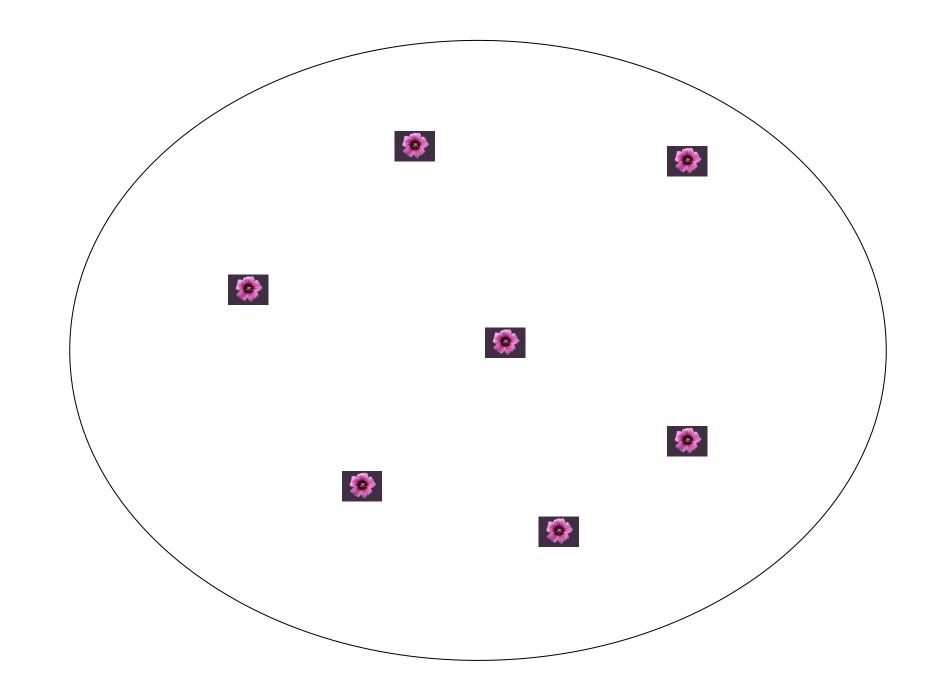
Robin Murray Julie Caulier-Grice Geoff Mulgan





# Robin Murray

For the spread of a social innovation what is needed is to establish the relative autonomy of new practices from the prevailing 'contextual forces' and attract others into this emerging sub-system - extending its strength and deepening its complexity



































**MORRISONS** 

















The **co-operative** 





































**MORRISONS** 











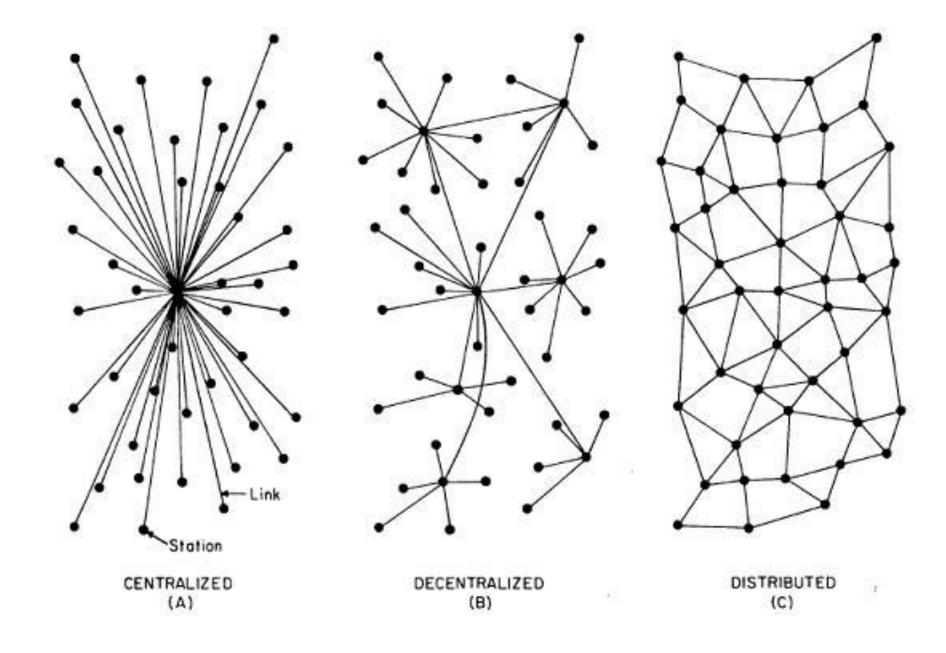






# From scaling to complexity

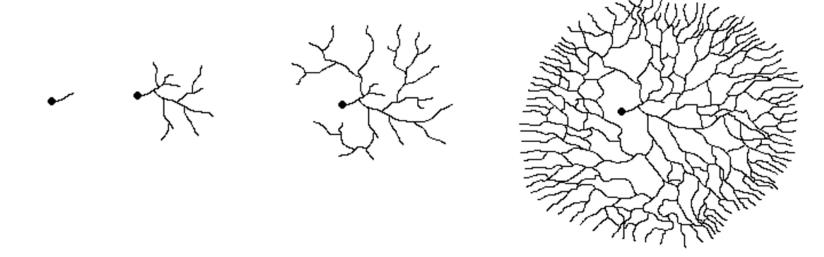
Starting point not a particular project or technology but emerging ecology of projects each of which has its own generative capacity, and constantly creating new networks with other projects

