"IT WORKS FOR US"

A Study Guide to Accompany the Film on Food Buying Co-ops in New York City

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Please return with the film to:
Audio Visual Resource Center
Media Services
8 Research Park, Cornell University
Ithaca, NY 14850

Date ______________________

YOUR COMMENTS ABOUT THE STUDY GUIDE
(To be completed by person conducting the program)

Your reactions and those of the persons attending the program will help us in evaluating the effectiveness of this study guide in extending the use of the film, "It Works for Us." Please complete this sheet after the program and return it to the above address. Thank you.

1. Number of persons attending the program: ________

2. Please check (/) the type of group or meeting:
   _____ Extension meeting
   _____ Food buying club, federation, co-op store
   _____ Senior Citizens group
   _____ Economic Opportunity group
   _____ College class
   _____ Other (describe): ____________________________

3. Please check the part(s) of the study guide that were used in the program:
   _____ What is a Food Buying Club
   _____ Discussion Leader's Program Guide
   _____ History of Consumer Cooperatives
   _____ Some Questions and Answers about Food Buying Clubs

4. Were copies of any of the reference materials available for people to look at?
   Yes _____ No _____ Comments: ________________________________

5. Were any of the Appendix materials used? Yes _____ No _____ If yes:
   please circle the ones used: Appendix A   B    C    D   Comments: ______

6. Was the information in the study guide clearly presented? Yes _____ No _____
   Comments: __________________________________________

7. Did the study guide present the information you needed for the program?
   Yes _____ No _____ Comments: ____________________________

8. Other information about food buying clubs that you or the members of your group would like to have:
   _______________________________________________________

9. Please describe any plans for future meetings about food buying clubs:
   _______________________________________________________

Any additional comments about the study guide or the film can be written on the back of this sheet. Thank you.

A.E. Ext. 81-2
ACKNOWLEDGMENTS

"It Works for Us," a film about food buying cooperatives or clubs, was produced by David S. Handwerker, former Direct Marketing Specialist, Cornell Cooperative Extension, New York City Programs, and the Direct Marketing Program Committee. The film was completed in early 1980 with the first showing held in May 1980.

The film was prepared as part of the Cooperative Extension Direct Marketing Program in New York City, funded under a two-year grant to Cornell Cooperative Extension and the New York State Department of Agriculture and Markets from the United States Department of Agriculture through the Federal Farmer-to-Consumer Direct Marketing Act of 1976. The Extension portion of the project in New York City, called Cooperative Clearinghouse, was designed to provide information and educational materials to consumer groups interested in starting or already operating food buying clubs or cooperatives in the City.

The study guide was reviewed by Janet Brown, Program Leader, Housing Program, Cornell Cooperative Extension (New York City Programs); Carol Doolittle, Audio Visual Coordinator, Media Services; Bruce Hall, Assistant Professor, Department of Consumer Economics and Housing; and R. Brian How, Professor of Agricultural Economics. Robert Gravani, Assistant Professor, Department of Food Science, reviewed the information about safe handling of food. Appreciation is given to these persons for their helpful comments and suggestions and to Ann Johnson, Department of Agricultural Economics, for editorial advice.
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INFORMATION ABOUT THE STUDY GUIDE

This study guide was written to help you, as a discussion leader, in preparing for and conducting an educational program about food buying clubs, using the film, "It Works for Us." The guide is organized in four sections, as follows:

I. **Background Information** (pages 2-5)

   Information about food buying clubs or co-ops and a brief history of consumer cooperatives.

II. **Discussion Leader's Guide for a Program on Food Buying Clubs** (pages 6-13).

   Preparing for the program, conducting it, and follow up. The steps involved are described on pages 6-8, with information about the film given on pages 9-13.

III. **Additional Information** (pages 14-28)

   Some questions and answers about food buying clubs, selected references.

IV. **Appendix** (pages 29-33)

   Supplementary materials for the group starting a food buying club.

The study guide was prepared for both groups that are interested in learning about food buying clubs and for those audiences that would like to start a club or co-op.

After reading the guide and reviewing the plan for the program on pages 6-8, select the sections that are appropriate for the purpose of your meeting, the interests of your group, and the time allocated for the program. Depending upon the interests of the group, some of the information in this study guide may be presented at future meetings or used for reference.

At the end of the program, please fill out the evaluation sheet for the study guide and the comment sheet for the film, and return with the film, according to the directions given. Thank you.

We wish you a successful and informative program on food buying clubs.
Section I: BACKGROUND INFORMATION ABOUT FOOD BUYING CLUBS AND CONSUMER COOPERATIVES

What is a Food Buying Club?

A food buying club or cooperative consists of a group of people (usually from 10 to 15 families or individuals) who pool their resources to buy food in wholesale amounts at wholesale prices. After purchase, the food is either taken or delivered to the club's distribution center where it is divided up or repackaged into smaller units.

A club purchasing food in this way takes on several retailing functions which are normally provided to the public by supermarkets or other food stores. These functions are: ordering, purchasing, dividing, and distributing. Members can save on their food purchases by supplying their own labor for these jobs and keeping operating costs to a minimum. The amount saved is dependent upon several factors including the kinds of foods the club decides to buy, the skill of the buyers in purchasing the food, and how low the club can keep its operating costs.

There are two basic kinds of food buying clubs:

1. **Preorder Buying Club.**

   This is the most common kind. Two clubs are featured in the film. Many beginning co-ops start out as preorder buying clubs. In a preorder buying club, members place their orders ahead of time, according to the procedure determined by the group. A deposit may be required at the time of ordering so the buyers have money to pay for the food when it is purchased.

   After delivery to the co-op's distributing center, a team of members divides the food into smaller amounts for each member's order. Members ordering food are responsible for picking up the order and paying for it during the pick up time determined by the club.

   Members also decide how often they want to purchase food and other items. Some clubs order each week, others biweekly or monthly. Only members can order food.

   To reduce costs, the group uses a rent-free or a low cost facility for the distribution center. This may be a church hall, a community building, or the home or garage of one of the members. Usually all of the food is distributed by the end of the pick up time and the room put in order again.

2. **Cooperative Store (or Storefront)**

   In this case, the buying club operates a store, which may be open for business one or more days a week, depending upon the size of the store, the kinds of commodities sold, and the number of members available to work. The club may decide to sell to nonmembers as well; either at a higher
markup than for members, or at the same prices with patronage refunds later returned to members.

A cooperative store requires considerably more management skills and operating funds than a preorder buying club. There are increased operating costs, e.g., rent for the building, higher utility costs, greater outlay for inventory, and sometimes paid labor. With a carryover inventory of food items, careful attention to proper storage conditions is needed so spoilage losses are kept to a minimum. A cooperative store may also be required to meet the same state regulations as supermarkets and other food stores.

