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Cooperative Development Services
consulting services for food cooperatives



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Solutions

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Walden and Kate to be Inducted in the Cooperative Hall of Fame

BY PATRICIA CUMBIE

Last month the food cooperative sector was unanimously thrilled to learn that CDS consultants Walden Swanson and Kate Sumberg are to be inducted into the Cooperative Hall of Fame at a ceremony in April 2008. Recommendation letters poured into the hands of the selection committee at the Cooperative Development Foundation from food co-op leaders as well as people in the housing, finance, wholesale and agricultural sectors.

Many things stand out in the Hall of Fame nominations for Walden and Kate, however, it is the way they do their work in the world that is perhaps most impressive. Kate and Walden's charismatic and disarming approach to everything they do has won them many friends and the respect of the cooperative world. If there were an 8th Co-op Principle it might look something like the way Walden and Kate approach work and life: Right livelihood. Conviction and compassion. Good humor and grace.

Let's take a look at their youthful aspirations to learn what influenced each of them, inevitably leading to their induction in the Cooperative Hall of Fame.

Walden was born in Navasota, Texas to a large family of 11 brothers and sisters. Despite growing up in a crowd of kids, Walden has always stood out as an over-achiever. In high school he achieved the trifecta of high school fame and glory as senior class president, captain of the football team, and his school's equivalent for Homecoming King.

However, his popularity was a sideline to his diligent and smart side. Possessed with a keen intellect he also gained academic recognition. Walden was a National Honors Society member,



and when he was presented with an academic award for physics—a sweater—he gave it to his mother to wear.

After high school he was admitted into the honors program of the Business School of the University of Texas at Austin. It was an interdisciplinary grad school program that focused on economics, management and philosophy that seemed tailor made for Walden. However, the world outside of the academy beckoned: anti-war demonstrations, women's rights, the environmental movement, the push for voting rights for African Americans in the south took hold of his thoughts. A friend encouraged him to join a food buying club. He began to think about how he could use his talents to make a better world.

"It was a key time in my life," Walden said. "I wrote a paper on right livelihood and Plato's

Rocka! Rocka!

It is such a huge thrill for us in the food co-op sector to see Walden and Kate inducted into the Cooperative Hall of Fame. It's always satisfying to see good people get well-deserved recognition.

I'm certain all the other Hall of Famers have led interesting lives, but I would venture Walden and Kate are more unique as people, shaped by their time and place, but also their inimitable personalities.

Walden defines living large, and has a disposition as sunny as the great state of Texas where he was born and raised. He's never stopped achieving. In recent years he was recognized by food co-ops with a Cooperative Service Award and he was given the keys to a Wisconsin town when his work with a co-op saved the community's 400 jobs. Walden's big vision has illuminated so many.

Kate is all about commitment and courage. Her high school years were spent questioning everything, looking for answers to pressing questions about fairness and justice. Ever smart and self-sufficient, she was a bookkeeper and truck driver for the Western Massachusetts Co-op warehouse, her first co-op job. Her "getter doneness" has outdone us all.

Walden and Kate together are the yin and yang to each other. They are stronger as a pair than as individuals, truly embodying the co-op spirit with their partnership. We are all stronger cooperators and better people for having them in our sector.

—Patricia Cumbie

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Our Mission

CDS is dedicated to building and strengthening cooperative businesses by providing consulting, training and development services.

CDS includes a network of independent consulting professionals experienced in all aspects of developing food cooperatives. CDS consultants have worked on over 500 projects and will tailor their services to fit your needs and deliver results.

Board Leadership Development

- CBLD—Cooperative Board Leadership Development
- Board training and facilitation
- Strengthen board/manager relations
- Policy Governance® and Accountability
- Member owner linkage

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- Expansion planning
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- Store planning and design services

Improving Operational Performance

- Business planning, goal setting and monitoring
- Audit and strengthen operational systems
- CoCoFiSt
- CoCoFiSt workshops
- Margin enhancement
- Labor controls
- Merchandising
- Financial system design and assessment
- Management training, coaching, and support

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questions about how to lead a good life." In his paper he considered two paths: a career in the cooperative economy or one in biochemistry. "I split myself in two," he said of the process, with each side taking a position and arguing with the other side. After consulting his intellect through his position paper, he followed his heart to his current calling. He dropped out of business school to manage Wheatsville Food Co-op. He's been working for co-ops ever since.

On the other side of the country, in the forests of Western Massachusetts, a like-minded spirit was following her heart too.

Kate Sumberg was born in Williamsport, Pa. into a family with eight children. "My high school years were exactly the opposite of Walden's," she said. "I was totally disaffected. I hated high school." She made it through by actively challenging the social mores of

the time. Kate was also deeply influenced by her siblings who became vegetarians and joined a buying club, thereby introducing her to natural foods and the cooperative concept. Kate was also influenced by the social movements of the time and searched for a way she could make the world a better place to live.

She went to college at the University of Massachusetts-Amherst and lived in a communal household that belonged to a buying club that bought direct from farmers. Inspired by a back-to-the-land ethic, Kate went to live on an organic farm where she reconsidered her commitment to college. "I sewed myself a teepee," she said. Kate lived in the teepee and walked or biked everywhere she needed to go. She got a job at Western Massachusetts Cooperative Warehouse initially as a book-keeper but immediately moved on to truck driving and warehouse work. She's been working for co-ops ever since.

