

Market Study

Val Rita — Harty Grocery Co-op: Preliminary Observations

Study conducted by:

Conseil de la coopération de l'Ontario



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Presented to:

Municipality of Val Rita – Harty

and the Moonbeam Co-op



In the Scope of the Ontario Social Impact Voucher Program

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Background

Conseil de la Coopération de l'Ontario

The mission of the Conseil de la Coopération de l'Ontario (CCO) is to bolster the social economy in the francophone community through co-operative endeavours. The CCO accomplishes its mission by helping co-ops and social enterprises work together, promoting their interests and supporting their development. The fundamental values of co-ops and social enterprises are the primacy of the individual over capital, self-empowerment, personal and mutual responsibility, democracy, equality, equity and solidarity. Co-op and social enterprise members remain true to the spirit of the founders of these entities by respecting a code of ethics based on honesty, transparency, social responsibility and sustainable development. The CCO is a social enterprise founded in 1964 that works with more than 50 groups promoting collective projects. Thanks to the partnership with the Ontario Centre of Excellence and the Centre's expertise in study conception, the CCO provides free consulting services to carry out studies adapted to the needs of the organization submitting a request under the Ontario Social Impact Voucher Program.

Municipality of Val Rita — Harty

Val Rita is 10 km west of Kapuskasing, and Harty is 10 km west of Val Rita. These two communities amalgamated in 1973 and have a population of approximately 800 residents, of whom 80% are francophone and 20% Anglophone (Statistics Canada, 2017). The Municipality is working with the Val Rita – Harty Municipal Economic Community Development Corporation, created in September 2006, and has hired an economic development officer. Without a grocery store for several years now, the Municipality wishes to revitalize the heart of the village by converting St. Rita's school (closed in June 2016) into a social housing building in which would also be located a grocery co-op.

Moonbeam Regional Co-op

The Moonbeam Regional Co-op is the only institution of its kind in Northern Ontario. In 2012, the owner of the sole grocery store in Moonbeam announced that his enterprise, L & E Léonard Inc., would be closing its doors in August of that year as he had been unable to find a buyer for it. Aware that they were on the verge of losing this vital business, the residents of Moonbeam decided to set up a co-op to buy the grocery store. This strong show of solidarity enabled them, in a little over three months, to obtain the funds necessary to acquire the business. The board elected during the founding assembly in October 2012 then submitted a request for incorporation and an offering statement to the Financial Services Commission of Ontario. The co-op took ownership of the grocery store on June 7, 2013, almost exactly one year from the time the residents embarked on this thrilling adventure to ensure the survival of their village. The Moonbeam Regional Co-op, with a membership of over 800, continues to serve the population of Moonbeam and the surrounding area. The Co-op makes every effort to promote the sale of local products and plans on expanding its commercial activities.

Introduction

The project

The purpose of this study is to sound the interest of the community of Val Rita – Harty in taking part in a collective enterprise project: setting up a grocery co-op to meet the community's need for a grocery enterprise. The Municipality plans to revitalize the community by implementing this project through the Economic Community Development Corporation of Val Rita – Harty. With the opening of the grocery co-op, the village will once more benefit from an essential point of service, meaning residents will not have to travel all the way to Kapuskasing to buy their groceries—a definite advantage for this aging population. In addition, the co-op will help relaunch the local economy.

The closure of St. Rita's school left empty a large building in the centre of the village. The Municipality of Val Rita – Harty plans on revitalizing this structure by working with the Cochrane District Social Services Administration Board (CDSSAB) and the CCO to transform it into a social housing building that would also contain a grocery co-op. This would be a viable and sustainable project for the economy of this little community.

The village of Val Rita — Harty is inspired by the creation of the Moonbeam Regional Co-op to set up a similar enterprise. The Moonbeam Regional Co-op, which participated in this market study, may consider extending its operations to the village of Val Rita — Harty. A new co-op be established in Val Rita must not deprive the Moonbeam Co-op of a portion of its current clientele. This market study is an important step in limiting competition and enhancing co-operation between the two communities.

Collective enterprises mainly arise from a desire to undertake a viable and profitable business project with a view to creating jobs, serving the community and ensuring the sound management of the enterprise. The purpose of this market study is to assess the level of interest in the community to participate in this project. It seems appropriate at this point to explain how a co-op enterprise operates.

Research

Methodology

In order to get the opinion of the entire population of the Municipality of Val Rita – Harty and the surrounding area, a closed-question paper survey was mailed, in May, to every resident of Val Rita and Opatatika. Participants had 31 days to respond to the survey. Fourteen days after the surveys were distributed, the Municipality of Val Rita – Harty was concerned about the low participation rate. To ensure a sufficient number of respondents, an electronic version of the survey was posted to social media. The online version was filled out by residents of Val Rita – Harty, Opatatika, Kapuskasing, Moonbeam and Hearst. Consequently, the opinions gathered were quite diverse.

The survey opened with sociodemographic questions about the respondent. Next came questions on the following topics: the community, grocery enterprises, a grocery co-op in Val Rita – Harty, the Moonbeam Regional Co-op, community participation and co-op governance. This line of questioning made it possible to identify the interest of the target population about being involved in a grocery co-op project.

Sampling

Respondents

The sampling was analyzed to determine whether the group of participants was representative of the population. This information is of particular importance for the next stages in the creation of a grocery co-op in Val Rita – Harty, as the success of such an endeavour depends on community participation. After confirming the interest of the community for this project, the next step is to conduct a feasibility study to assess the implementation costs of setting up the co-op, as well as the options for doing so.

One hundred and thirty respondents took part in the survey: 42 filling out the paper version and 88 the electronic version. The languages of the submitted surveys were: 111 in French and 19 in English. This indicates there is a large number of

Francophones in the area. The respondents were divided into two groups: the population participating in the study and the target population.

The population participating in the study comprised residents in the communities of Kapuskasing, Val Rita – Harty and Opatatika who filled out the survey. It was decided to exclude the residents of Moonbeam and Hearst, since their place of residence is not relevant for a business established in Val Rita — Harty. The 125 respondents from the three municipalities mentioned above represent over 320 people living in the communities targeted by the study.

The figures below break the participating population down by demographic characteristic. For the purposes of this study, these are gender, age and place of residence.

Figure 1

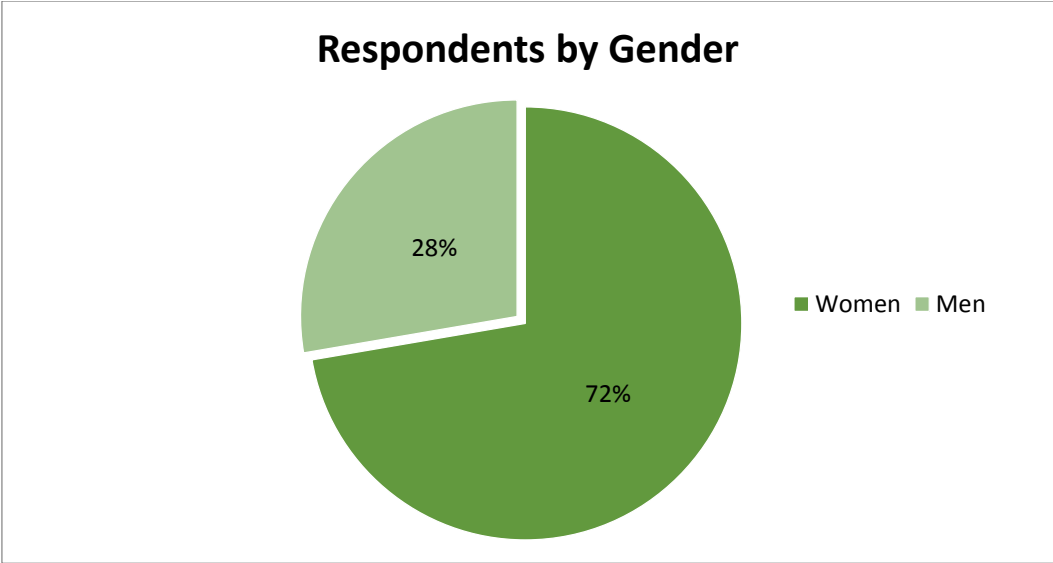


Figure 1 breaks down respondents by gender. In the results, it is important to point out that more women participated than men. This regularly occurs with studies carried out in Northern Ontario, as women seem more likely than men to fill out surveys. Nevertheless, over 35 men responded, which accounts for more than 25% of the total sampling population. These results remain representative of the target population, even if more women did participate. As each answer represents an average of 2.6 people, one must consider that a respondent to this study represents a couple or family.

Figure 2

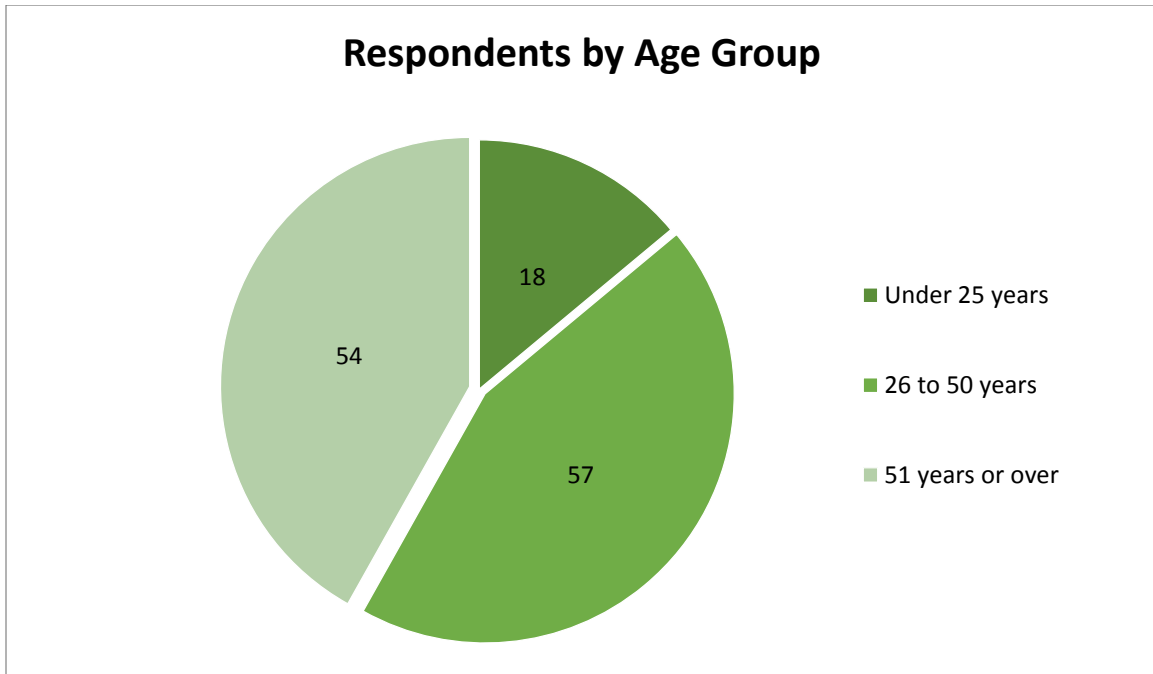


Figure 2 breaks the respondents down by age group. These results are encouraging owing to the fact those 25 or under do not often participate in surveys. Yet here, this age group accounts for 14% of respondents. The two largest age groups are those aged 26 to 50 and 51 or over, as they are the ones with the greatest economic potential and strongest commitment to the community, both of which are necessary to ensure the success of the project. These two groups are well represented, with those aged 26 to 50 accounting for 44.2% of the sampling, and those 51 or over accounting for 41.9%.