Cooperative stores are not discussed in this study guide but several resources are included in the list of references.

Food buying clubs are business enterprises that are operated by and for members. Members decide the policies and carry out the work of the buying club. A food buying club is one of the simplest forms of consumer cooperatives, which are businesses operated by consumers for consumers.

In a food buying club, each member has only one vote, regardless of the amount of food purchased or the time given to the club. Only members can vote at meeting. Since members are interested in obtaining food at lower cost, the club usually does not try to have a profit, but charges only enough to cover operating expenses over the cost of the food. Exceptions to this might be when a club decides to build up a reserve to buy a piece of equipment or to start a cooperative store. Members own the food buying club or store, which stays in business only as long as members continue to devote their time and energies to the effort.
Brief History of Consumer Cooperatives

Food buying clubs are not a new idea; the notion of consumers pooling their resources to provide for their needs was started in England. The cooperative movement began in England in the 1800s and was one by-product of the Industrial Revolution. Industrialization, while providing more goods, resulted in wretched working and social conditions for the workers. Many attempts were made to help workers improve their lot with the first successful cooperative effort being a store in Rochdale, England, started by a group of 28 weavers in the mid-1840s. They shared their meager resources and opened a store that sold basic foodstuffs and other necessities. Their success encouraged others and soon the movement spread throughout England and to other countries.

The consumer movement came to the United States in the late 1800s, but because of conditions prevalent at the time, consumer acceptance was spotty and sporadic. While there was interest on the part of some individuals and groups, particularly in the Midwest, California, and the East Coast, there was little nationwide consumer involvement. Farmers, on the other hand, because of the need to group together to market their crops and to buy supplies and equipment for their businesses, formed marketing and purchasing cooperatives. Sunkist oranges, Welch grape products, and Ocean Spray cranberries are some of the agricultural products sold by farmer-owned marketing cooperatives.

The hard times of the depression years of the 1930s resulted in many people starting food buying clubs and cooperative supermarkets. Most of these supermarkets failed in the ensuing years but a few such as the Consumers Cooperative of Berkeley, Inc., Richmond, California are still in operation today. Interest in food buying clubs waned after World War II, as economic conditions improved and the increasing number of supermarkets provided food at lower cost to consumers.

By the late 1960s, however, interest in forming food buying clubs was revived, particularly by college students and others who were looking for alternative sources of food, including organically grown and health foods, or who were seeking a way to protest against "the system." The inflationary economic conditions of the 1970s, with spiraling food costs, caused many people to start or join food buying clubs. This increase has also brought about a growth in the number of warehouses and other food related businesses to supply the particular needs of these buying clubs.

Food buying clubs are an example of one kind of consumer cooperative. Persons attending the program may already be members of a consumer cooperative or know someone who is. Other consumer cooperatives operating today are credit unions; insurance, telephone, health or housing cooperatives; child care cooperatives; and memorial societies to provide funeral services.

More information about the three types of consumer cooperatives (service, purchasing, and marketing) as well as information about how to start a food buying club, the history of the consumer cooperative movement in the United States, and other related material can be found in a book by Albert Lee entitled, How to Save Money Through Group Buying. This book, published in 1977, may be available from a local library or from the publisher, Stein and Day, Scarborough House, Briarcliff Manor, NY 10510.
The latest development in the history of consumer cooperatives in the United States has been the establishment, by Congress, of the National Consumer Cooperative Bank. The purpose of the Co-op Bank is to promote consumer cooperatives. In operation since March 1980, the Bank provides assistance to cooperatives in these ways:

1. The Bank Fund provides loans to eligible co-ops at the market interest rate;

2. The Self-Help Fund gives special financial help, at low interest rates, to co-ops that do not qualify for loans from the Bank Fund; and

3. The Office of Technical Assistance gives training in management, financial planning, and member services to co-op staff and members.

Who can obtain the services of the Co-op Bank? The Bank's financial and technical services are available to organizations which meet these criteria:

1. Chartered or operated on a cooperative, not-for-profit basis;

2. Run democratically by the members the co-op serves on a one-person, one-vote basis;

3. Membership is open to all persons, with no discrimination;

4. Net savings that are not reinvested in the business are returned to co-op members, according to their patronage.

The main office of the Bank is in Washington, DC with eight regional offices located throughout the country. Information about the Bank, its address, telephone number, and the locations of the eight regional offices are included in the list of selected references.
Section II: DISCUSSION LEADER'S GUIDE FOR PROGRAM ON FOOD BUYING CLUBS

A. Before the Program

1. Read over the study guide; select the information appropriate for your group. If time permits, duplicate copies of questions 1-6 on page 10 and the summary chart on page 11 for persons attending the program. (Otherwise, questions 1-6 can be written on a blackboard or a large sheet of paper before the program starts.)

2. Ascertain why the film is being shown to the group. Some reasons or purposes might be:
   
   • to spark interest in starting a food buying club;
   
   • to show some different ways that food buying clubs operate;
   
   • to show what is involved in organizing and operating a food buying club;
   
   • to provide the group with a common experience with food buying clubs so that all present will have the same background information;
   
   • to explore with students and others the pros and cons of an alternative system for supplying food.

3. Preview the film before showing it to your group. If time permits, look at the film again, to help you become more familiar with its contents. Information about the film is given on pages 9-13.

4. Practice using the 16mm movie projector or the video tape machine if you are not familiar with its operation. Or, you may be able to obtain the services of an experienced operator to show the film.

5. Check the meeting room to see if the proper conditions for showing the film are available: seating arranged so all can see and hear well; the height of the screen adjusted so all can see; an extension cord and three-way adaptor plug available if needed. If the film is to be shown during the day, the windows should be equipped with dark shades to keep out the light. A blackboard or easel with a large pad of paper and marking pen, if available, would be useful during the program.

6. Check at the local Extension Office or the library if copies of the books listed in the reference section (pages 21-28) are available. Bring these to the meeting for participants to look at; also copies of any publications on food buying clubs that may be available from the Extension Office.

7. Invite one or more members from other food buying clubs or regional federation (if nearby) to attend the meeting as resource persons to answer questions and to share their experiences.

8. Make needed arrangements to serve refreshments, if part of the program.
B. Conducting the Program (More detailed information is given on the indicated pages.)

1. Take care of any preliminary announcements or business which should be kept as brief as possible. State the purpose of the meeting and introduce guests from other food buying club(s) if present.

2. Introduce the film, using the suggested introduction on page 9 and ask the discussion questions on page 10. If these questions have been duplicated, pass copies out to the participants. Or, write the questions on the blackboard or large piece of paper before the meeting.