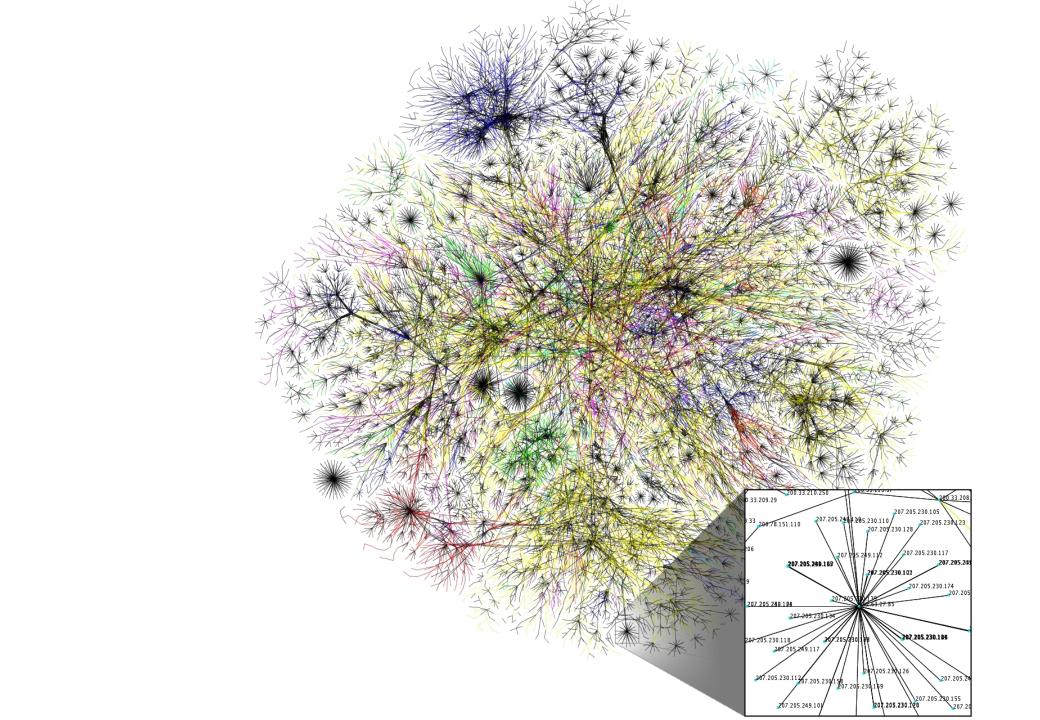


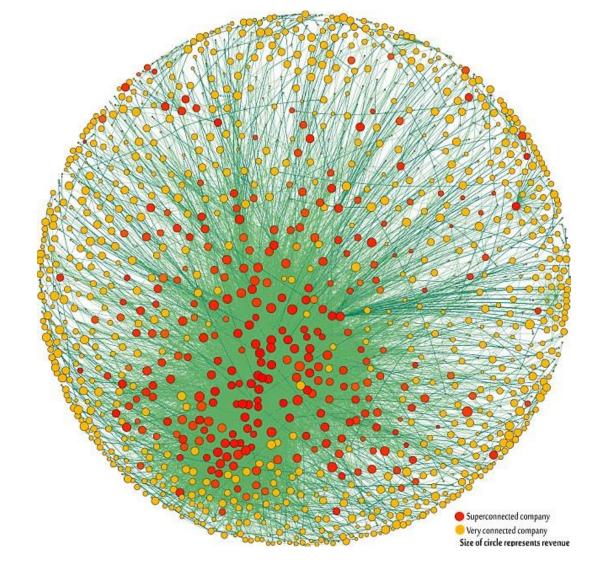












The 1,318 transnational corporations that form the core of the globalised economy - connections show partial ownership of one another, and the size of the circles corresponds to revenue. The companies 'own' through shares the majority of the 'real' economy

#### Mondragon, Spain

## 84,000 employed in 256 co-operatives

Supported by Mondragon Co-operative Corporation



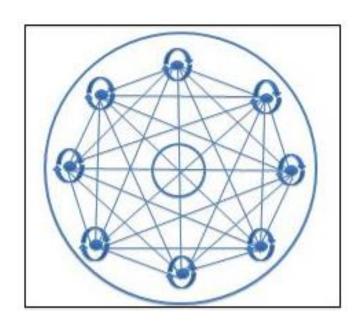






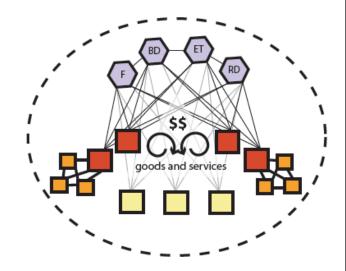


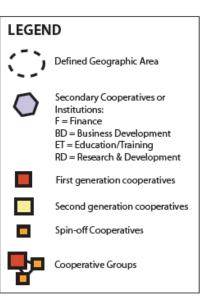




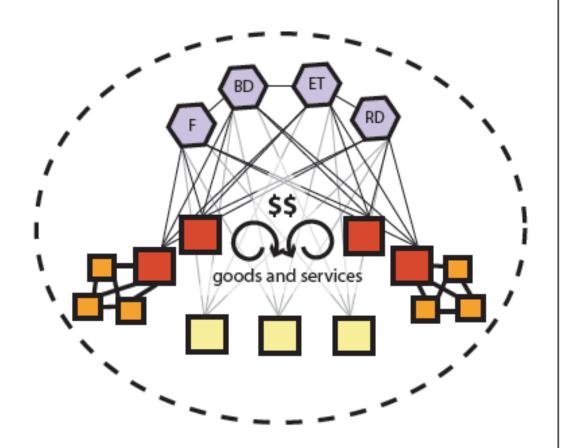
# More than 85,000 employees, 7,500 students and 90% of our industrial workers are members. We are MONDRAGON.

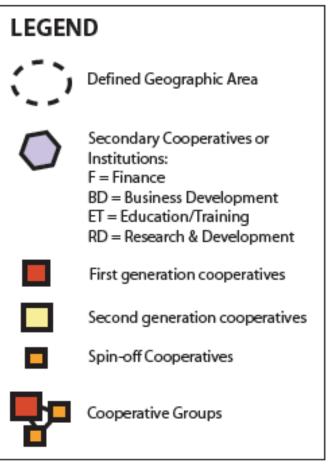
#### Cooperative Network Model of Endogenous Economic Development