Walden and Kate met when the co-op warehouses of the Northeast began to founder and Walden was called in to consult on a potential merger. Kate recalled their initial meeting as tense. "He was the enemy," she said with a laugh, because the merger threatened the idyll of their workers paradise. Their friendship grew gradually, and when they

became an "item" they were very careful to keep it a secret so not to jeopardize delicate merger discussions. After the successful vote to merge the warehouses, Walden packed up and went abroad. Kate was the only employee from prior to the merger who stayed. A year later, Kate joined Walden in North Carolina on another turn-around project. They've worked together for co-ops ever since.

We know how much they've impacted others, but which projects have meant the most to them? For Kate, it was working with a group of women who were training to organize milk producers into local dairy co-ops in the

Gujarat region of India. These co-ops were instrumental in breaking down the centuries-old caste system by treating all producers, regardless of caste, equitably. "The milk of the untouchables was mixed with the Brahmins," she said. Thus the dairy co-op

created powerful social and economic change in the area by providing life-changing opportunities to people of all walks of life. "As the dairy co-op developed you could see the impact of the co-op on everyone's life in the village."

For Walden, this was a tough question. But two co-op trends in particular have given him great hope as he looks back over the years—the strength, growth and maturity of food co-ops including infrastructures like CDS and NCGA that will allow it to flourish. He's also proud of helping the creation of the National Cooperative Bank and dotCoop.

Whether or not the vision is expansive or nuts and bolts, both Walden and Kate believe that cooperation contributes to a better quality of life in a time when the world is sorely in need of fairness and compassion.

When they were informed of the Hall of Fame induction, Walden said, "I feel like this is an award for our sector. We are getting the recognition, but it really belongs to those leaders who have made good decisions and spent the time that has helped enable food co-ops to be in the strong position they are in now." If you know Walden and Kate, you also know that they are most comfortable when they can share the limelight.

"Walden and Kate believe that cooperation contributes to a better quality of life in a time when the world is sorely in need of fairness and compassion."



CASE STUDY

Where it All Started for Walden

One of Walden Swanson's first co-op endeavors was to manage the Wheatsville Food Co-op. As a native Texan who went to business school at the University of Texas in Austin, his interest in economic and social justice issues deepened. He'd always felt driven to "make a better world," as he said, and as part of doing that joined the effort to launch Wheatsville.

Wheatsville's general manager, Dan Gillotte, reflected on Walden's impact on the co-op then and now. When Wheatsville was founded, there were a number of food co-ops starting up in the area, but none of them succeeded. "Wheatsville was a different co-op in that it was less dogmatic than the others. It's always tried to be a common grocery store for everyone. I believe Walden contributed to an early adoption of that concept," Gillotte said.

In the late 1990's when Gillotte was hired as the co-op's manager he attended the Cooperative Management Institute and had Walden for an instructor in what he called a "finance boot camp." That's when he learned how to better analyze financials from a general manager's perspective. Gillotte said, "Around that time CoCoFiSt was just beginning and in the year 2000 we joined the program." It's that program that has left its most enduring and profound mark on Wheatsville, as well as other food co-ops nationwide.

"Before that, Wheatsville just looked at itself financially and hoped to do better year after year," Gillotte said. With the creation of CoCoFiSt, the co-op had a tool to compare itself to similar sized stores, and set goals for improvement. "We started to make changes at Wheatsville based on that tool, including inventory turns and labor." He said he learned what things were doing well and what need work. "What used to happen is we'd expect more from our good departments and not look at the underperformers getting better."

Not only is CoCoFiSt a useful management tool, but it has contributed to getting staff on board with making changes for improvement.



Wheatsville Food Co-op Austin, TX

Founded: 1976
 Number of members: 9,000
 Equity investment: \$55 per household
 Number of staff: 80
 Retail square feet: 5,100

"When they can see those other numbers, that has a lot of power. It's much better than trying to convince them using generic industry standards," Gillotte said. "It helps people get a sense of what's possible."

Gillotte said Walden's impact and CoCoFiSt can hardly be quantified. "Before CoCoFiSt we were blind—as were most co-op retailers—it fundamentally transformed Wheatsville." Today, the co-op is thriving and recently completed a successful expansion, something that would have been hard to achieve without the insights the program has provided.

As for the Cooperative Hall of Fame recognition for a Wheatsville alum, Gillotte couldn't be more thrilled. "We're very proud of that. It's a special thing to be able to rally around our heroes. They are winning one for the team," he said.



Cooperative Hall of Fame

Join Your Colleagues to Honor 2008 Inductees:
Kate Sumberg & Walden Swanson
 Wednesday, April 30, 2008
 National Press Club
 Washington, DC

**Plan now to be there
 on April 30!**

The Cooperative Hall of Fame reservation form (available at www.heroes.coop) identifies all your options for participation, including banquet and reception sponsorship.

Contributions in honor of inductees support the work of the Cooperative Development Foundation, a 501 (c)(3) nonprofit organization. Contributions are tax-deductible to the full extent allowed by law.

The Cooperative Hall of Fame is held in conjunction with these additional events:

- National Cooperative Business Association (NCBA) Conference & Annual Meeting April 30-May 1, 2008
- NCB Annual Meeting May 1, 2008

Call Liz Bailey at 202-383-5459 for more information on the Co-op Hall of Fame.