Figure 3

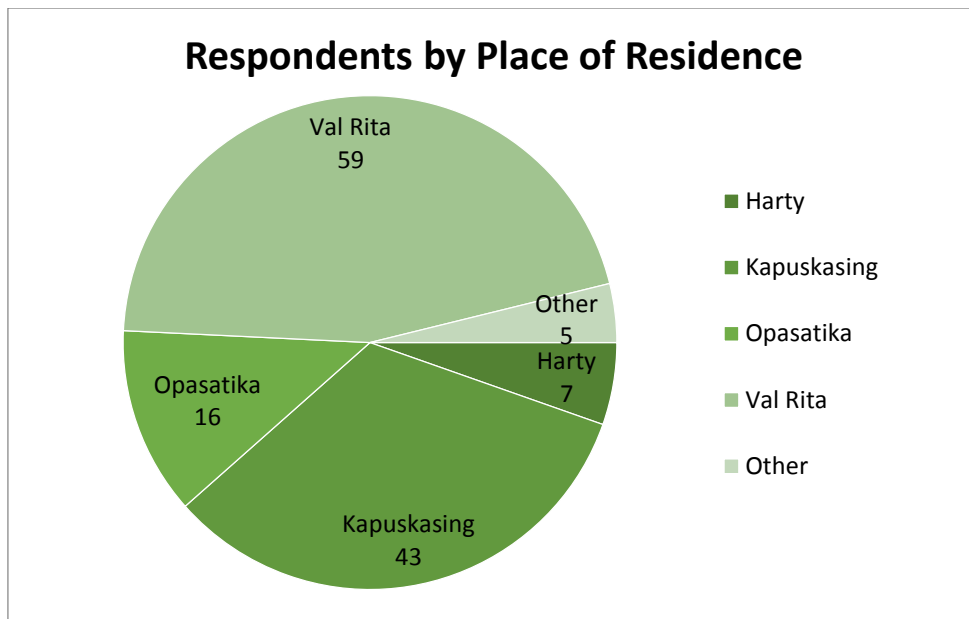


Figure 3 presents the respondents' place of residence. These results reveal the high participation rate of Val Rita — Harty residents, an encouraging sign for the success of the project. Residents of Kapuskasing also wanted to participate in the survey once it had been posted to the social media of the CCO and the Municipality of Val Rita — Harty. Despite the low participation rate of the residents of Opasatika and Harty, observations may be drawn about the desire to set up the co-op project.

The target population

To properly sound the opinion and interest of the population about the Val Rita – Harty grocery co-op project, the sampling must be broken down. The co-op project will be set up in the village of Val Rita to meet the needs of local residents and those in the smaller surrounding communities. This population, referred to as the target population as it represents the co-op's market, comprises the residents of Val Rita – Harty and Opasatika. Kapuskasing, a town 10 minutes from Val Rita, is not considered a priority market given the number of enterprises selling groceries located there. For the purposes of this study, it is necessary to distinguish the study participants (all those who

filled out the survey) from the target population (the respondents living in Val Rita – Harty or Opatatika).

An analysis of the target population sample is necessary to confirm that it reflects the general opinion of the residents of Val Rita - Harty and Opatatika. The 83 respondents represent the more than 210 people living in households in those two communities; this number is equivalent to 18% of the total population. This significant level of participation indicates that the opinion expressed is clearly that of the target population.

Figure 4

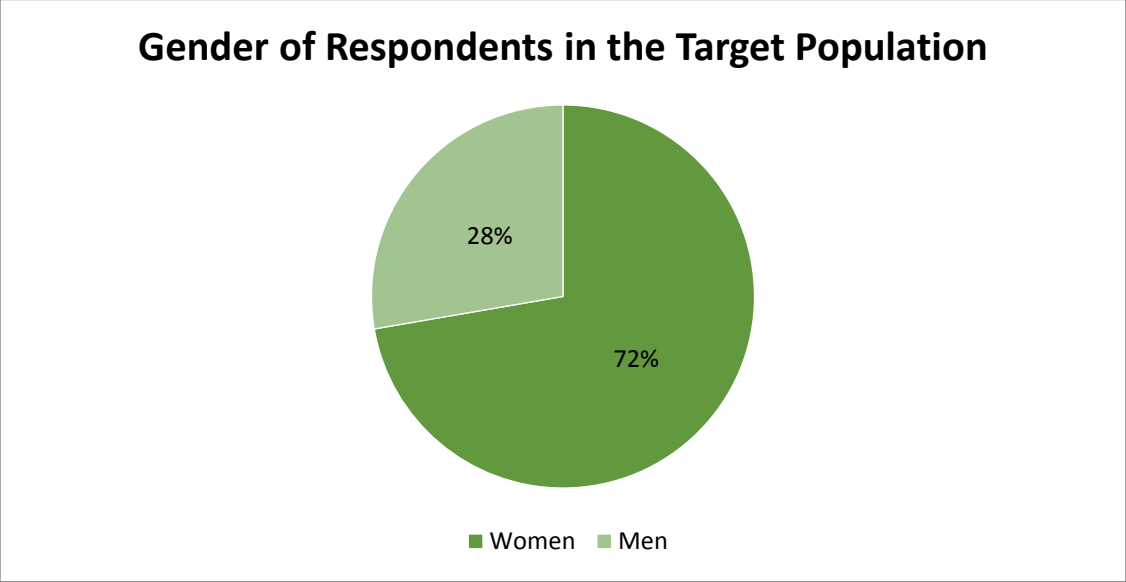
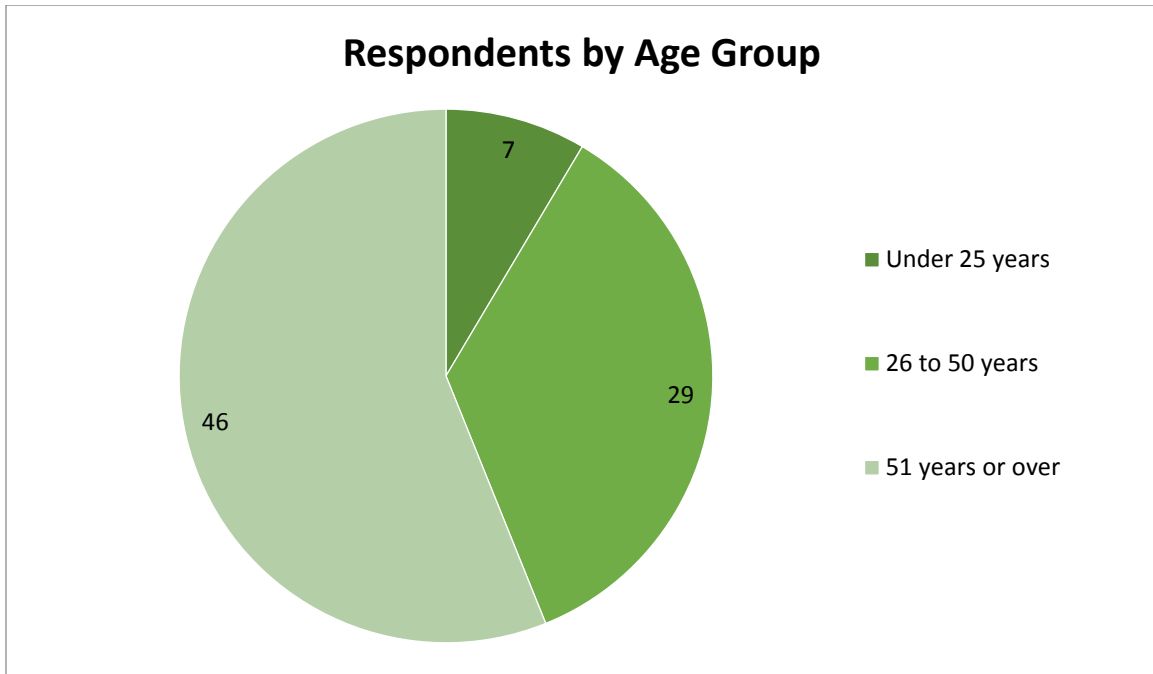


Figure 4 indicates the gender of the respondents in the target population.

Figure 5



Participants aged 51 or over account for 55.4% of respondents in the target population, those aged 26 to 50 for 34.9%, and those 25 or under for 8.4%. Over half of the respondents in the target population are older. This may be interpreted as a risk for the co-op project in Val Rita — Harty, as its success would depend on their level of interest. This age group may feel the need to have a closer point of service due to their limited mobility, age and health. Despite the over-representation of respondents over 50 years old, a varied range of opinions was obtained nonetheless, owing to the volume of younger respondents. This makes it possible to compare interest for the grocery co-op project by age group.