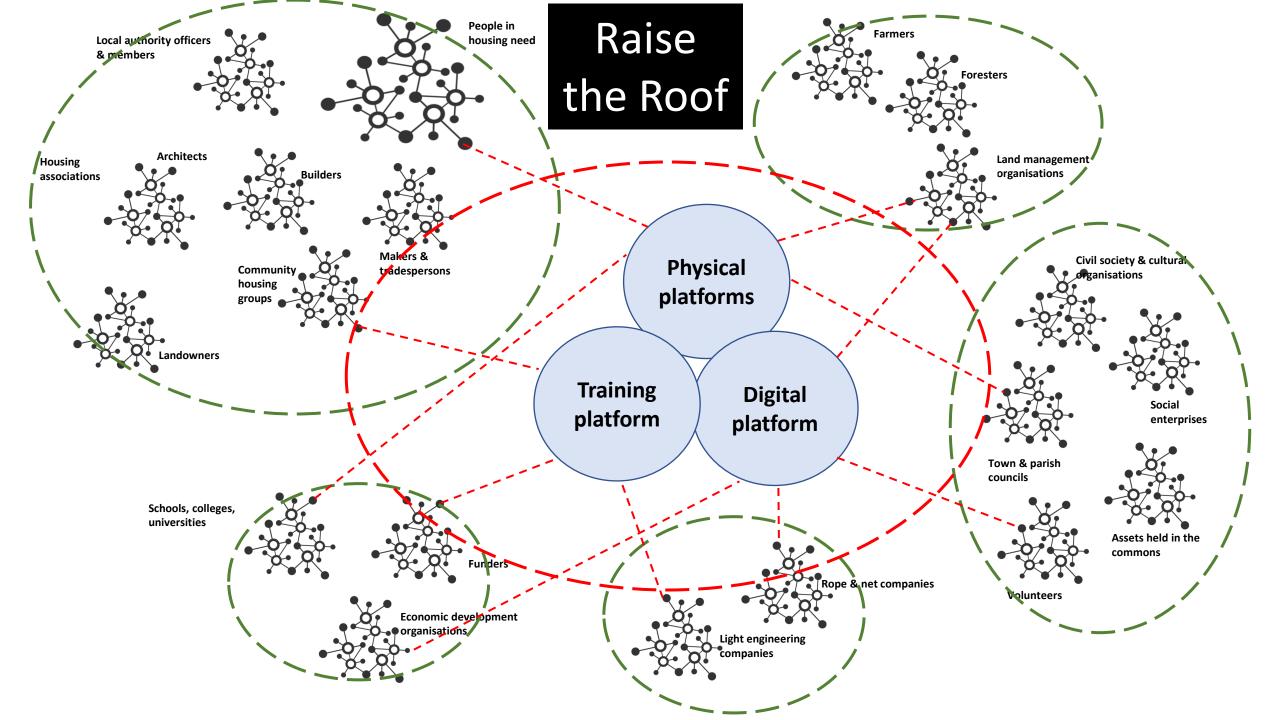


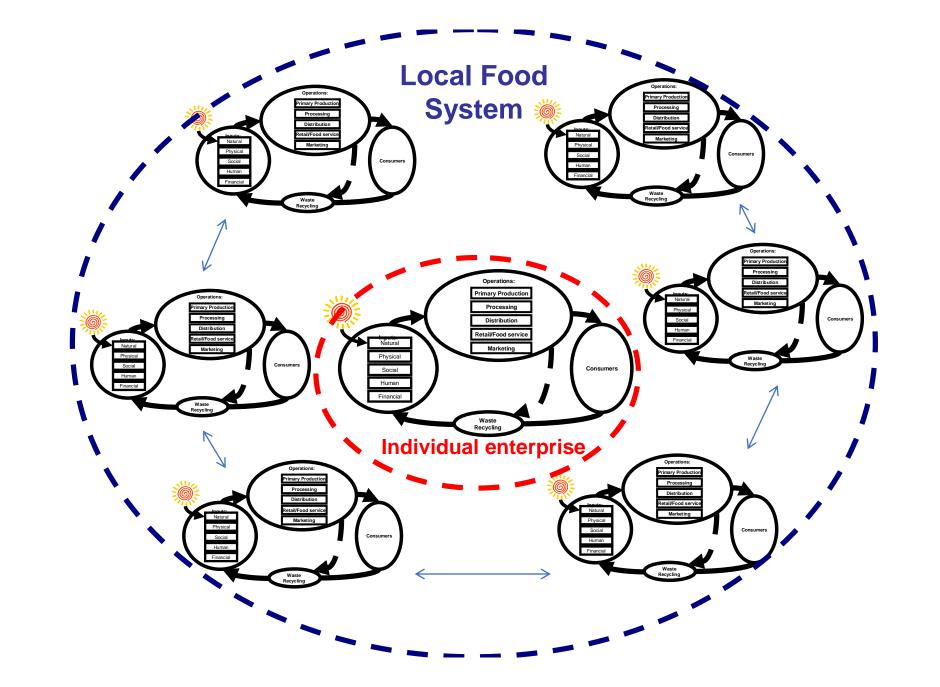


#### Cooperative Network Model of Endogenous Economic Development

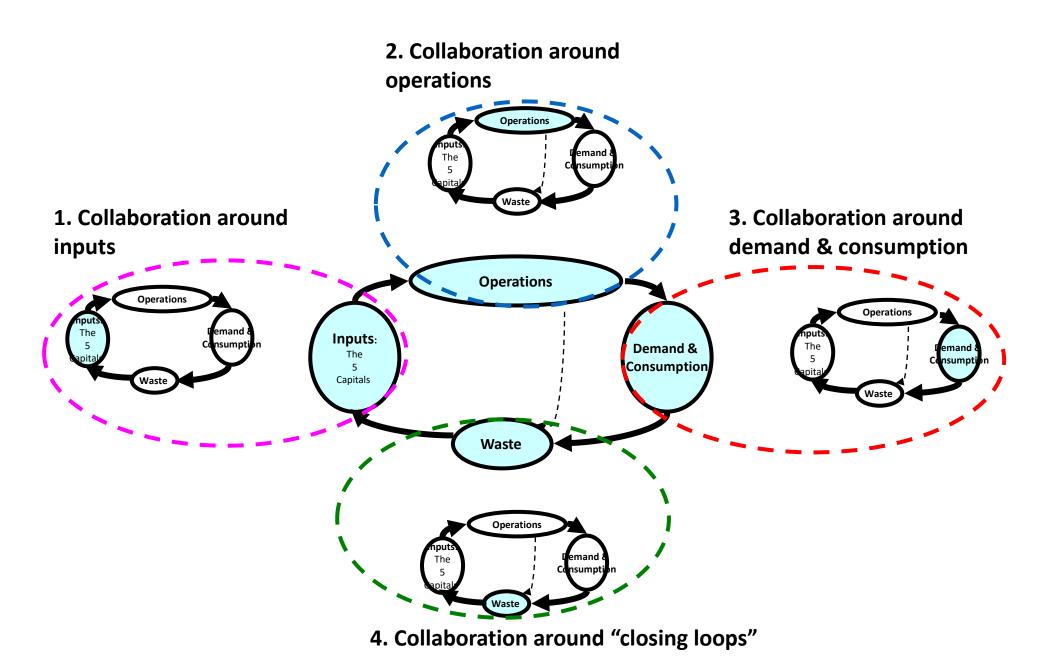




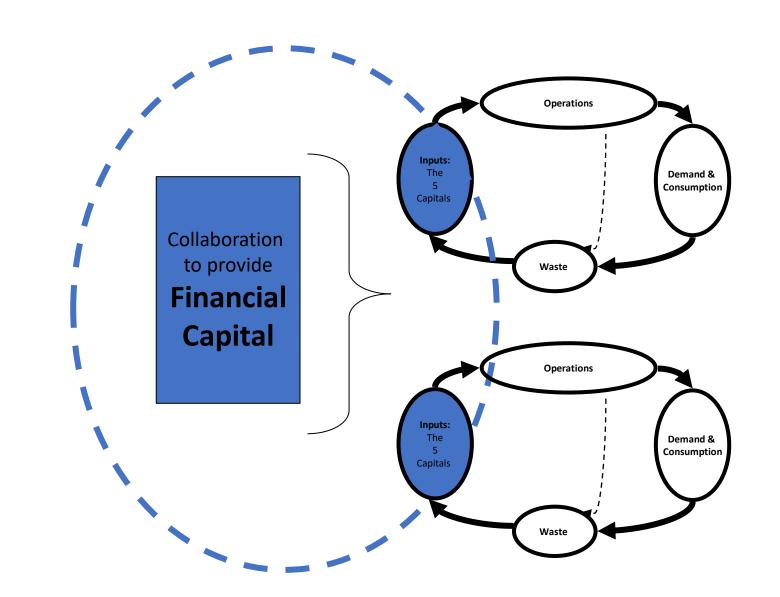




#### Linking with other enterprises in the local food system



1. Collaboration around inputs



#### **Wessex Community Assets**

a secondary structure helping communities raise local finance through share issues and loans