3. Show the film (20 minutes).

4. Ask if there are any questions about the film.

5. Go over the discussion questions. Replies to these questions are on pages 10-12. Guest speakers may also be asked to share pertinent experiences from their own food buying clubs.

6. Summarize the main points about food buying clubs made in the film using the information on page 13.

7. Show the film again, if the group is interested and time permits. This helps to reinforce the information given.

8. Ask if there are any questions about food buying clubs in general. Several frequently asked questions and suggested replies are given on pages 14-20. Guest speakers can also contribute their experiences.

If the group is interested in starting a food buying club, continue on with C. Next Steps for the Group Starting a Food Buying Club. Otherwise, go on to D. After the Program.

C. Next Steps for the Group Starting a Food Buying Club

1. Appoint committees to do the following:

   a) Conduct an informal survey to find out the kinds of food people would buy through a food buying club;

   b) Investigate the availability of wholesale suppliers and prices charged; make comparisons with supermarket prices. Worksheets for these purposes are on pages 29-30.

   c) Draft a temporary set of bylaws. Guidelines for articles to be included are on pages 31-32.

   d) Explore the availability and condition of various buildings for a possible site for a food distribution center for the club (Question 12, pages 19-20).

   Guest speakers from other buying clubs, if present, should be
a helpful resource to a group starting a club and may be able to provide committees with some of the above needed information from their own club experiences.

2. Decide upon a time and place for the next meeting, when committee members present their reports. Allow enough time (at least two weeks) for the committees to obtain the needed information. Decide, too, how persons at today's meeting will be reminded of the next meeting, and how others, not at the meeting, will be informed of the next meeting.

3. Elect or appoint a temporary chairman or coordinator, until elections are conducted according to the procedures given in the bylaws.

4. If no other business, continue on with D. After the Program.

D. After the Program

1. Conclude the meeting if no other program or business has been planned, thank those present for coming, and serve refreshments, if prior arrangements were made. During refreshment time, participants can look at the reference books and visit with guest speakers and each other. For the group planning to start a food buying club, the informal get-together over refreshments will help create a friendly working atmosphere for future meetings.

2. Fill out the comment card included with the film and return with the film to the Audio-Visual Resource Center, 8 Research Park, Cornell University, Ithaca, NY 14850.

3. Complete the evaluation sheet for the study guide included with the film. This can be returned with the film. Your comments will help us to evaluate the effectiveness of this study guide.

4. Take care of any needed follow-up after the program and plans for the next meeting (if one has been scheduled). A newspaper article about the film, "It works for Us," the program, and plans for a future meeting is one way of informing people about the film and of recruiting prospective members for a food buying club, if one is to be started.
Information About the Film

Introducing the Film

A. When introducing the film to the audience, explain briefly the purpose of the film, why it was made, and what will be shown. The following explanation can be used:

"This 20-minute film shows the operation and organization of three food buying clubs. It was made as part of the Cornell Cooperative Extension Program in New York City. Members will tell you about their clubs and how each one works.

"The first club you will hear about is the Emption Buying Club. This is a preorder buying group operating weekly from a community room in a midtown Manhattan housing development. You will see how some members, as buyers, purchase food from the wholesale markets and how other members, serving on the distribution team, repackage the food into boxes for each member's order.

"The second club, called the Bean and Corn Buying Club, is a small group operating out of members' apartments on Manhattan's Upper West Side. One member adds up the orders and calls the suppliers. Deliveries are made to the apartment of one of the members, where the food is divided up. This group is concerned about the source of their food and they try to buy organically grown food from farmers, whenever possible.

"The third group, the Uhuru Food Co-op, is located in a storefront in Brooklyn, in the Bedford-Stuyvesant section. This cooperative store was originally a preorder buying club. The store carries both food and nonfood items, with a specialty in grains and soy products. Sales are made to members and nonmembers. This co-op is part of a community effort to revitalize the neighborhood."

B. After introducing the film, ask members to keep the following discussion questions in mind. These questions will help members to gain more from watching the film.
Discussion Questions

"As you look at the film, please keep these questions in mind, which we will talk about after we see the film:"

1. Why did members belong to a food buying club?
2. What kinds of foods did members buy from each club?
3. Did the food buying club provide all of the food needed for the week for its members?
4. How did each club order, buy, obtain, and distribute the food to its members?
5. What did members do to keep costs down?
6. In what ways did the Uhuru Food Co-op differ in its operation from the other two clubs?

Some Replies to the Discussion Questions

Question 1: Why did members belong to a food buying club?

Emption: to obtain better quality, fresher food than they could find in the supermarket and to save money.

Bean and Corn: to obtain organically grown produce, to save money, to obtain better quality produce, and to work with small farmers, particularly those who farm organically.

Uhuru: the purpose of the store is to provide food to members and others in the community at lower price; also to provide foods that co-op members want; it is assumed that members belonged to the co-op for these reasons.

Question 2: What kinds of foods did members buy from each club?

Emption: vegetables, fish, cheese, fruit

Bean and Corn: grains and seasonal produce

Uhuru: full line of food products, with a specialty in grains and soy products

Question 3: Did each buying club provide all of the food needed for the week for its members?

Emption: no

Bean and Corn: no

Uhuru: yes, the cooperative store has a full line of food items so customers could do all their food shopping in one place.
**Question 4:** How did each club order, buy, obtain, and distribute the food to its members?

<table>
<thead>
<tr>
<th>Co-op</th>
<th>How Ordered</th>
<th>Where Bought</th>
<th>How Delivered to Co-op</th>
<th>How Distributed to Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emption</td>
<td>Members place their orders ahead of time before the food is purchased</td>
<td>Wholesalers, suppliers, wholesale markets for produce, fish</td>
<td>Members who purchase the food from suppliers use their cars to transport the food to the community room</td>
<td>A team of members divides the food into smaller units according to members' orders; all food distributed by end of pickup time</td>
</tr>
<tr>
<td>Bean and Corn</td>
<td>Members call one member who takes orders, collates them, and calls suppliers</td>
<td>Wholesalers, farmers (NYS Organic Farmers' Marketing Cooperative), also wholesale produce markets</td>
<td>By wholesalers who deliver to apartment of a member; co-op also shares in a truck to bring food from warehouse to a member's apartment</td>
<td>Members take turns to divide up, weigh, and package items; all food distributed by end of pickup time</td>
</tr>
<tr>
<td>Uhuru</td>
<td>Manager orders food and non-food items according to wants and dietary patterns of clientele; members do not preorder food</td>
<td>Wholesalers, suppliers, farmers</td>
<td>By suppliers</td>
<td>Staff and volunteers repackage food into smaller units; patrons shop as in a supermarket—buy what they need; food sold to both members and nonmembers; carryover inventory</td>
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</tbody>
</table>
Question 5: What did the members do to keep costs down?