Figure 6

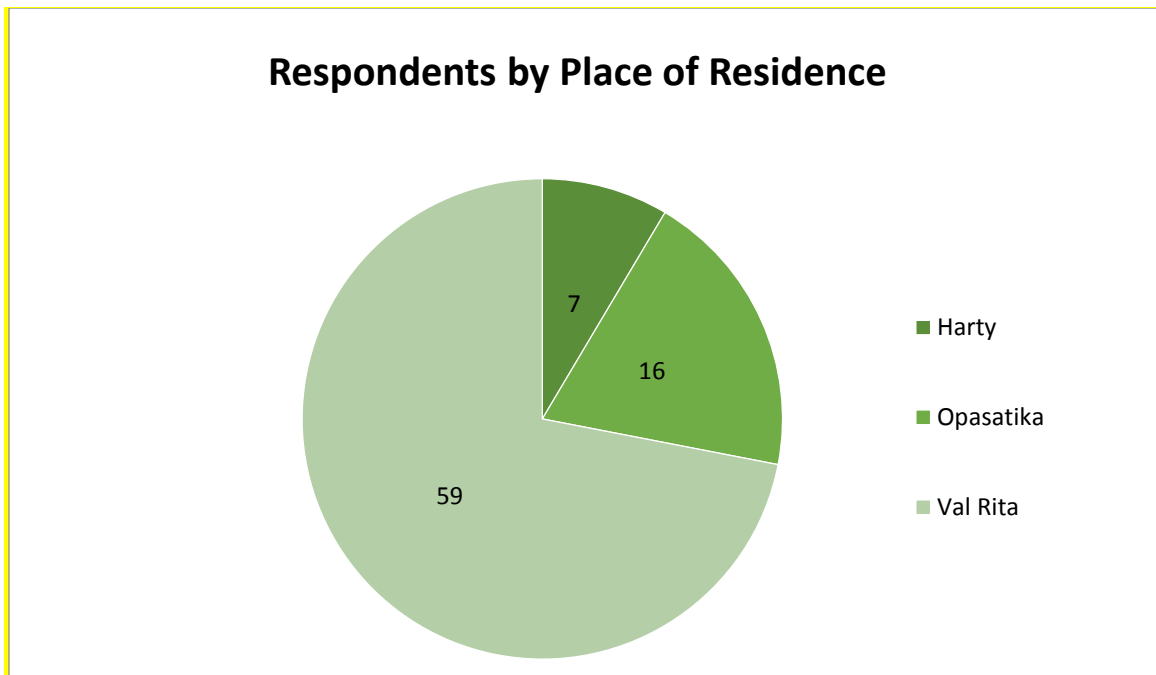


Figure 6 presents the place of residence of respondents in the target population. Obviously, Val Rita residents, who account for 71% of respondents, are the main group concerned by the creation of the co-op. Harty residents only account for 8% of the target population. However, several Opasatika residents felt the need to take part in the study, and they account for 19% of respondents in the target population.

The sample obtained during this study is representative of the target population for the establishment of a Val Rita – Harty grocery co-op. These results make it possible to make serious recommendations as to the continuity of the project.

Results

The community

The success of the Val Rita — Harty grocery co-op project depends on the community's willingness to participate in this collective enterprise project. As such, the opinion of local residents regarding both their village and their sense of community had to be sounded. The first few questions in the official distributed survey pertained to how the population felt about its community and the community's economic development. This allows us to gain insight into the population and learn if residents would be able to sustain a co-op.

Here is a description of the tables to help the reader understand them. Each table has been patterned after table 1. The survey questions appear in the first column. Respondents had to answer each question by picking a number on the Likert scale, ranging from 1 (completely disagree) to 6 (completely agree). Numbers 2 to 5 represent intermediate positions.

The number in the study participant column represents the average of the sum of the answers given by the respondents from Val Rita — Harty, Opatatika and Kapuskasing. The number in the target population column represents the average of the sum of the answers given by the residents of Val Rita – Harty and Opatatika only. Frequency indicates the exact number of answers given to each possible answer from 1 to 6.

Table 1

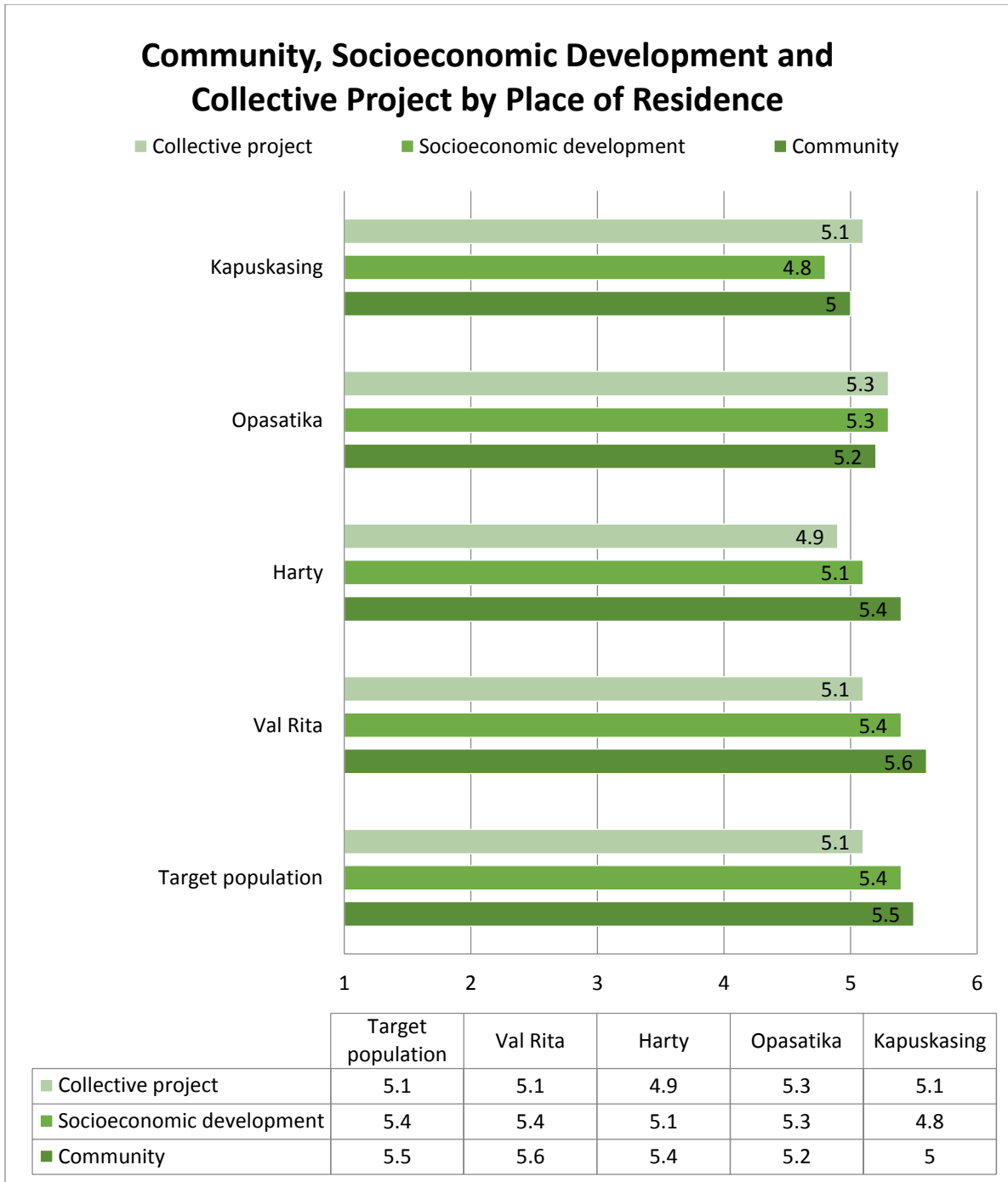
Community, Socioeconomic Development and Collective Project

Questions	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
I love my community.	5.33	5.48	1	1	1	4	16	56
I want to contribute to the economic and social development of my community.	5.22	5.37	1	2	1	8	22	49
I believe that my community can work together to create a collective project.	5.12	5.10	2	2	4	13	15	43

**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Based on the averages and frequency indicated in table 1, the target population clearly has a sense of belonging to its community. The very high averages for all of these questions indicate that the target population likes its community, wants to contribute to the community's economic development and believes it is possible for the community to carry this collective project out. Forty-three individuals said they completely agreed with the last statement about a collective project, which is most reassuring for the Val Rita — Harty grocery co-op.