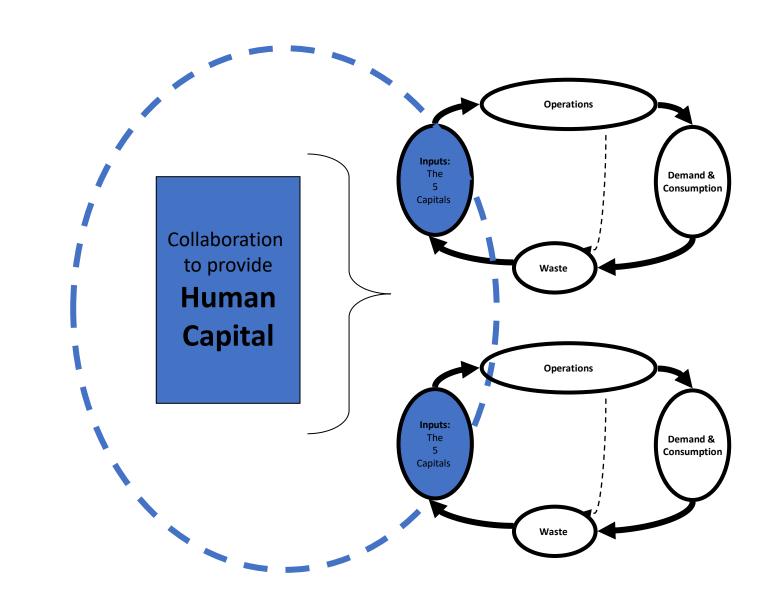






£152,775 raised

£105,000 raised



#### Manchester Land Army







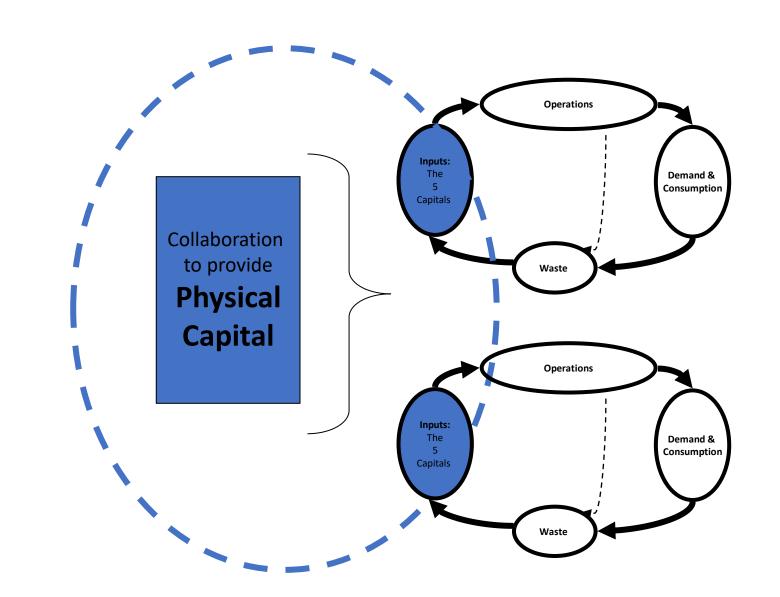


Offers a solution to a number of challenges faced by local organic growers including:

- Labour issues and costs for local growers at busy periods e.g. harvest time.
- Lack of skilled labour for illness and holiday cover.
- More growers are needed to meet future demand.
- Lack of a way into growing commercially for individuals.
- Lack of opportunity for practical involvement in sustainable food systems.

## Growing Communities: Urban Apprentice Scheme





#### **Dorset Small Producers' Network –**

#### **Processing Barn at Five Penny Farm**



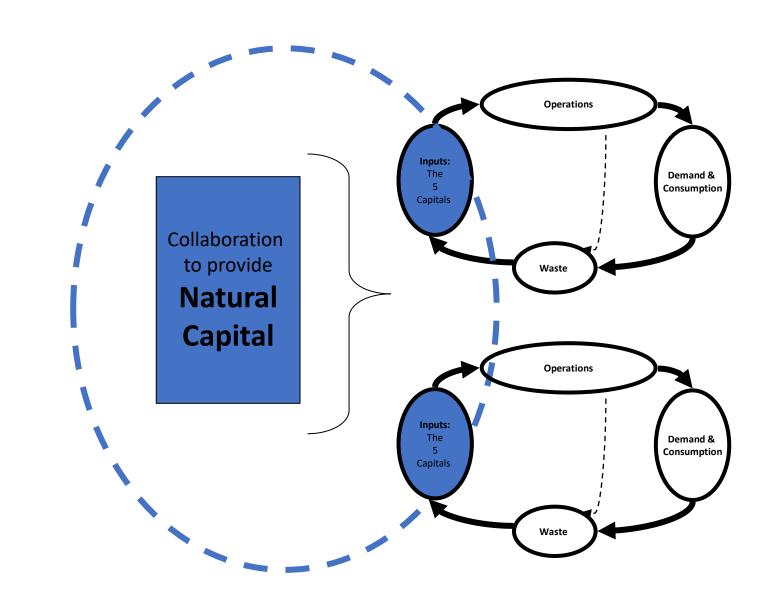












#### **Community Land Trust in the Southern Berkshires**



HOME

ABOUT

**EVENTS** 

PROPERTIES

**BOW WOW FARM** 

**MEMBERSHIP** 

RESOURCES

CONTACT US

#### Farmland Access Symposium

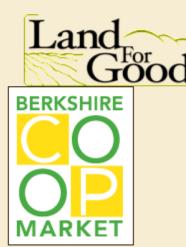
Saturday, April 12, 10:00 am to 2:00 pm

Let's put more farmers on the land and more land into farming!

Berkshire Athenaeum (Pittsfield's Public Library), One Wendell Avenue, Pittsfield

Lunch will be served + Advance registration required + Space Limited

Berkshire Grown and Community Land Trust in the Southern Berkshires are convening a conversation among people and organizations working in the Berkshires to put more farmers on the land and more land into farming. We believe access to affordable farmland is critical to our food security and the sustainability of our economy.





Greater Berkshire Agriculture Fund in affiliation with



#### New ways of accessing land









#### Kindling Farm

Withdrawable Shares



0-3%

Forecast

Investors 348

Days left 51

Raised so far £703,615

(+ Overfunding

Kindling Farm will be a pioneering, large-scale community-owned farm that will promote sustainable farming practices, producing healthy and organic food for all.