1. Members went directly to the warehouses, wholesale markets, and suppliers to buy food.

2. Members used their own cars to transport the food from the wholesalers or wholesale markets to the community room (Emption).

3. Members donated their time to divide and repackage the food into smaller units for each member's order.

4. Two co-ops used rent-free places for distribution centers: Emption used the community room in their housing development; Bean and Corn used a member's apartment.

5. Bean and Corn Co-op made arrangements with several other co-ops to share in the use of a van truck to reduce the cost of transporting food from the warehouse to a member's apartment.

6. The Uhuru Co-op had CETA grants to help pay for clerks in the store.

Question 6: In what ways did the Uhuru Food Co-op differ in its operation from the other two clubs?

1. Uhuru is a cooperative store similar to a supermarket operation with a large selection of both food and nonfood items. The store has an inventory of food on hand, whereas in the other two clubs, all of the food is distributed by the end of the pickup time.

2. Uhuru is open more hours during the week and customers can buy food as needed; in the other two clubs members obtain their food only during the pickup time.

3. Uhuru has a building, which gives it a permanent place of operation; the other two clubs use rent-free facilities for the food distribution center.

4. Uhuru does not require that members put their orders in ahead of time; in the other clubs members place their orders before the food is purchased.

5. Uhuru sells food to the public as well as to members, at a higher markup than to members. In the other clubs, only members can buy food.

6. Uhuru does not have a work requirement. Members can work on a voluntary basis; those who do receive a 10 percent discount off their food purchases. In the other clubs, members are required to work in order to belong.
Summary of the Main Points Made in the Film

1. Member participation in the decision making and work of a food buying club is the key to a successful operation.

2. Members of a food buying club need to be in agreement about the purpose of the club (e.g., to provide high quality food versus food obtained at lower cost, to sell health foods, organically grown, nonorganically grown foods or some combination thereof).

3. Members should be in accord about the kinds and quality of food that will be available through the buying club.

4. Members donate their time, energies, and labor to take on several retailing functions normally supplied to the public by supermarkets. By assuming these retailing functions, members trade their time and labor to obtain food at lower cost.

5. Members usually can obtain food at lower cost, better quality food, or food that is generally not available in most supermarkets through a food buying club.

6. Member involvement in a food buying club is increased when there are social events and other activities for members to interact with each other.

Also important to maintaining a viable co-op is continuing member education, whereby members are kept informed of various aspects of cooperative management and operation, the kinds of foods sold, how obtained, nutritive content, ways of preparing food, and other related information. More information about continuing member education is found in Lee's book, How to Save Money Through Group Buying, pages 237-8. Many co-ops use newsletters or bulletin board announcements to keep members informed of co-op business.
Section III: ADDITIONAL INFORMATION

Some Questions and Answers About Food Buying Clubs

1. How much money can I save on my food bill?

This is hard to say, but it is possible that a preorder buying club can save its members from 20 to 40 percent on food purchases. How much money members can actually save will depend on the kinds of food purchased (some foods have a higher markup than others), how well the buyers do their job in buying the food, and how well the club can manage to keep the operating costs down.

2. What kinds of operating expenses will the club have?

These are expenses above and beyond the cost of the food purchased and include such items as car or truck mileage, telephone calls, paper supplies and envelopes, rent for the food distribution center if a rent-free place is not available, and packaging materials (paper and plastic bags, plastic and other types of wrap). Plastic bags should be made of food grade plastic; plastic bags made for garbage and trash removal are not suitable for repackaging food or for storing food, grains, etc.

Another expense which the club needs to include in the markup for food is shrink. Shrink is the term covering losses from spillage, breakage, overfill of containers, "finger-blight" when cheese is cut or foods such as nuts and dried fruits are repackaged, poor quality or spoiled produce or other goods which cannot be sold, and damage to food by insects or rodents. Losses also occur when foods such as honey and molasses are transferred from larger containers to smaller ones. Some of the food remains in the larger container. There is always some loss of food, for many reasons, and this must be taken into account when figuring the markup on food. One way of determining shrinkage is given in Duquin and DeKay's book, pp. 20, 25, 27-28. (See list of selected references.)

Equipment will also be needed to repack wholesale amounts of food into smaller units for each member's order. Typical equipment needs for the beginning club would include a scale, ladles, large spoons and scoops for removing food from jars or bags, cheese cutter, and knives. Members may donate these items so the club can get started. A member may also be willing to lend an adding machine or calculator for use during the food pickup time to figure out each member's bills and for doing the bookkeeping. Later on, as funds permit and members gain more experience in distributing the food, additional equipment such as a used refrigerator and a hand truck or cart for transporting heavy packages might be purchased.

3. What kinds of food can we buy through the food buying club?

The club can buy almost any kind of food that the members decide to buy, but on a practical basis, some beginning groups start out with grains and cheese and then add perishable items after the group is underway and some of the kinks are worked out. Other groups start with perishable items such as produce and dairy products. These have a higher markup in the
supermarket so the club could save more money. These products are perishable, however, and the club could lose money if they were not properly stored.

Other foods which offer greater savings are herbs and spices. Foods which have less savings, but the club may want to stock for members' convenience, are processed foods, canned and frozen foods, meat, and baking supplies such as flour.

4. How high a markup should we charge?

It is suggested that the club start out with a 5 to 10 percent markup over the cost of the food. In addition, the club should charge an initial membership fee of $5 to $10 to give the club some startup money to buy food and other supplies. The amount should be decided by the club, also the decision should be made if the club wants to charge a fee each month as well.

5. Where do we buy our food? How do we contact wholesalers?

Sources of food include wholesale food dealers, food processors and packers, restaurant suppliers, regional or terminal produce markets, other food buying clubs, warehouses, and local farmers. Other sources of information about wholesale food suppliers are the yellow pages of the telephone book, school cafeteria managers, and restaurant owners in the area.

Many states now have directories of the names and addresses of farmers who have agricultural products such as fruits and vegetables, honey, maple syrup, eggs, and meat to sell directly to consumers. The local Cooperative Extension Office may have copies of these directories or be able to tell you where to obtain them.

A number of warehouses have been started in recent years to supply the particular needs of food buying clubs. Many of these warehouses are listed in the Cooperative Directory, published by the Cooperative Directory Association, Santa Fe, New Mexico (address given in the reference section). A copy of the directory may be in the local library.

A list of questions to ask suppliers of wholesale foods is included in the Appendix.