Figure 7

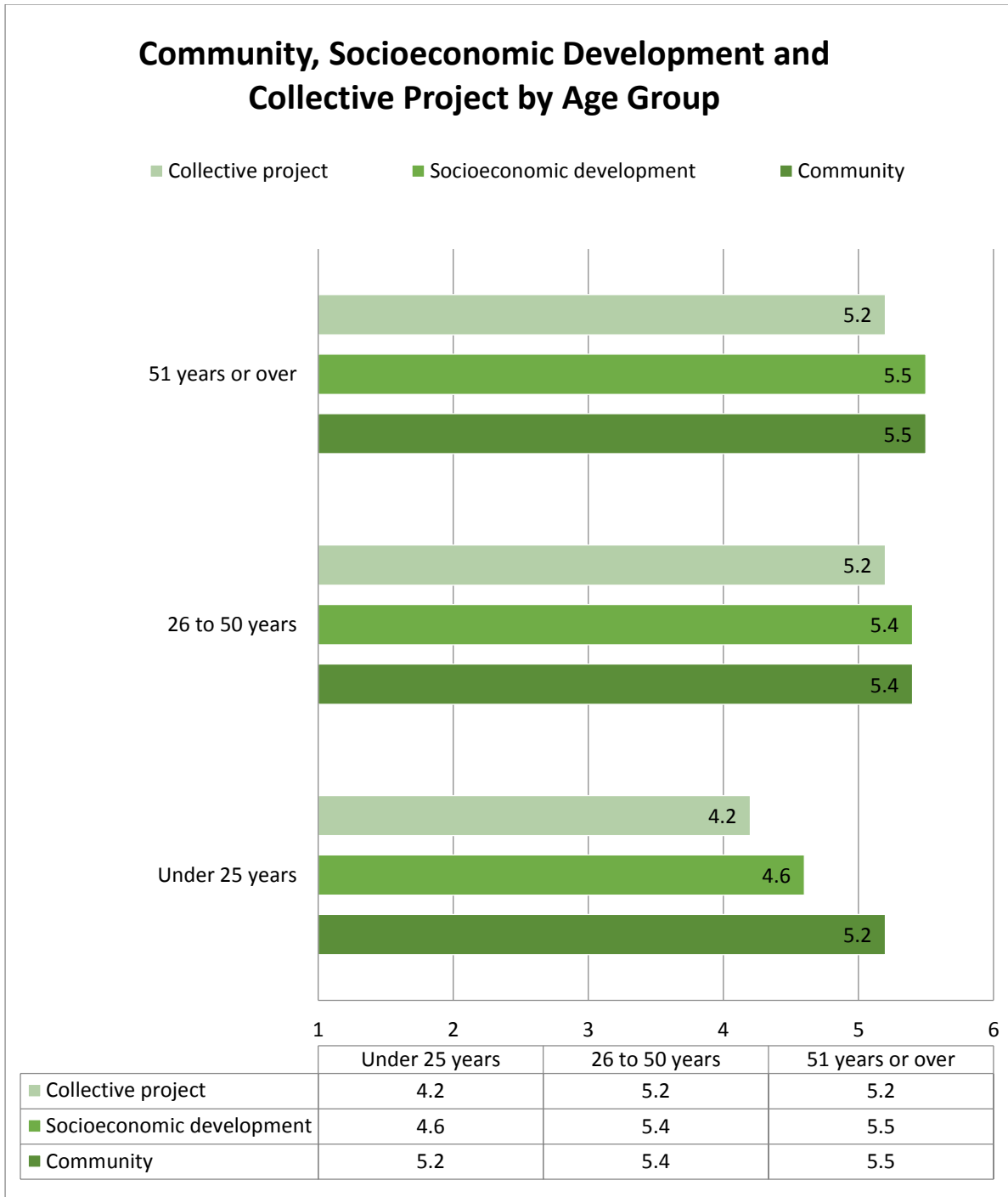


*1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."

Community reflects the opinion of the population to the statement "I love my community," Economic development reflects the opinion to the statement "I want to contribute to the economic and social development of my community" and Collective project reflects the opinion to the statement "I believe that my community can work together to create a collective project."

Figure 7 presents the vision of different regions and the target population of their community and its economic development. The very high averages of these results are encouraging, especially those about the population of Val Rita and the target population. The residents of Val Rita – Harty and Opatatika seem to feel a strong sense of belonging to their community and a desire to develop the local economy through a collective project. These data meet the conditions needed to establish a co-op.

Figure 8



*1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."

Community reflects the opinion of the population to the statement "I love my community," Economic development reflects the opinion to the statement "I want to contribute to the economic and social development of my community" and Collective project reflects the opinion to the statement "I believe that my community can work together to create a collective project."

Figure 8 breaks down how the target population views the community and its economic development by age group. The results indicate there is a weaker sense of belonging to the community among members of the youngest age group, even though they seem to like their community well enough. Apparently, these youth have difficulty identifying with the economic components of their community, though inclusion in a concrete economic project such as this co-op could reverse this sentiment. Setting up a co-op would produce jobs for this age group. Overall, the target population remains committed to the community.

Grocery market in the Val Rita — Harty Region

The purpose of this section is to identify potential competitors of the co-op and the grocery shopping habits of local, as well as insert this business project into the local economy.

Table 2

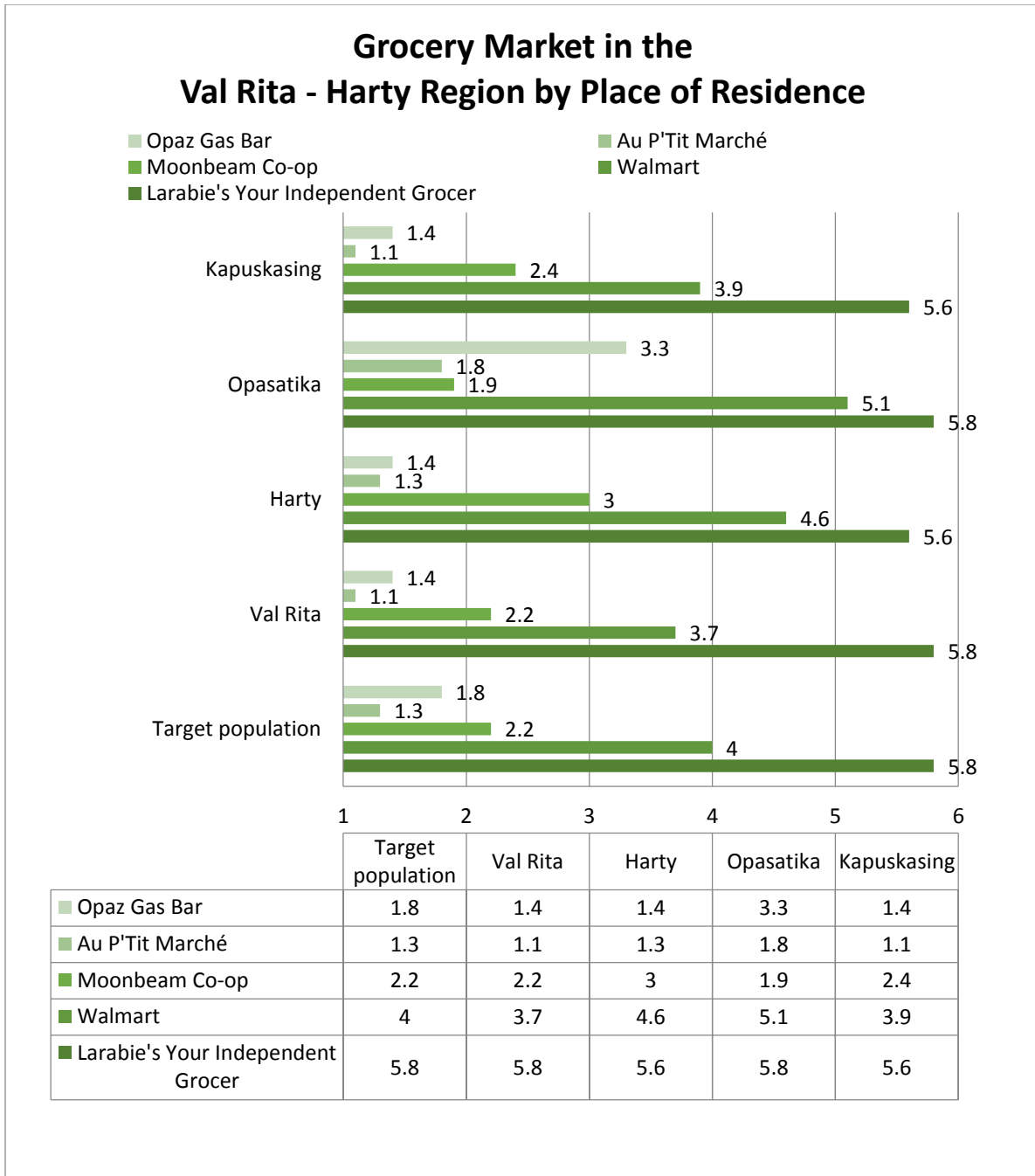
Grocery Market in the Val Rita — Harty Region

Regional Business, Opinion on the Statement: "I buy my groceries at this store"	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
Larabie's Your Independent Grocer (Kapusksing)	5.72	5.76	0	0	3	2	6	68
Walmart (Kapusksing)	3.98	4.01	13	10	9	6	9	30
Moonbeam Co-op (Moonbeam)	2.32	2.25	33	12	11	14	0	3
Au P'Tit Marché (Mattice)	1.23	1.29	61	4	3	3	0	0
Opaz Gas Bar (Opasatika)	1.65	1.78	51	6	7	3	2	4

*1 stands for "Never ", 2 to 5 for "intermediate positions" and 6 for "Always."

Table 2 illustrates what study participants and the target population consider to be their grocery market. The study reveals that the main businesses in the regional grocery market are Your Independent Grocer and Walmart. Independent, located more than 20 minutes by car outside Val Rita, seems to be the grocery shopping location of choice for most of the target population, but it is a major inconvenience for the aging population and a major threat to the co-op. Large national and international companies like Walmart offer lower prices on products and pose a relative threat to the regional economy. These two businesses are much more popular among the target population comparatively to all the study participants. This poses a sizable challenge to the Val Rita — Harty grocery co-op project. Community participation in the project is the key to its success. Only a small percentage of the target population gets its groceries at the Moonbeam Regional Co-op. An expansion of the Moonbeam Co-op would entail the acquisition of a new market that would have to be then sensitized. This could also justify modelling the Val Rita – Harty co-op after Moonbeam. Neither Opaz Gas Bar nor Au P'tit Marché in Mattice would be a serious competitive threat to the co-op.

Figure 9



**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Figure 9 breaks down the regional grocery market and confirms the claims made in the previous paragraph. Interestingly, the population of Opasatika frequently buys groceries at Opaz Gas Bar, a business specializing in the sale of reasonably priced gasoline, but

also offering a meagre selection of essential products. Regardless, Opatatika residents go there to buy groceries on occasion. This trend of buying locally is an encouraging sign for those wishing to set up a business in the area.

Grocery enterprise in Val Rita — Harty

Several grocery stores and restaurants have been successful in the community of Val Rita — Harty. The aging and shrinking population has had a significant impact on the local economy, thus the importance of sounding the interest of the target population about the food products offered in the community. This study also seeks to determine the products and services a grocery co-op should offer, both to meet local demand and ensure the profitability of this collective enterprise.