Match funded



Protecting nature

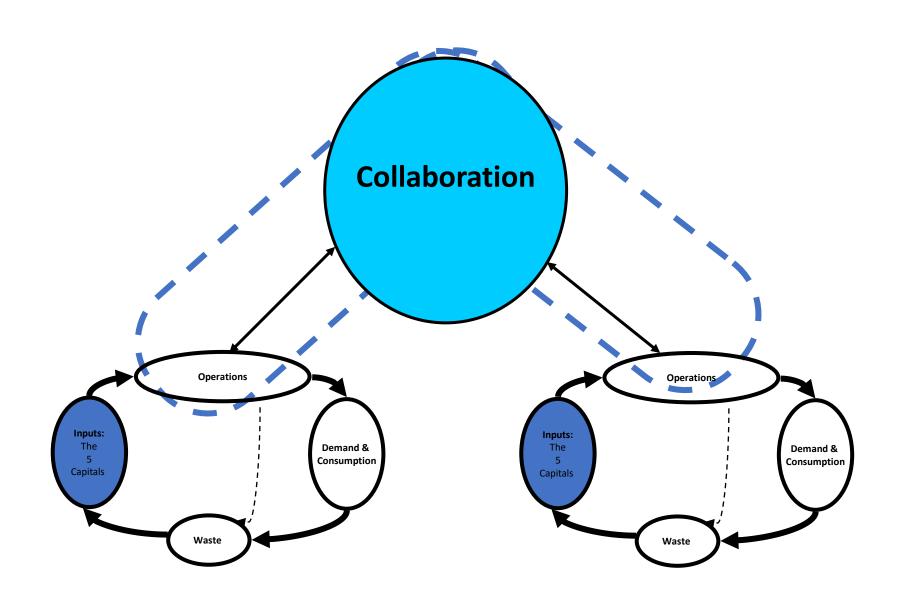


Login to invest

Register

Min investment: £200

#### 2. Collaboration around operations



#### 2. Collaboration around operations

There are different strategies which can be employed:

- Dissemination / sharing learning
- Social franchising or licensing
- Spin offs
- Secondary structures
- Joint ventures

#### Dissemination

#### **Unicorn Grocery: "Grow A Grocery" Guide**



#### **Social Franchising & Licensing:**

#### **Growing Communities – Start Up Programme**





#### Spin offs: Mondragon, Spain

## 84,000 employed in 256 co-operatives

Supported by Mondragon Co-operative Corporation



#### **Eroski Supermarkets**





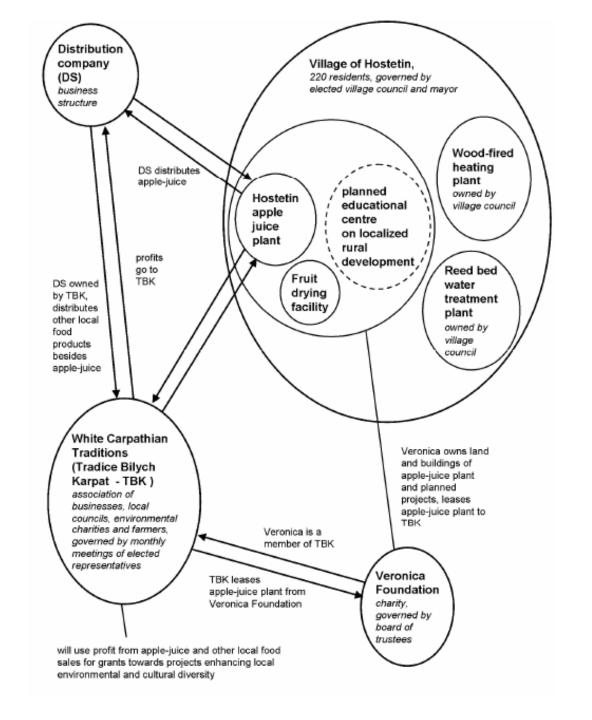


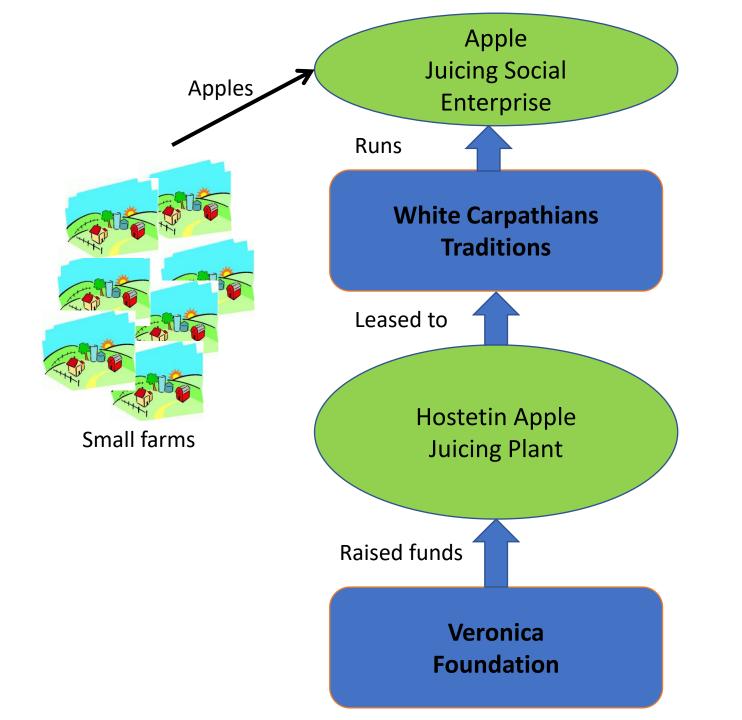
#### **Secondary Structure:**

**Hostetin Apple Juicing Plant, Czech Republic** 









#### **Joint Venture:**

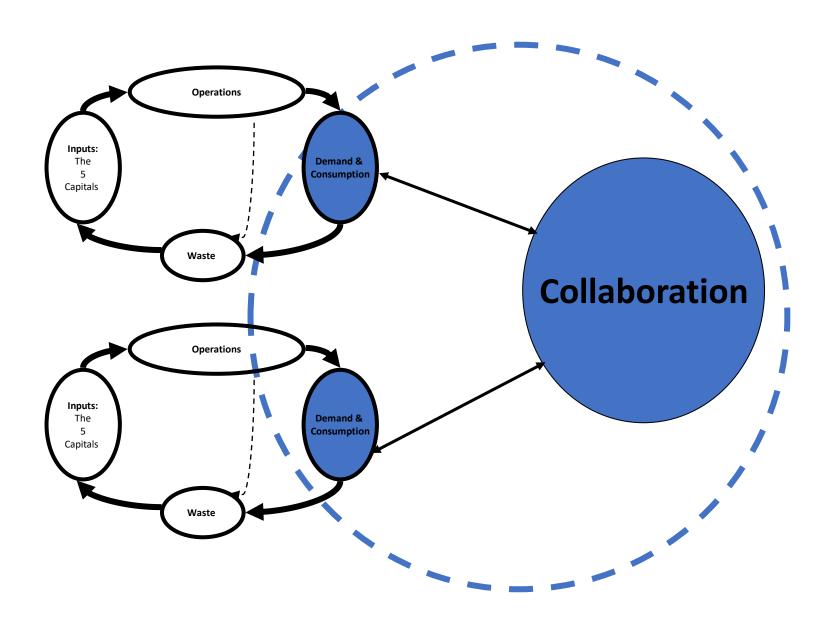
# **Grameen – Danone Yogurt Business**





Grameen-Danone Shoktidoi yogurt factory in Bangladesh

#### 3. Collaboration around consumer engagement



### **Farmers' Markets**

### - a collaborative marketing mechanism





#### **Taste Tideswell:**

### Using branding to promote local producers











MANCHESTER'S FAIREST FOOD ...