6. How much time will it take me to be a member of a food buying club?

It is hard to state specifically how much time it will take at the beginning, as the club needs to develop a buying procedure and gain experience in dealing with the various suppliers and in distributing the food. It will also depend on how often the club decides to buy food and the volume handled. If the club buys food once a month, instead of every week, then less time will be spent.

One estimate, after the club is underway, might be from four to six hours a month, providing everyone does his or her share in carrying out
the work commitments. A worksheet should be prepared by the coordinator to keep track of each member's work time.

7. To help me make up my mind about joining a food buying club, what are some of the disadvantages of belonging to such a club?

Some people feel they do not have the time to carry out the work commitments. Since we will be buying as a group, members need to coordinate their food buying with each other and reach a consensus about the foods wanted. There may be some foods included in your order which your family may not like or you may be unfamiliar with their preparation. However, this can be a plus for you and your family, as your family may learn to like these foods after they try them. Also, we can share recipes and ideas for using some of the unfamiliar foods such as grains.

Another disadvantage might be that the club may not receive all of its order from the wholesaler and members may need to substitute other foods. Club members will also need to develop other food buying habits, such as ordering a supply of different foods to last a week or a month, as they are available, and then storing them at home.

8. Are there any legal requirements?

This would depend upon the state and your locality. Some items to check would be if a food handler's permit or license is required and if any state sales tax is to be collected and on what items. The office of the town, county, or city clerk is one place to find out about local requirements. The county Extension Office may also be of assistance.

A food buying club can accept food stamps. Authorization to accept food stamps is granted by the nearest office of the Food and Nutrition Service, U.S. Department of Agriculture. This address can be obtained from the local food stamp distribution office, your Congressman, the local Extension office, or library.

Information about the state sales tax can be obtained from the state sales tax bureau or agency. Any store owner or operator who collects sales tax should be able to provide you with information about the location of the district or state sales tax office.

A club planning to start a cooperative store or storefront operation must inquire about the legal and health regulations for food stores, because the cooperative store will probably have to meet the same requirements.

9. Should we look into insurance in case there is a liability claim against the food buying club?

The cost of insurance may take up all or most of the profits from the food buying club and members may be reluctant to make this expenditure for this reason. However, the potential liability that a food buying club can incur should be considered, particularly when members' cars are being used to transport food from the wholesaler, supplier, or wholesale produce market and homes or garages are used for the distribution
center. Members offering to assume these responsibilities should check with their insurance agent to determine if they have liability coverage under these circumstances.

A club planning to use a community facility (e.g., church hall, municipal building, Grange Hall, etc.) for its distribution center should inquire if the group's activities will be covered under the organization's insurance policy. Usually these facilities have insurance coverage, but in some instances, the organization may ask the buying club to a "hold harmless" agreement, whereby the organization would not be liable for any claims stemming from activities of the buying club. Thus the buying club would be responsible for any liability claims. Before making final arrangements to use a facility, the buying club should know what insurance coverage is available to the club in the event of a claim.

More information about insurance can be obtained from two publications listed in the reference section: *A Guide to Organizing a Food Coop* (Hall) and "Organizational Guidelines for Buying Clubs." These provide background information about various types of insurance and kinds of coverage available. Specific information about liability insurance to meet the needs of your buying club should be obtained from two or more local insurance agents.

A group planning to start a cooperative store should investigate the kinds of coverage needed with local insurance agents. Theft and fire insurance for the store inventory may also be needed, in addition to the liability coverage.

Another alternative for the club to consider, which does not eliminate the need for insurance, is incorporation. Incorporation which establishes the food buying club as a separate legal entity, protects individual members from financial or other claims which might be made against the club. A local attorney or legal aid society can provide information about state regulations and costs.

Additional information about incorporation can be obtained from "Organizational Guidelines for Buying Clubs" and publications from the Cooperative League of the USA (see reference section). These references provide background information for the club investigating the pros and cons of incorporation.

Buying clubs in New York State can incorporate under the Cooperative Corporations Law. More information about this law is given in Circular 903, *Provisions of Cooperative Corporations Law*, available free from the Department of Agriculture and Markets, Division of Market Services, Building 8, State Campus, Albany, NY 12235. Another reference, which gives the step-by-step procedure for incorporation, is the *Food Buying Club Incorporation Kit* (see reference section).
10. **What are typical problems that a beginning buying club may encounter?**

Two common problems that can occur are (a) too few people to do the work, and (b) failure to keep accurate account of the money. A good bookkeeping system will help with the latter and keeping track of individual members' work commitments will help with the first. Members may need to be reminded from time to time that a co-op can operate successfully only when all of the members do their share. More information about dealing with these and other problems can be found in the following publications (included in the list of references):


Duquin and DeKay, The Complete Guide to Starting a Food Buying Club, pp. 32-39. (There is also a good chapter on bookkeeping in this book.)

11. **How does a preorder buying club work? What are the jobs to be done?**

Earlier in the study guide it was mentioned that a buying club takes on four retailing jobs which are normally done for the public by supermarkets and other food stores. These jobs are ordering, purchasing, dividing, and distributing. In a buying club, these jobs would be handled by two committees as follows:

1. **Ordering:** Committee members prepare the order forms with prices for the various foods, add up the orders from each member, buy the food from wholesalers and other suppliers, and transport the food to the distribution center or make arrangements for its delivery to the center.

   Depending upon the procedure determined by the club, the amount of operating funds available, and the availability of credit from wholesalers, the club may have members pay for the food when ordered, pay a deposit, or pay when the food is picked up.

2. **Packaging:** Committee members take care of the dividing and distributing jobs. Responsibilities include checking the quality and condition of the food when it is delivered to the distribution center, in some instances unloading the delivery truck and putting the food away, dividing up and repackaging the wholesale amounts of food into smaller units for individual members' orders, supervising the pickup of the food by members, collecting the money (unless done by the Finance Committee), and cleaning up the room afterwards.

   A one-page sheet on safe handling of food during repackaging to prevent food-borne illnesses is included in the Appendix.

Most food buying clubs have two other committees with these responsibilities:
3. Finance: Committee members keep track of the finances and determine the markup on food sold by the club. The Finance Committee may also collect the money when members pick up their food orders.

4. Membership and Education: Committee members recruit and train new members, arrange for club meetings, plan social and educational programs for members, and keep members informed about the food sold by the club (nutritional content, recipes and suggestions for using new or unfamiliar foods, etc.) and other club business. This committee may publish a newsletter or use a bulletin board or telephone committees to keep members informed of club activities.

The club may also have a coordinator or chairman who conducts meetings, oversees the club's operations, helps to keep things going smoothly, and keeps track of members' work times, and a secretary.