Figure 10

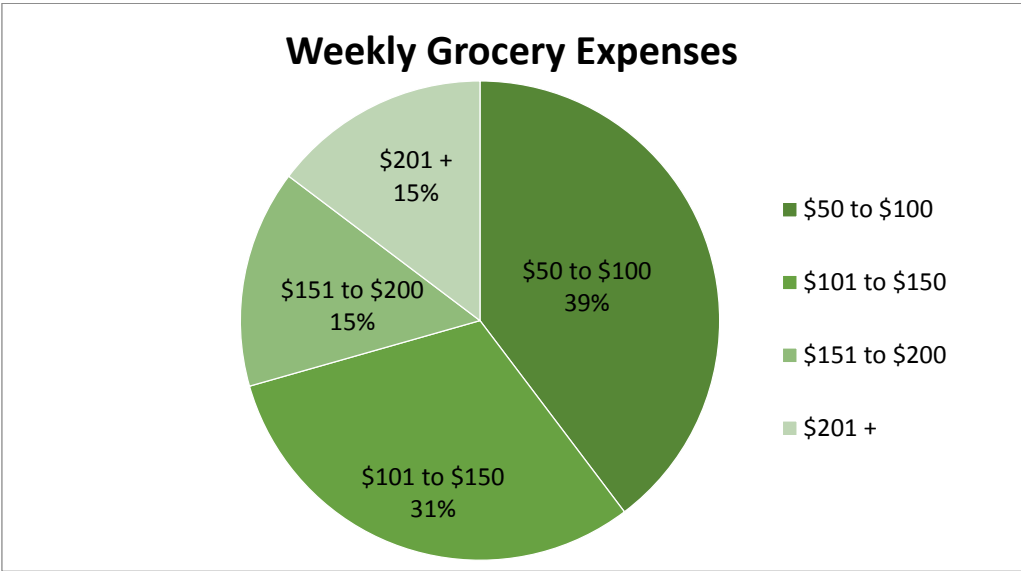


Figure 10 presents weekly grocery expenses in the target population. On average, the residents of Val Rita – Harty and Opatatika spend \$134 a week on food. This makes it possible to calculate the number of clients who would have to make purchases at the co-op every a month for the co-op to be profitable.

Table 3

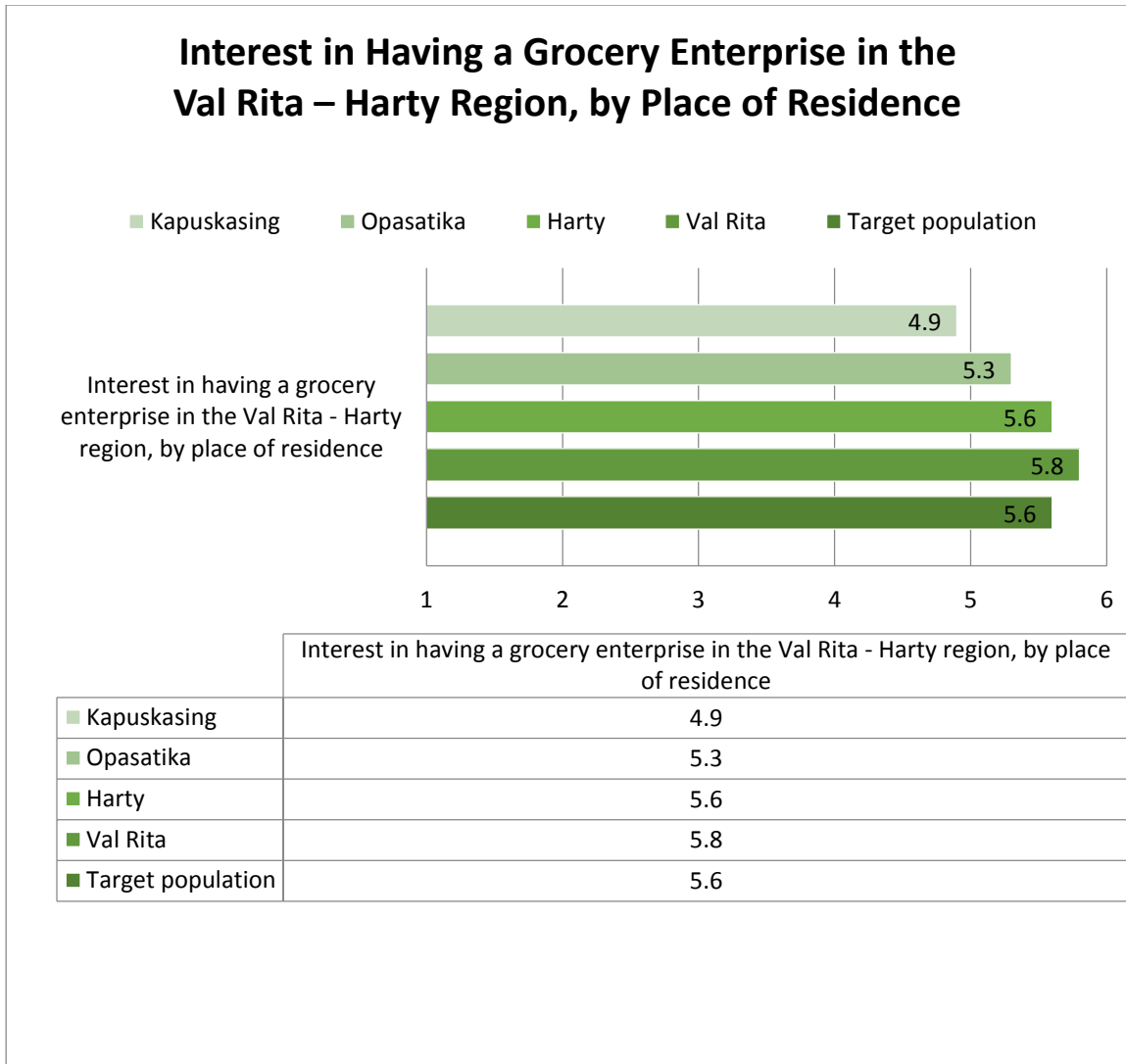
Interest in Having a Grocery Enterprise in the Val Rita — Harty Region

Opinion on the Statement	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
I would like to have a grocery in Val Rita.	5.38	5.62	0	3	0	6	6	64

**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Table 3 reveals the desire of the target population to have a grocery enterprise in the community of Val Rita — Harty. Given the average greater than 5.5, the answer is considered unanimous and overwhelmingly positive.

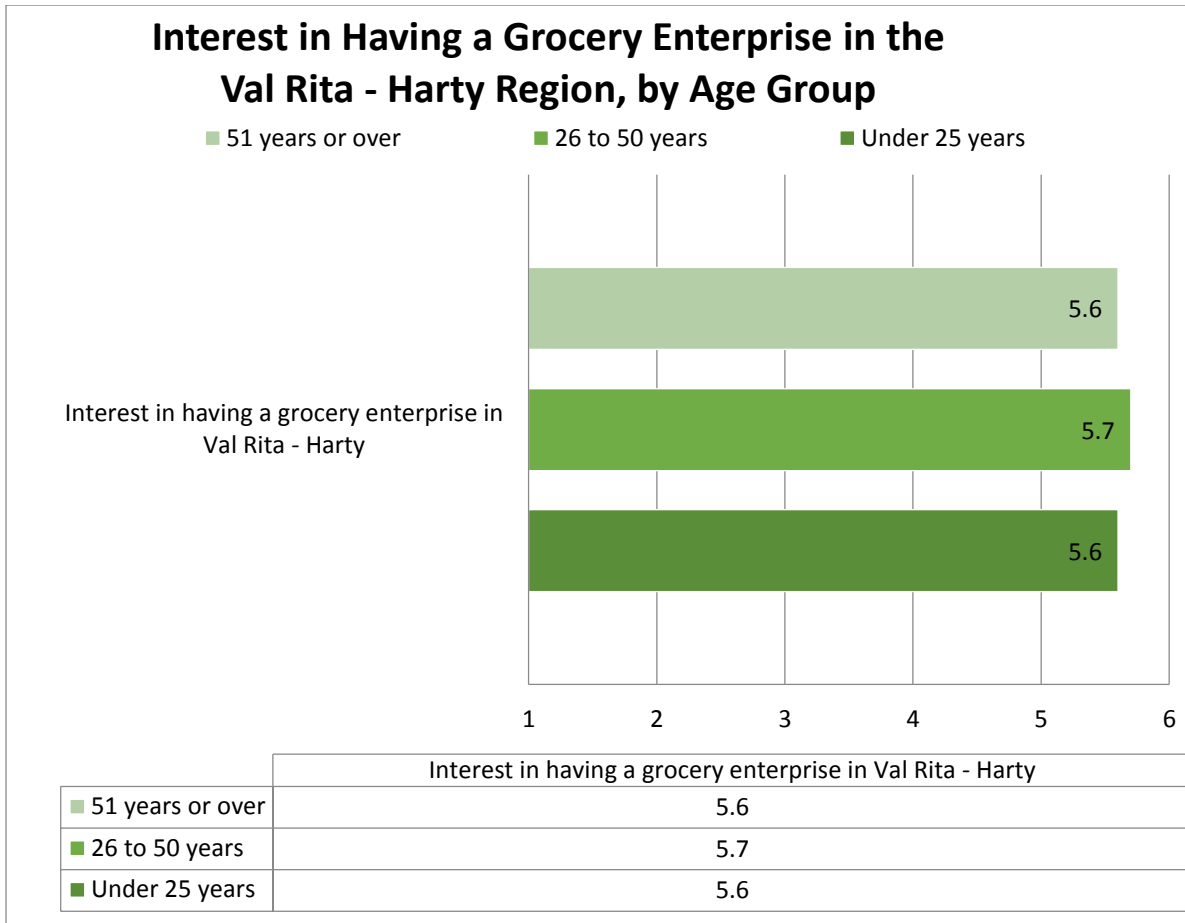
Figure 11



**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Figure 11 illustrates the desire to have a grocery enterprise in Val Rita – Harty by place of residence and confirms that the city of Kapuskasing, while receptive to this project, is not a market that should be targeted. The population of Val Rita — Harty is favourable to the project. Furthermore, the slightly lower average for Opatatika respondents reveals that the co-op may be formally expanded to include that community if it wishes to benefit from the potential clients living there.

Figure 12



**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Figure 12 reveals that in each age group, the target population wants to have this grocery co-op, which is reassuring.