Keeping it fresh, organic & local

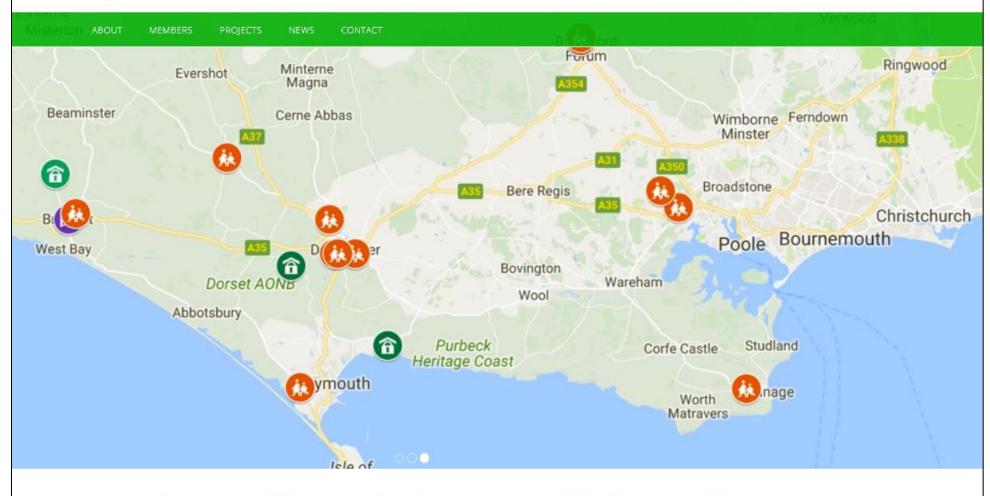


#### We are Manchester Veg People

We are something new. A co-operative of Greater Manchester Organic growers and restaurants working together to provide fresh, seasonal food of the highest possible quality.



Subscribe to our newsletter



Twenty-four solar installations, one hundred and ninety-eight shareholders, and 1500kW of solar photovoltaic panels on schools, community buildings and hospitals in Dorset.

Subscribe to our newsletter

# Energy Local Bridport

#### The first Energy Local Club in England has started in Dorset.

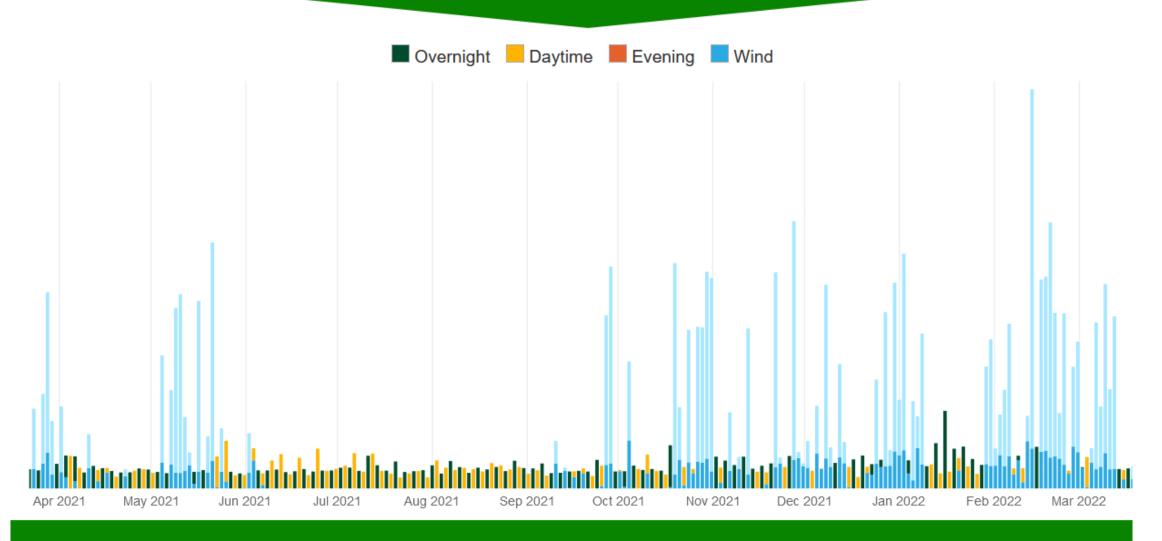
Energy Local Clubs are a pioneering initiative developed by the not-for-profit organisation Energy Local ClC. Energy Local Clubs enable trading of renewable energy between generators and consumers at a local level.

The Bridport Club will initially allow householders in the Bridport area to purchase the electricity generated by the 50kW wind turbine at Salway Ash. If the Club is successful, we have plans to extend the Club by adding PV generation into the mix in Phase 2.





# MEDIUM Generating 22 kW now











Club score and savings

In the last year, we scored:

68/100



We could do more to make the most of the wind power and power at cheaper times of day. Can we move more electricity use away from peak times?

Together we've kept



in the local area by using your local resource wind power!

## **Future Plans**

New generation could be added in a second phase.

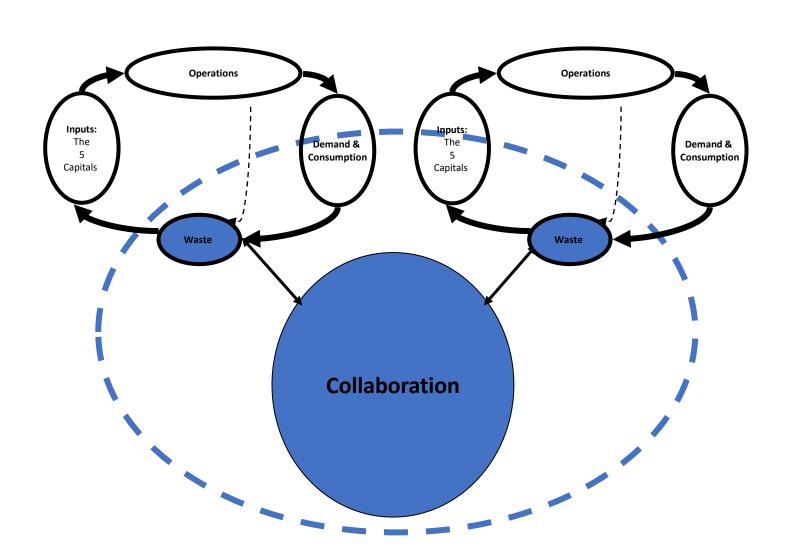
Dorset Community Energy are exploring building a ground-mounted PV array, creating additional capacity to supply households or businesses with low-cost solar energy during the daytime.