Committee members should stay with a particular assignment long enough to gain some proficiency and skill in that area, but not so long that they feel burdened or "burned out." There should be a time when committee assignments can be changed, if members want to. The number of committees and the responsibilities of each committee, the length of committee assignments, and other organizational matters should be decided at business meetings of the club and included in the bylaws.

More information about the organization and operation of a food buying club can be found in several resources listed in the reference section, including the following:


Evans, How to Form a Food Buying Club in California, pp. 30-38.

Hall, A Guide to Organizing a Food Co-op, pp. 3-5.

12. What should a buying club consider when looking for a food distribution center?

When investigating possible sites for the center (member's home or garage, community facility, church or Grange Hall, etc.), the committee should consider that space will be needed for large amounts of food in cases, boxes, jars, and crates; for several workers dividing up the food; and for boxes and bags to hold each member's order. The room needs to be large enough to accommodate all of these activities.

Other considerations to keep in mind:

1. Does the rent include utilities, janitorial service, or will these be extra? What insurance coverage is available for the buying club in the event of a claim?
2. Are there enough counter and table tops in the room to provide adequate work space for dividing the food? Will the counters and tables support heavy boxes of food? Are the tops made of materials that can be easily cleaned and sanitized? The floor should be easy to keep clean with no rug or carpet.

3. Is there a source of hot water and handwashing and toilet facilities nearby?

4. Is space available, either in the room or nearby, where the equipment used for dividing up the food (scales, knives, ladles, etc.) and the packaging materials can be stored? Then the Packaging Committee would not have to bring these items each time.

5. Is the room located near the entrance and parking lot, to reduce the distance that heavy, bulky packages and boxes have to be carried? A sturdy cart or hand truck, if available, will make the job of moving boxes and cartons easier.

There should be few, if any, stairs to reduce the chance of people falling down and injuring themselves while carrying boxes and bags of food in and out of the building. The room should be located so that elderly and handicapped persons can come on food pickup day.

6. Is there adequate parking space near the building for food deliveries, either by truck or car, and for members to park their cars to pick up the food?

7. Is the room free of insects, rodents, and other pests? A preventive or cleanup program may need to be started after arrangements have been made to use the room.

8. Will the room be available at the same time and day each week to make it more convenient for members to pick up their food orders?

9. What are the procedures for trash and garbage removal? There will be empty containers, boxes, trash, spoiled produce, etc. left after pickup time. Can these items be left in the room (neatly piled) for the janitor to remove, or will the Packaging Committee be responsible for trash disposal? If the janitor removes the trash, will there be an extra charge?
Selected References

Preorder Food Buying Clubs


A complete reference on starting and organizing a food buying club. The ten chapters provide all of the information needed as long as the club remains in operation.

Contents include information about organizing the club, distributing the food, financial considerations, bookkeeping made easy, rules and regulations, and suggestions for dealing with common problems. Many illustrative examples are given. The last chapter contains copies of various types of forms (order, food buyers' tally, work log, etc.) which can be adapted as needed by the group. A glossary of terms is also included.

The authors also offer to answer questions about food buying clubs. A stamped, self-addressed envelope should be included with the request.


Focuses on three aspects: introductory description of cooperatives including definition, characteristics, and general types; organizing a food buying club; and consumer cooperative stores. The appendix section contains copies of forms (e.g., comparison price check form); sample agenda for the first meeting; related materials, including incorporation and tax forms (for Michigan); and a list of references.

Other information included: how to deal with common problems in a food buying club, the Rochdale principles for successful cooperation, and incorporation (when and how to, legal requirements for profit and nonprofit cooperative incorporation).


A complete reference on organizing and operating both food
buying clubs and cooperative stores. The book provides the necessary information about starting these operations, including such related topics as decision-making, member participation, Board of Directors, how to conduct effective meetings, legal requirements, insurance, finances, federations and warehouses, sources of supply, etc. Many examples of actual co-op experiences are given throughout the book.


Written to help a small group start and operate a food co-op. The book tells how to buy produce and how to handle the money and the distribution of the food and work. Several questions to help the co-op evaluate its progress are discussed and ways a co-op can handle growth (new members, more products, etc.) are presented.

The appendix section provides information about the operation of six co-ops (illustrated with flow charts), food grades and standards, a glossary of terms, and a regional list of food co-ops and sources of supply. A bibliography is also included.


Describes the basic operation of a food buying club—the essential tasks, and how to organize the co-op so these tasks will be done. The section on insurance describes types of coverage available and the occasions when these are needed. Two forms (price survey sheet and sign-up sheet for work), questions to ask suppliers, a sample agenda for a first co-op meeting, and a list of references and suggested readings are also included. The guide was prepared from materials produced in other states and adapted to New York State.


Contains the needed information to start a food buying club. Four sections: "Deciding to Do It," (introduction to a preorder food buying club); "Planning the Co-op," (plans for the first and second meeting); "Doing It" (an overview of bookkeeping, ordering, and food distribution); and "Keeping It Going" (communication and expansion).
The extensive appendix section includes references for co-op directories, technical assistance, materials available in Spanish, periodicals, books, and readings on American cooperative history. A helpful reference on guidelines to facilitate a meeting is also provided.


Many consumer action programs in food, housing, energy, and health care throughout the country are described. Introductory chapter entitled, "Basic Tools," provides information about organizing strategies, how to gain support, conduct meetings, raise funds, and whether or not to incorporate. An annotated list of selected organizations and publications which can be of assistance to groups wanting to organize community projects is also included in this chapter.

Programs which provide alternative sources of food (food buying clubs, storefront co-ops, supermarket co-ops, and warehouse co-ops) are described on pp. 24-34.

An extensive appendix section reports on federal programs and administrative offices which provide technical and financial assistance in the above-mentioned areas. For each agency, the Washington address and the regional office addresses are given. A map of the United States shows which states are served by the regional offices of each agency. The second appendix section provides information about the National Consumer Cooperative Bank.

**Cooperative Stores (Storefront Operations)**

1. **Cornell University Food Industry Management Program (Home Study Courses).** Catalog available free from Home Study Division, Cornell University, 247 Warren Hall, Ithaca, NY 14853.

Any person in the food industry or who is interested in learning more about this business is eligible to enroll in the Home Study Program. The enrollment fee covers the cost of the course material and instruction—textbook, study guide, grading, counseling, and Certificate of Completion. Courses range from "Accounting" to "Written Communication for Today's Managers." Other relevant courses include "Business Law," "Customer Relations," "Food Merchandising," and "Food Store Sanitation." The catalog describes the courses and gives information about enrolling, including the fee.


4. People Power. See pp. 27-34 on storefront co-ops, supermarket co-ops, and warehouse co-ops, and pp. 44-45, a grocery store for seniors.