Table 4

Products That Should Be Available at the Val Rita — Harty Co-op

Questions	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
Essential products (milk, eggs and bread)	5.64	5.87	0	2	0	0	2	75
Fruit and vegetables	5.60	5.77	0	1	0	3	8	66
Meat	5.45	5.69	1	1	1	3	6	66
To-go meals	3.99	4.01	12	10	11	8	2	33
Local products	5.60	5.67	1	1	2	1	9	65

**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Table 4 is indispensable for the preparation of the co-op business plan, as it lists the products and services that the target population feel should be offered. The most important of these are essential products: milk, eggs, bread, and fruit and vegetables. All of these products keep well in specially adapted refrigerators and can be easily obtained from a distributor, perhaps even the one supplying the Moonbeam Co-op (Independent Food Town). Other products of interest to the target population are meat and local food items. Although storing and butchering meat are expensive, this food item has to be available at the Val Rita — Harty Co-op, according to the survey results. Local products are popular among respondents and selling them at the co-op would stimulate the local and regional economy. Partnerships could be established to have these local products being offered instead of certain essential products like milk, cheese or meat. Even if the grocery co-op had a kitchen where to-go meals could be prepared, there does not seem to be much desire for such products among the target population.

Moonbeam Regional Co-op market

One of the options that could meet the needs of the target population would be the expansion of the Moonbeam Regional Co-op to serve Val Rita — Harty. Even if the Moonbeam Co-op were to refuse this course of action, the history of the Moonbeam Co-op has inspired Val Rita – Harty residents to think about creating their collective project. It is therefore important to identify the reputation and market of the Moonbeam Co-op among this population, as doing so could help with the planning of the Val Rita – Harty grocery co-op.

Figure 13

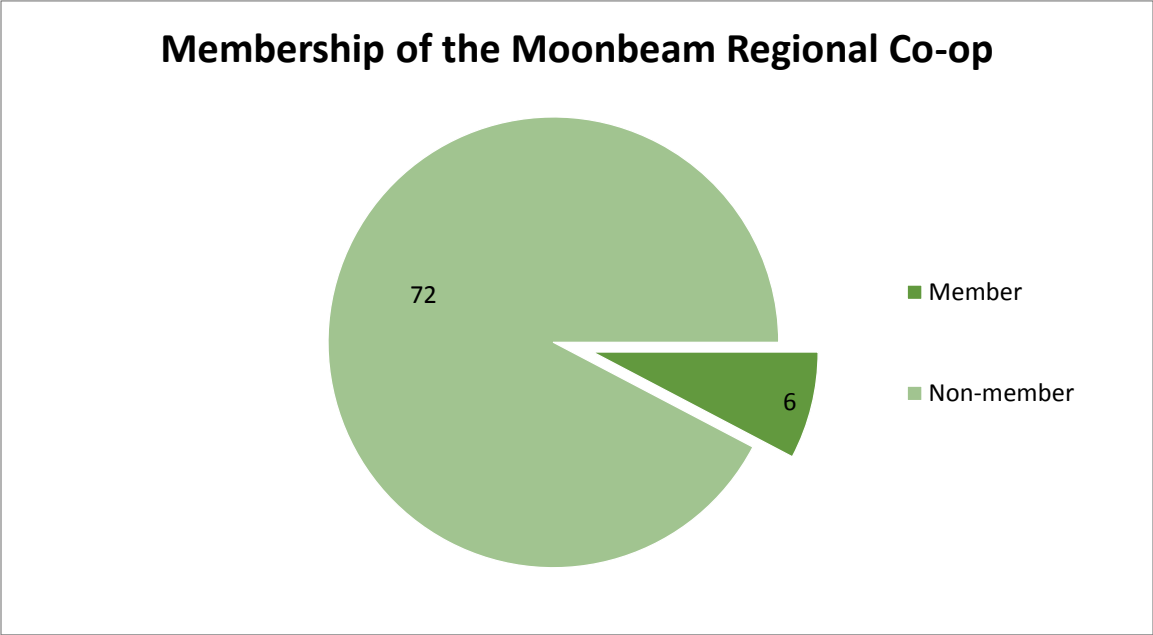


Figure 13 presents the membership of the Moonbeam Regional Co-op among the target population. It confirms that the target population is not a significant market for the Moonbeam Regional Co-op, as only 7.5% of respondents in the target population are members.

Table 5

Moonbeam Regional Co-op

Questions	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
I think the Moonbeam Co-op offers very good products.	5.35	5.34	3	0	0	8	19	46
I think the Moonbeam Co-op has a very good reputation.	5.41	5.35	0	0	0	0	15	55
I shop at the Moonbeam Co-op.	3.08	3.12	17	13	15	15	7	9

**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Table 5 presents the extremely positive opinion the target population has of the Moonbeam Regional Co-op. The residents of Val Rita – Harty and Opasatika seem to go there occasionally to buy groceries. This may explain why several people go to Moonbeam in the summer to take part in outdoor activities near Rémi Lake.

Moonbeam Regional Co-op and a grocery enterprise in Val Rita - Harty

By drawing inspiration from the Moonbeam Regional Co-op, this section examines the services the target population feels the Val Rita – Harty grocery co-op should offer. Since the market for the co-op is a small population, with fewer than 1000 residents, community involvement in this project is crucial, especially considering that the co-op management costs will be relatively high. The data below will serve to determine whether the population wishes to have a complete grocery store or a smaller model meeting its needs for essential products.

Table 6

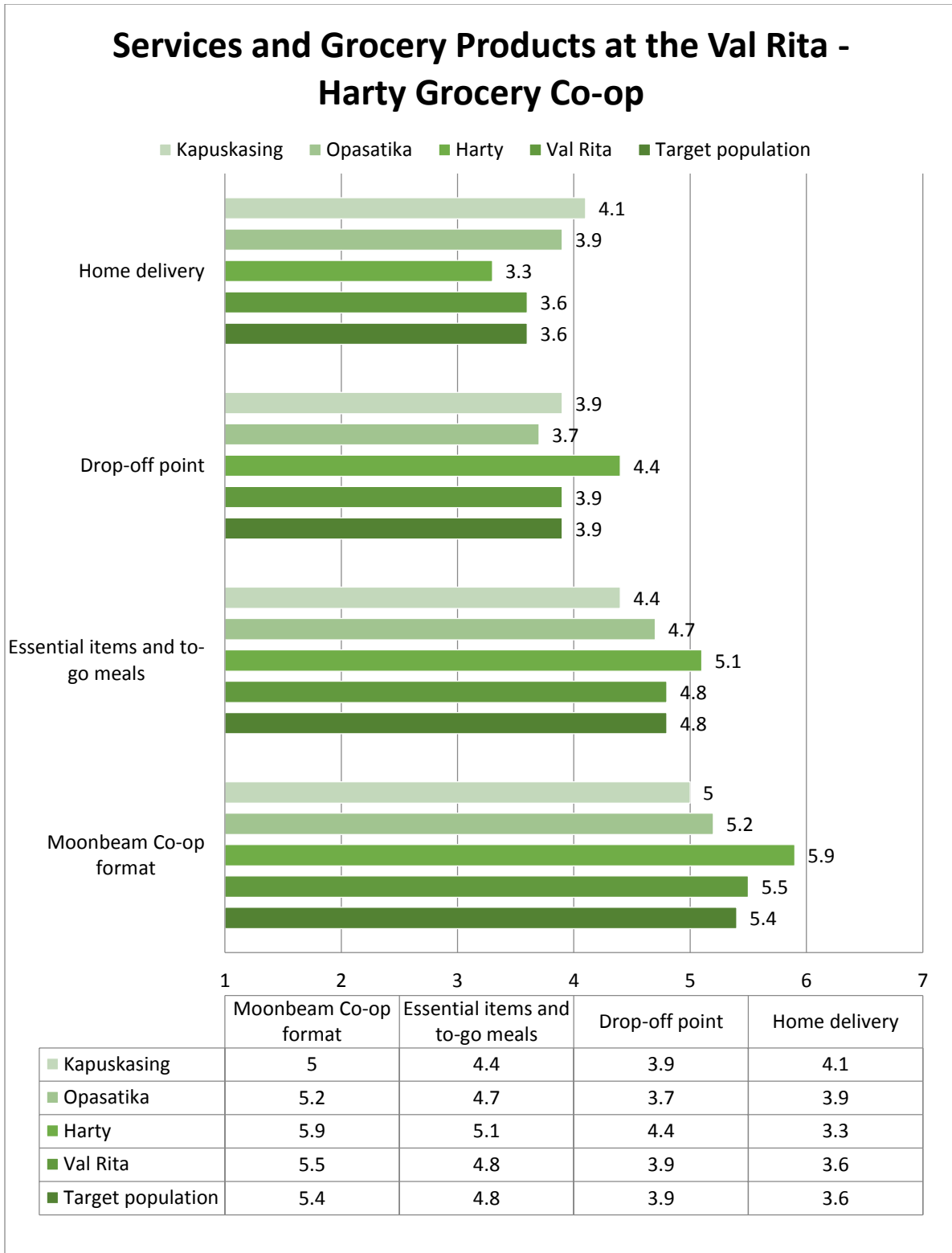
Moonbeam Regional Co-op and the Val Rita — Harty Grocery Co-op

I would like the Val Rita – Harty community to open:	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
a grocery store in Val Rita with the same services that are offered in Moonbeam.	5.27	5.40	3	2	1	6	8	57
a grocery store in Val Rita with basic products and to-go meals.	4.68	4.83	5	4	8	5	13	40
a drop-off point for orders made at the Moonbeam Co-op.	3.92	3.89	12	5	15	10	13	20
a home-delivery service in Val Rita.	3.81	3.63	16	8	8	14	9	18

**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

Table 6 presents different options to meet the grocery needs of the target population. The survey results clearly reveal that the residents of Val Rita – Harty prefer to have a grocery enterprise closely modelled after the Moonbeam Regional Co-op that would offer similar products and services rather than a delivery service or a grocery drop-off point.

Figure 14



*1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."

Figure 14 presents different scenarios to meet the needs of the target population based on their place of residence. Once again, the population's preferred option was an enterprise similar to the Moonbeam Regional Co-op.

Grocery co-op in Val Rita — Harty

The purpose of this section is to sound the interest of the population regarding its participation in the opening of the grocery co-op in Val Rita – Harty, as well as its economic, social and democratic activities. The table below is therefore vital to this study, as the profitability and sustainability of the co-op depend on community participation. It also confirms whether the location proposed by the Municipality of Val Rita is the best one in the eyes of the target population. Table 7 presents all factors to consider.