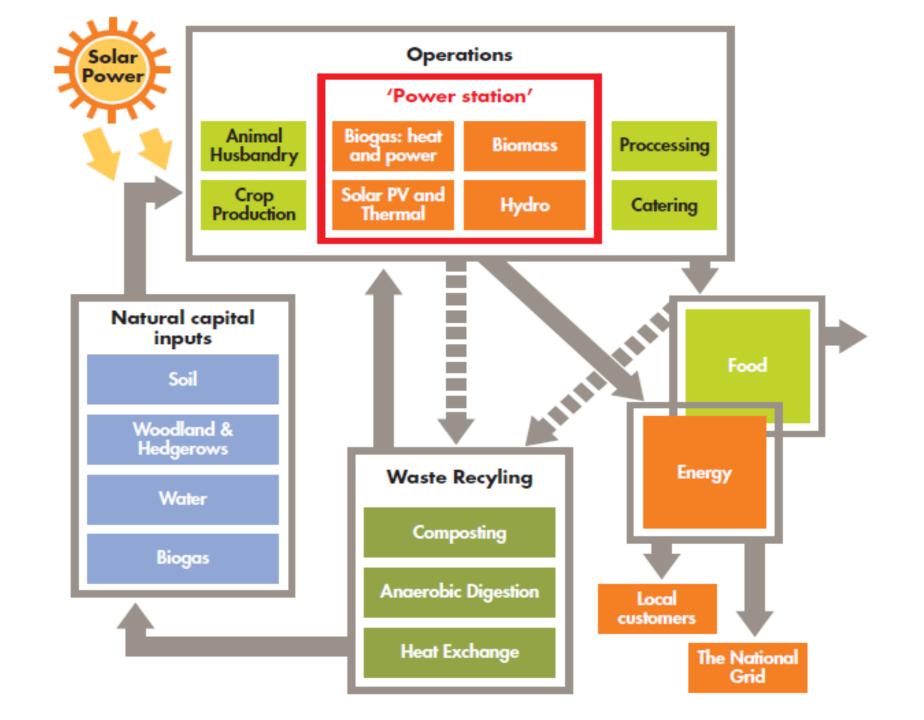


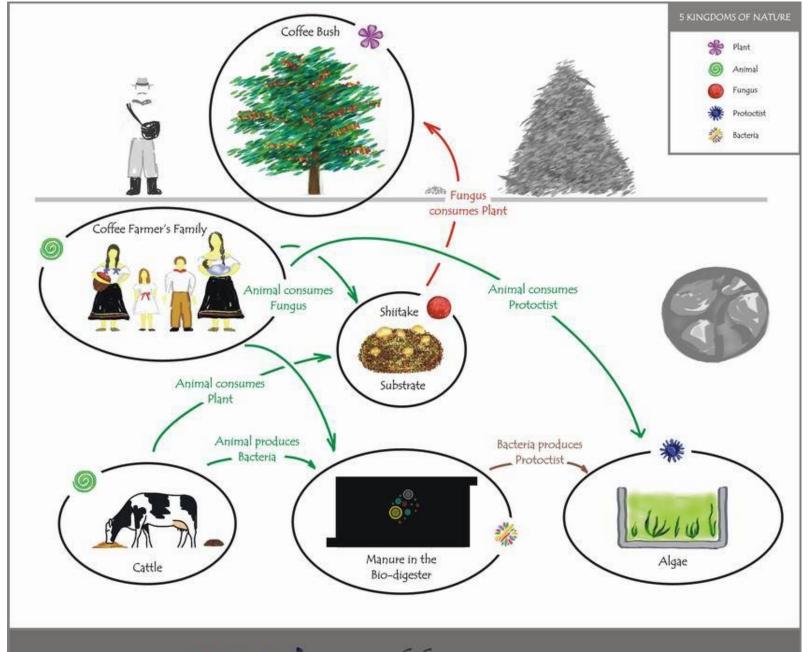
# Bringing consumers into the system

- Consumers can provide more than just cash.
- They can become part of the "social capital" of the organisation – as members or supporters.
- They can provide loans and equity:
  - Real Food Store (community shares)
  - Unicorn & Glebelands (loan stock)
- They can provide human resources:
  - Village shop volunteers
  - Non-executive directors

# 4. Collaboration around "closed loop" cycles







# zeri Coffee System

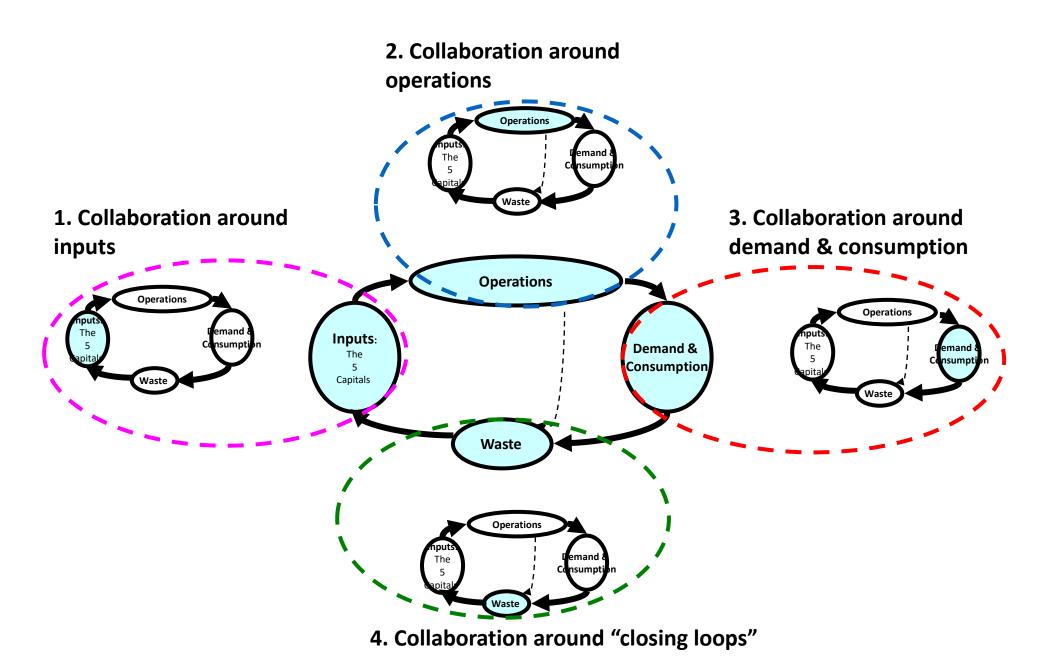
**G**roCycle

Worldwide more than 1.6 hillion cups of coffee are drunk each

search site

Cart - £0 Food for thought **Grow Kit Urban Mushroom Farm** Blog **Grow Kit FAQs About Us** Home Mushrooms from Coffee Grounds? Spent compost returned to soil Grounds collected from cafe Mixed with Oyster Mushroom ...and we eat the mushrooms Mushroom eats grounds Scale of waste.. Sustainability of the GroCycle solution • Reuse of energy:

## Collaboration in local food systems

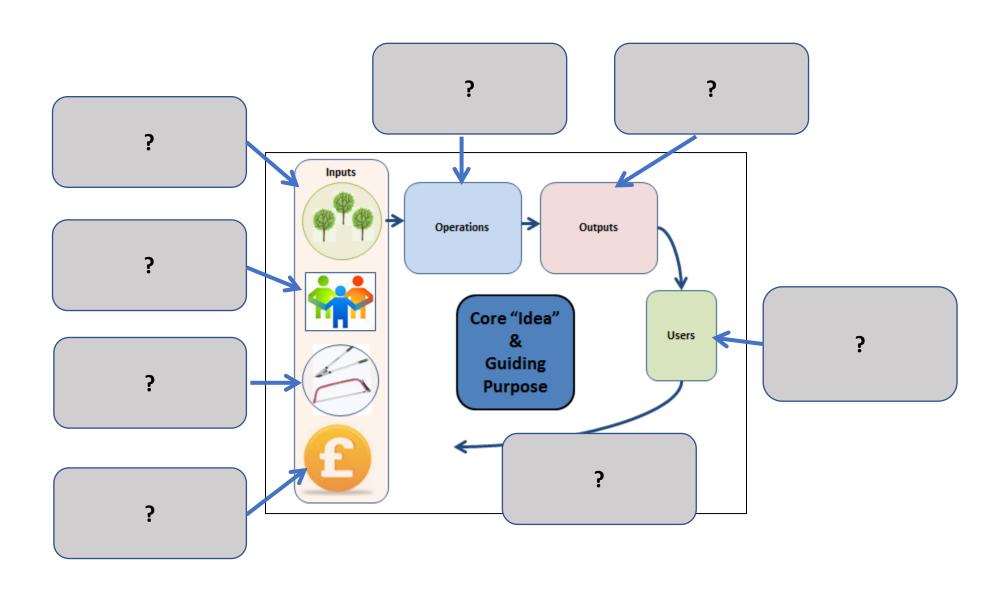


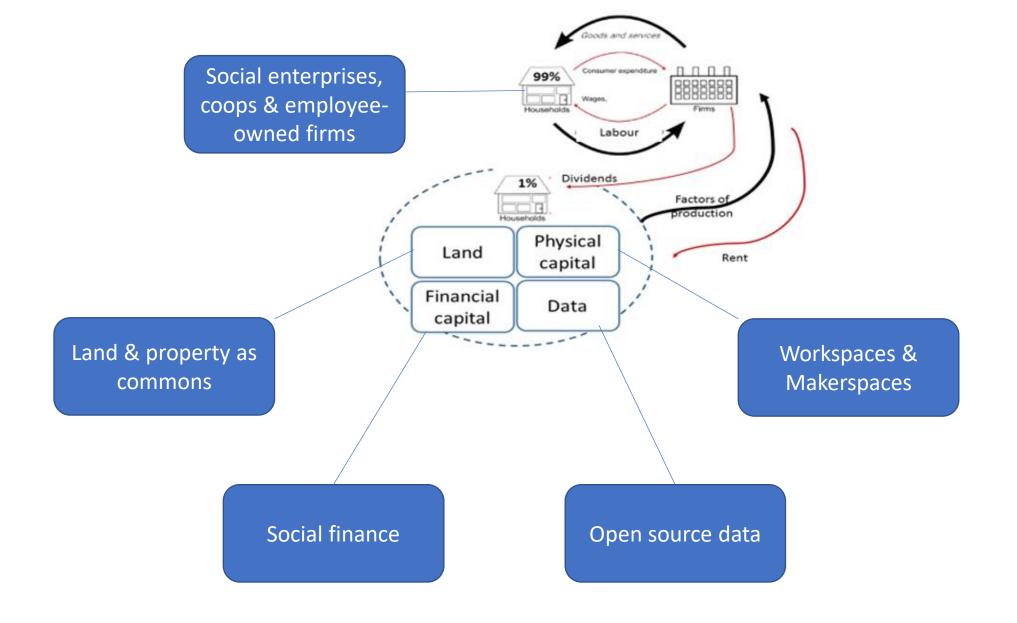
What opportunities do you see for collaboration?

## In what areas:

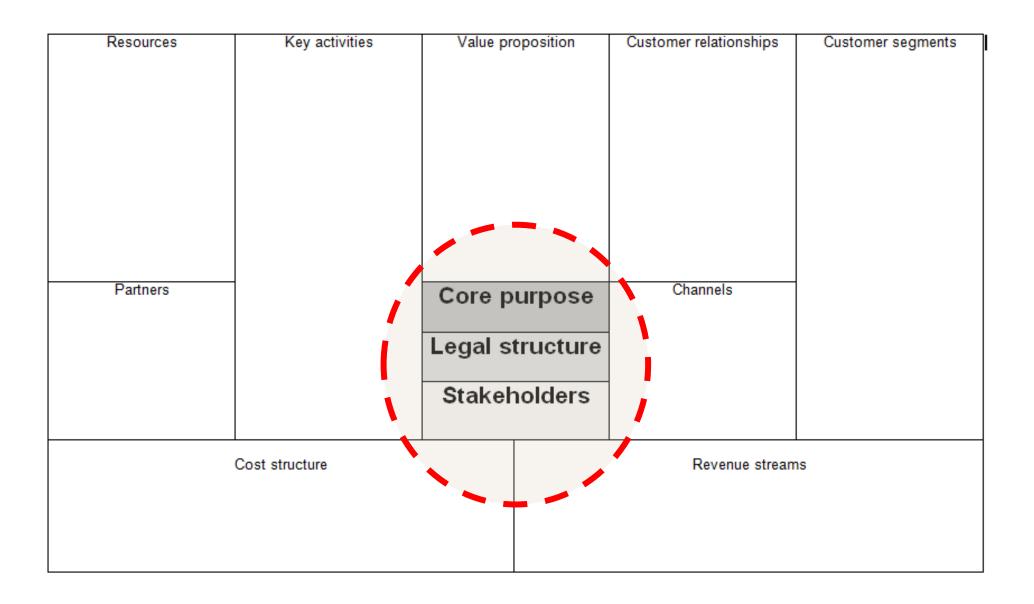
- inputs
- operations
- outputs
- engaging with customers
- other opportunities?

## Possibilities for collaboration in a wider ecosystem





PARTNERS	OPERATIONS/ ACTIVITIES	OUTPUTS/ VALUE PROPOS	ITION	PROMOTION/ MARKETING CHANNELS  CUSTOMER/BENEFICIARY RELATIONSHIPS	BENEFICIARIES/ CUSTOMER SEGMENTS
Cost structure			Revenue streams		



# Presentation

- Each group has 10 minutes to present, plus 5 minutes of questions
- 1. Business canvas
  - Including core purpose, members & rights of members
  - Including any "circular" element, e.g. how to deal with waste
- 2. Theory of change
- 3. How does the enterprise sit within an ecosystem?
  - In what ways could it collaborate with other organisations?
  - How might it draw on "commons" resources, if appropriate?