5. How to Form a Cooperative Food Store. Contact Ann Evans, Department of Consumer Affairs, 1020 N Street, Room 501, Sacramento, CA 95814, for more information about this publication, including cost.

Organizations Serving Co-ops

1. The Cooperative Directory Association, P.O. Box 2667, Santa Fe, NM 87501. Telephone: 505-982-2288.

   The Association, among other services, prepares and publishes a yearly directory (Co-op Directory), a nationwide listing by state of food buying clubs, warehouses, federations, cooperative stores, regional contacts, information centers, producers, growers, etc. Write for information about the current directory and a copy of the order form as the price varies according to the number ordered and if an individual, co-op, or an organization is ordering a copy.


   "The only national confederation of cooperatives of all kinds in the United States today." Membership available both for cooperatives and on an individual or family basis. Provides a wide range of services to co-ops including management training for co-op leaders and publications. A list of available publications can be obtained free from the above address.


   The Co-op Bank was established by Congress to: 1) provide loans and other financial assistance to co-ops, and 2) technical assistance to co-op staff and members in management, financial planning, and member services. A bimonthly newsletter, "Co-op Bank Notes," is available free upon request.

   Eight regional offices (Alameda, CA; Boston, MA; Charleston, SC; Detroit, MI; Fort Worth, TX;
Minneapolis, MN; New York, NY; and Seattle, WA) serve as local contact points for information about loans, technical assistance, and other Bank programs. More information about the Co-op Bank and its programs can be obtained by calling the toll-free number given above. Information about the regional offices can also be obtained by calling the Office of the Director of Regional Operations, 202-376-0986 or 376-0948.

4. North American Student Cooperative Organization (NASCO), Box 1301, Ann Arbor, MI 48106.

Campus-based consumer cooperative, whose full-time staff provides continuing education for co-ops through publications, conferences, training programs, and technical assistance to co-ops. Write for a free list of publications. NASCO also publishes Co-op Magazine, "the only comprehensive magazine on cooperatives in North America." Write for information about the subscription price.

Related References

Buying Produce

Educational Department, Blue Goose, Inc., P.O. Box 1118,
Hagerstown, MD 21740. 136 pp., 1980. $4.00, which includes
postage and applicable taxes.

How to buy, store, and use fresh vegetables, fruits, nuts and herbs. Nutritional information for each product is also given, plus material about the newly-popular "exotic" fruits and vegetables. Beautifully illustrated, with over 235 pictures of the various commodities. A valuable reference for any food buying club or cooperative store that is buying or plans to buy fresh produce.

Food Storage and Sanitation

1. Food Storage and Handling Methods for Consumer Cooperatives.
Ransom A. Blakeley, Department of Agricultural Economics,
Warren Hall, Cornell University, Ithaca, NY 14853. Contact the
author for more information, including cost.

The purposes of this publication are to provide:

a) an overview of some of the problems which can happen in food handling and storage;

b) information about storage requirements for many foods commonly sold by food buying clubs and stores (e.g., grains, carob powder, dairy products, cheese, oils, dried fruits, nuts, flour, cereals, etc.);
c) suggestions on how cooperatives can organize and manage
their facilities and personnel to assure safe, convenient,
and economical storage and handling of foods.

2. **Food Store Sanitation** (Cornell Home Study Course). Home Study Division,
Cornell University, 247 Warren Hall, Ithaca, NY 14853. Write for
information about the enrollment fee.

Book **Food Store Sanitation** and accompanying study guide; seven
assignments. Topics covered include the need for a strong
sanitation program, microbiology, understanding and application
of hygienic principles on the part of employees, how to clean
facilities and equipment, pest and insect control, how to
educate customers about safe handling of food, sanitation
procedures for each department in the store, and how to develop
a total store sanitation program.

3. Publications on food-borne diseases. Agricultural Extension Service,
University of Minnesota, Room 3, Coffey Hall, 1420 Eckles Ave.,
St. Paul, MN 55108.

Each of the following publications presents information about
a particular food-borne illness, the conditions needed for
outbreak, foods involved, reported outbreaks, and how to
prevent or control the growth of the particular organism.
The publications are:

- **Botulism**, Ext. Bulletin 372
- **Clostridium Perfringens Food Poisoning**, Ext. Bulletin 365
- **Staphylococcus Food Poisoning**, Ext. Bulletin 354

Other

1. **How to Save Money Through Group Buying**. Albert Lee. Stein and Day,
Scarborough House, Briarcliff Manor, NY 10510. $10.00 hard cover,
$4.95 paperback. 302 pp., 1977. (This book may be available from
the library.)

A book on cooperatives in America—the role of cooperatives
in the American economy, the history of the cooperative
movement, and how a cooperative can be started. Three types
of cooperatives are described: service, purchasing, and
marketing, with examples given of each one.

Organization aspects of cooperatives are also discussed:
bylaws and charters, legal limitations and tax status,
responsibilities of members, boards of directors, and
managers. One chapter gives the names and addresses of
organizations serving cooperatives, along with a description
of the services provided by each group.
The principles of cooperatives, as first developed by the Rochdale, England pioneers, are discussed and updated in line with current cooperative practices.

The appendix section contains a list of names and addresses of cooperatives by state, and for Washington, DC and the Canadian Provinces.


Prepared for the Pennsylvania Department of Agriculture for use with food buying clubs. Explores in depth several organizational concerns pertaining to food buying clubs. Issues of particular interest are insurance (coverages available and when needed) and incorporation. The latter is based on Pennsylvania laws and regulations; however, the information provides a reference point for those investigating this matter in one's own state.


Written for food buying clubs in New York State who want to incorporate under the State's Cooperative Corporations Law, the kit gives step-by-step directions for incorporation, including a sample certificate of incorporation and bylaws, and instructions for preparing the financial statement for the annual audit. Copies of forms required by various state agencies are also included.

References for College Classes


The author first looks at the trend of increasing market concentration in local food markets, and then analyzes the variation in price and profit performance of supermarket chains among different market structures. The barriers to entry facing food cooperatives (e.g., capital requirements, site location, wholesale costs, store utilization and size, and promotion costs) are discussed.

The long-term growth of food cooperatives is also considered in terms of magnitude of entry. The author suggests, among other conclusions, that one economic factor contributing to the growth of consumer food cooperatives is declining competition on local retail food markets.

A discussion of the characteristics and structural problems faced by newly emerging consumer cooperatives in the United States. The potential for growth of these cooperatives in the face of these structural problems is analyzed using tools of economic analysis and comparison with producer marketing cooperatives (dairy and fruit and vegetable).