Table 7

The Potential of the Grocery Co-op Project in Val Rita — Harty

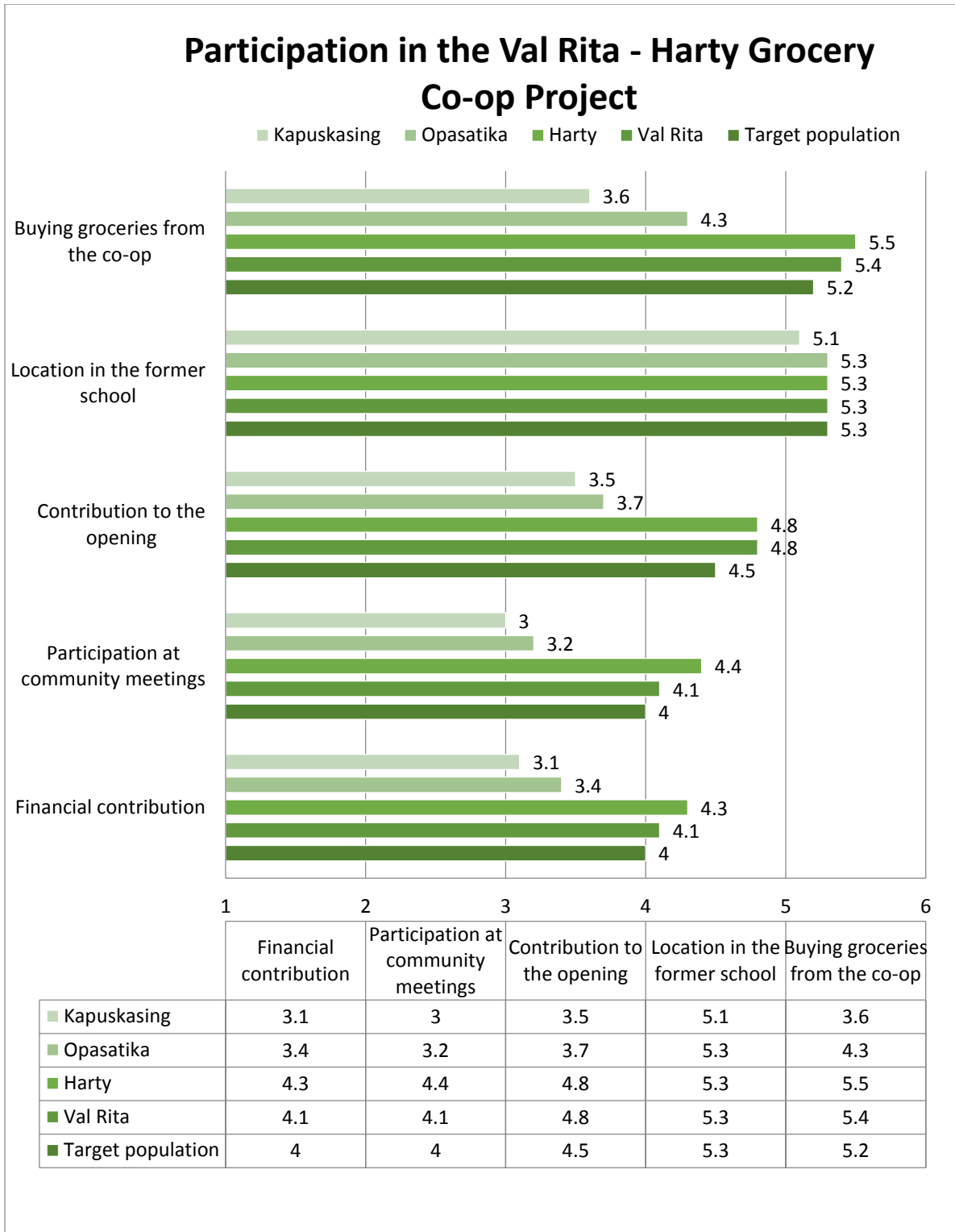
Questions	Study Participant Average *	Target Population Average *	Frequency by Target Population*					
			1	2	3	4	5	6
If the community opens a grocery co-op in Val Rita – Harty, I would do my grocery at this location.	4.64	5.19	1	3	1	12	17	40
I think the space in front of the building of the former school “St. Rita” would be the perfect location for a grocery co-op in Val Rita	5.22	5.30	1	1	3	5	9	49
I would be ready to contribute to the opening of the grocery co-op in Val Rita Harty.	4.19	4.52	11	1	3	14	8	35
I would participate in the community meeting for the project launch.	3.59	3.97	13	9	7	10	8	28
I would be ready to contribute financially to the opening of the grocery co-op in Val Rita Harty during a fund raiser.	3.69	4.00	11	8	10	10	7	26

*1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."

Table 7 presents several factors about the creation of the Val Rita — Harty grocery co-op. First, it is clear that if this co-op is established, it will benefit from the economic participation of the target population. However, the question as to whether respondents intend to do their grocery shopping at the co-op only has an average score of 5.19. As such, it becomes important to convince the population to buy groceries at the co-op and prove the quality of the products sold there. According to the survey results, former St. Rita's school would be ideal for the co-op: excellent visibility and a site at the heart of the village of Val Rita along Route 11. This would be a convenient location for those passing through the village and needing to pick up a grocery item. A number of renovations would have to be made to the former school, but there is ample parking and storage, as well as an attractive space for the store itself. In addition, this project aligns perfectly with CDSSAB objectives.

Two of the most important steps when setting up this co-op are to raise funds and hold the first annual assembly. Motivating people in the community to become involved in the co-op project is therefore vital. The average scores are high enough to believe that it should be easy to recruit volunteers to sit on the board of directors.

Figure 15



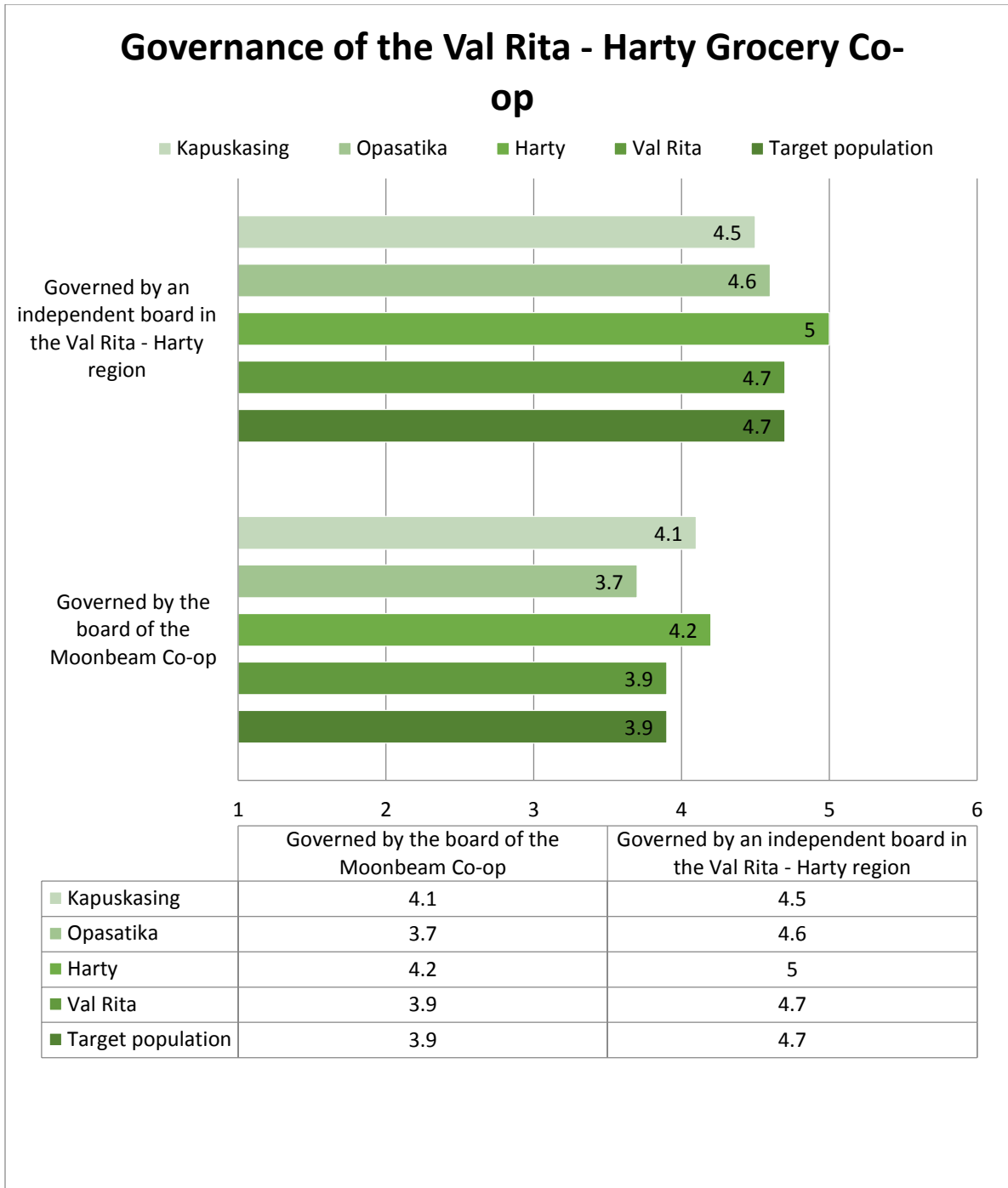
*1 stands for "Never ", 2 to 5 for "intermediate positions" and 6 for "Often."

Figure 15 presents the participants' support for the setting up of the Val Rita — Harty grocery co-op. It may be observed that the population of Opasatika is less interested in this project, which is why it would be important to include that market when establishing the co-op. Logically, the population of Kapuskasing, which already has a grocery store, is not really interested in this project. Once again, all respondents agree that the front portion of former St. Rita's school would be the perfect place for the co-op.

Governance of the Val Rita — Harty grocery co-op

One of the pillars of the sound management of a co-op is its governance, which must be both democratic and representative of the community. Should the Moonbeam Regional Co-op be expanded to Val Rita — Harty, it would be vital to know what the population thinks about its representation on the Moonbeam board.