The authors conclude that in order for the recently formed consumer cooperatives to grow, they need to adopt such practices as a capital stock form of organization, decrease the use of volunteer labor, increase the efficiency of management, and make greater use of borrowed capital, which has been made more available to cooperatives since the establishment of the National Consumer Cooperative Bank.
QUESTIONS TO ASK A POTENTIAL SUPPLIER

(Some of these questions will be of help if the group plans to start a store.)

1. How do you calculate your prices to us? Is there a standard markup? How do you figure your costs? Do your prices include delivery?

2. What are your terms? Do you extend credit or do you insist on cash upon delivery?

3. Is there a minimum size of order you will deliver?

4. Will you accept food stamps or redeem manufacturers coupons as payments on merchandise?

5. How do we place orders and how often do you deliver?

6. Do you carry chain store brands or "private" labels?

7. Is yours a membership organization? Must we invest in the wholesale company or make a deposit to do business with you?

8. Do you supply any services such as accounting, store layout, or equipment procurement?

9. What is your policy on damaged goods, credits, and returns?

Note: It is unlikely that one supplier will be able to grant you all the conditions you seek. Be sure to get a price book before you leave so that you can calculate delivered costs on the items which you intend to handle.

SOURCE: "Cooperative Food Buying." Ronald Cotterill, Department of Agricultural Economics, Michigan State University, East Lansing, MI 48823.
COMPARISON RETAIL PRICE CHECK FOR BUYING CLUBS

Date checked ______________ Person(s) checking _______________________

Note: Mark items you cannot find NA for not available.

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SOURCE: Co-op Stores and Buying Clubs, Publications Department, Community Services Administration, Office of Public Affairs, 1200 19th St., NW, Washington, DC 20506. 1972, p. 3. Free.

Additional Information

1. Include under the item description if the food is store brand or name brand.

2. Buying Club price retail includes cost plus markup.
GUIDELINES FOR PREPARING BYLAWS OR OPERATING RULES

Bylaws or operating rules for food buying clubs are essential for the smooth management of the club. These rules, once approved by the members, serve as a means of keeping everyone informed of the ground rules for club operation. Bylaws are also useful when taking care of legal requirements (opening a bank account, obtaining insurance, etc.). Giving a prospective member a copy of the bylaws acquaints the person with the club and its procedures.

The following are articles which might be included in a set of bylaws for a food buying club. Not all may pertain to a beginning club. The group may want to add to or modify some of the bylaws after the club has been underway for a period of time. Any changes in the bylaws should be approved by the entire membership before being incorporated into the existing set of operating procedures.

1. Name

The exact name of the buying club should be stated. This is the name that will be used when opening a checking account, to give to wholesalers and suppliers, to the utility company, for insurance, etc.

2. Object or Purpose of the Club

What is the purpose of the club? To obtain better quality food? To buy food at lower cost? Should the purpose be stated in general terms so that members could buy other items in addition to food?

3. Membership

Procedure for joining the club, amount of membership fee and when due, can the fee be refunded and under what circumstances (e.g., when a member leaves).

Membership available on an individual and family or household basis? Should each adult in the household pay a membership fee?

Conditions when a membership can be cancelled by the club; procedure for cancelling a membership.

Voting: one vote per member or household?

Work commitment to the club - number of hours during month or year, procedure for obtaining a substitute.

4. Officers

Titles, qualifications; how selected (nominating committee, volunteer, from the floor), terms of office, duties and responsibilities, procedures for filling any vacancies.
5. Committees

Names (e.g., Ordering, Packaging, Finance, Membership and Education, etc.) duties and responsibilities, terms of office, special committees — how appointed.

6. Board of Directors

Composition (officers, committee chairmen, coordinator, others); duties and responsibilities; where, when and how often the group is to meet; procedure for handling vacancies, meetings, and quorum.

7. Meetings of the Club

Day for regular meetings, annual meeting day, quorum needed to conduct meetings.

8. Finances

How much markup or service charge to cover expenses, kinds of expenses that will be reimbursed by the club, policy for handling credit requests, fiscal year for the club.

9. Ordering Procedure

What foods will be ordered; where, when and how distributed; who can order food (only members who have paid their membership fee, can members also order for friends, who are not members?); deadline for placing food orders; how often members should place orders; responsibility for paying for food ordered.

10. Amending the Bylaws

Procedure for changing or amending the bylaws and for notifying the members.

11. Disbanding the Club

How will leftover funds be dispensed, after all bills have been paid? What will be done with any donated items, equipment purchased by the club? Unsold food?

12. Other Items

Accepting food stamps, system for keeping members informed of club happenings and decisions to be made.

For More Information

Duquin and DeKay, The Complete Guide to Starting a Food Buying Club, pp. 29-31

Evans, How to Form a Buying Club in California, pp. 13-16.


SUGGESTIONS FOR SAFE HANDLING OF FOOD

A food buying club saves money by buying in wholesale amounts and then repackaging or breaking the food down into smaller units for each member's order. The repackaging of food carries with it the responsibility that the food be handled in a sanitary way so that it is not contaminated during this time. This involves keeping the food in good condition while it is at the distribution center, using clean facilities and equipment, and having the distribution team members follow approved personal hygiene practices.

Keep the Food in Good Condition

1. A member of the club should be at the distribution center when the food is delivered to check that the food is in good condition, free from molds, insect infestation, and that cold foods are delivered cold (under 45°F).

2. Any food that needs refrigeration (cottage cheese, yogurt, etc.) should be put in the refrigerator as soon after delivery as possible.

3. Packages of food should be handled carefully so that additional damage is not done—jars not broken, flour sacks not torn, etc.

Use Clean Facilities and Equipment

1. Before starting to repackaging the food, be sure that the room and counter tops are clean. You should wash and sanitize the counter and table tops before and after working. The floor may need to be swept before starting to put food in boxes or bags, as well as afterwards.

2. Bring soap and paper towels for hand washing to the distribution center if these are not there already.

Follow Good Personal Hygiene Practices

1. Do not come to the distribution center to work if you have a cold, sore throat, cough or are sneezing. Find a substitute for that day. If you have an open sore or cut on your hand, volunteer for another job that does not involve handling food.

2. Wash hands with soap and water before starting to handle the food.

3. Wear clean clothes, a clean apron or smock to protect your clothes, and a hair net or paper cap, or tie your hair back out of the way.

4. Avoid touching the food with your hands; instead use sanitized utensils such as spoons, scoops, measuring cups, or slip your hand into a plastic bag or glove.

5. Do not smoke while repackaging the food. If you want a cigarette, leave the room, and wash your hands before starting to work with the food again.

For More Information

1. See list of references in this study guide, (pages 25-26).

2. Contact the local Extension Office, Home Economics Division, or your state, county or local Health Department for additional information.