Figure 16



**1 stands for "Completely disagree", 2 to 5 for "intermediate positions" and 6 for "Completely agree."*

According to figure 16, it is obvious that the target population prefers the co-op be managed locally. This is normal, especially for a collective business project based on

active community participation. The target population would be more interested in setting up its own co-op rather than the expansion of the Moonbeam Regional Co-op. Maintaining a close partnership with the Moonbeam Regional Co-op would be advisable in order to benefit from its experience in the grocery market. It would be worthwhile to have a representative of the Moonbeam Regional Co-op attend the first meetings of the new board of directors for the Val Rita — Harty co-op.

Additional Comments

Several respondents added comments to their survey, which could stimulate the reflection about setting up the Val Rita — Harty grocery co-op.

One comment read: "I cook for many people and events in the area, and buy a lot of groceries. If your prices are competitive, it's clear that I will do my grocery shopping at the co-op." [translation] (Woman, Val Rita). This quote underscores the need for competitive pricing, although it may be difficult to compete with the stores in Kapuskasing. However, it is important that the population measure the social and economic impact of the co-op on the community. The Val Rita — Harty grocery co-op could become much more than a grocery store.

Another comment read: "I believe the store would need to diversify to survive if considering bulk products also pre-order of large quantities of combination of beef, pork etc. ... Possibly entering into some arrangement with old experienced farms. Local farmers for our weekly summer produce programs some fresh vegies. Uniqueness and diversity might be key to survival." (Man, Val Rita). This comment seems to suggest that focusing on local businesses will permit the co-op to offer quality products. The Moonbeam Regional Co-op is known to do so. It would be possible to work with the Moonbeam Co-op in this capacity.

Another man wrote: "Former owners of grocery store would be much better guide in knowledge of what works and what did not." (Man, Harty). This person is correct. It would be worthwhile to enlist the aid of the former owners for the feasibility study, which would be the second stage in setting up the co-op.

Another person wrote: "The demographics of the Moonbeam area are different than ours in that Remi Lake cottages provide a bigger draw. Not only in amount. But also in spur of the moment thing (in visitors)." (Man, Val Rita). This is indeed an advantage for the Moonbeam Regional Co-op. However, the participation of the entire target population would ensure the profitability of the Val Rita — Harty grocery co-op.

Conclusions and Recommendations

A quick overview

The target population, representing residents of Val Rita – Harty and Opasatika, like their community, want to participate in its economic development and believe in carrying out a collective project. The younger members of the community must be sensitized about the viability of their community. Most households in the target population spend \$134 a week on food items and travel to Kapuskasing to shop for groceries at the Independent and Walmart. The Moonbeam Regional Co-op is only a small market in the target region, which limits its capacity as a competitor. It seems community members buy groceries at local businesses, despite the reduced selection, as demonstrated with the Opaz Gas Bar in Opasatika. This tendency to buy locally may be repeated in Val Rita — Harty, especially if there is a complete grocery store offering services and products sought after by co-op members.

The target population, regardless of age or place of residence, indicated that it was keenly interested in having a local grocery store. The co-op would have to offer products similar to those available at the Moonbeam Regional Co-op: standard products, meat, fruit and vegetables, and local products, though, apparently, not to-go meals. Co-op membership should be extended to residents of the community of Opasatika, who were also interested in the project.

The target population is ready to contribute to the opening of the co-op, but an information campaign, a feasibility study and a business plan are required. It would be important to strike an action committee to bring the project to term. Additionally, this committee would ensure local governance of the co-op prior to its creation.

In conclusion, the community of Val Rita – Harty and, to a lesser extent, that of Opasatika, are clearly interested in participating in this grocery co-op project, which should be initiated by and for those living in the region. The Moonbeam Regional Co-op would not extend its operations, but could serve as a model and guide. The front portion of the building that once housed St. Rita's school is considered the ideal location for the future co-op. Once the market study for the Val Rita — Harty grocery co-op is completed, the next steps suggested by the Financial Services Commission of Ontario and the CCO will be undertaken.

Implementation

Short-term implementation

1. Convince the CDSSAB of the Municipality's and community's interest in opening a co-op.
2. Prepare a feasibility study in association with the CCO to determine the operating costs of the co-op. This analysis will comprise renovation and food distributor costs, as well as a monthly financial analysis.
3. In accordance with Financial Services Commission of Ontario guidelines, develop a business plan describing the services and products provided by, as well as the funding and organizational structure of, the grocery co-op. The cost of shares and board member responsibilities would have to be determined at this stage.
4. Strike an action committee (the future board of directors) with volunteer representatives seeking to establish the co-op. These volunteers would elect a chair, approve a business plan and define their responsibilities at the initial meeting. A CCO member and a Moonbeam Regional Co-op representative could serve as advisors for the first few meetings.

Once both of these steps are completed, which should take about a year, the last two steps to create a co-op in Val Rita — Harty could then be undertaken.

Mid-term implementation

5. Organize fundraiser and draft offering statement.
6. Draft statutes and regulations.
7. Sign an agreement with a distributor.
8. Organize the first annual assembly and launch the project.
9. Hold the fundraiser.

Once these crucial steps are completed, it would be possible to undertake the physical aspect of the project.

Long-term implementation

10. Renovate the co-op site and create marketing material.
11. Hire a manager and employees.
12. Arrange for food products to be delivered and prepare for the grand opening.
13. Hold the grand opening, become constituted as a legal person and begin operations.

Conclusion

This grocery co-op project is much more than a business opportunity; it is a means to revitalize the communities targeted by this collective project and meet the grocery needs of an aging population. The success of the co-op depends on the full participation of the target population, especially youth, in this endeavour; partnerships with local food producers and businesses, including the Moonbeam Regional Co-op; the creation of a co-op board comprising volunteers dedicated to setting up the co-op; and locating the co-op in the front portion of former St. Rita's school, which aligns with CDSSAB objectives.

We thank the study participants and the Municipality of Val Rita — Harty for their interest in this project.

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Appendix

Survey used to collect data for the study

Market Study

Title of the study: Market Study – Grocery Co-op in Val-Rita Harty

Research team: Conseil de la coopération de l'Ontario, The Municipality of Val-Rita Harty, the Opatatika and Val Rita Harty Economic Development Committee and the Moonbeam Co-op.

Before agreeing to participate in this study, it is important that you read and understand the following information.

Following the Ontario Social Impact Voucher program, we are conducting a market study to evaluate the community interest towards a Grocery Co-op project in Val Rita – Harty. The following survey will provide the necessary information to sound the local population interest in this initiative. By participating to this study, you could help your Municipality to make an informed decision concerning the opening of a new grocery co-op in Val-Rita.

Your participation in this on-line survey is voluntary and your responses will be strictly confidential.

The results will be presented to the board of directors of the Moonbeam Co-op and the findings will be available on the Val-Rita Municipality website.

When you have completed the form, please return it to either the Opatatika or Val Rita –Harty Municipality office.

I would like to participate to this study

Sociodemographic Questions

1. What gender do you identify yourself as?

- Female
- Male
- Other : _____

2. How many people live in your household, including yourself?

3. Which of the following age groups do you fall into?

- Under 25 years old
- Between 26 and 50 years old
- Over 50 years old

4. Where do you live?

- Harty
- Kapuskasing
- Opasatika
- Val-Rita
- Other : _____

Community

Please circle the number that best describes your feelings about each of the following statements. If, for example, your answer is “I completely disagree”, circle the number “1”. If your answer is “I completely agree”, circle the number “6”. The numbers from “2” to “5” represent intermediate position.

5. I love my community.

I completely disagree 1 2 3 4 5 6 I completely agree

6. I want to contribute to the economic and social development of my community.

I completely disagree 1 2 3 4 5 6 I completely agree

7. I believe that my community can work together to create a collective project.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Grocery

Circle, for each line, the number that represents your opinion. If, for example, your answer is “**I completely disagree**”, circle the number “**1**”. If your answer is “**I completely agree**”, circle the number “**6**”. The numbers **from “2” to “5** represent **intermediate position**.

8. I do my grocery to :

Larabie's Your Independent Grocer (Kapuskasung)

Never **1 2** **3** **4** **5** **6** Often

Wal-mart (Kapuskasung)

Never **1 2** **3** **4** **5** **6** Often

The Moonbeam Co-op (Moonbeam)

Never **1 2** **3** **4** **5** **6** Often

The P'Tit Marché (Mattice)

Never **1 2** **3** **4** **5** **6** Often

Opaz Gas Bar (Opasatika)

Never **1 2** **3** **4** **5** **6** Often

Other _____

Never **1 2** **3** **4** **5** **6** Often

9. I would like to have a grocery in Val Rita.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

10. I would like the grocery in Val Rita to offer:

Essential products (Milk, eggs and bread)

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Fruits and vegetables

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Meat

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

To-go meals

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Local products

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Grocery Co-op in Val Rita Harty

Circle, for each line, the number that represents your opinion. If, for example, your answer is “**I completely disagree**”, circle the number “**1**”. If your answer is “**I completely agree**”, circle the number “**6**”. The numbers **from “2” to “5”** represent **intermediate position**.

11. Are you a member of the Moonbeam Co-op?

Yes

No

12. I think the Moonbeam Co-op has a very good reputation.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

13. I think the Moonbeam Co-op offer very good products.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

14. I shop at the Moonbeam Co-op.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

15. I would like the Val Rita Harty community to open:

a grocery store in Val Rita with the same services that are offered in

Moonbeam.

I completely disagree 1 2 3 4 5 6 I completely agree

a grocery store in Val Rita with basic products and to-go meals.

I completely disagree 1 2 3 4 5 6 I completely agree

a drop-off location in Val Rita for orders made at the Moonbeam Co-op.

I completely disagree 1 2 3 4 5 6 I completely agree

a home delivery service in Val-Rita.

I completely disagree 1 2 3 4 5 6 I completely agree

Community participation in the project of the grocery co-op in Val Rita Harty

Circle, for each line, the number that represents your opinion. If, for example, your answer is “I completely disagree”, circle the number “1”. If your answer is “I completely agree”, circle the number “6”. The numbers from “2” to “5” represent intermediate position.

16. If the community opens a grocery co-op in Val Rita Harty, I would do my grocery at this location.

I completely disagree 1 2 3 4 5 6 I completely agree

17. I usually spend _____ \$ per week to buy groceries.

18. I think the space in front of the building of the former school “St-Rita” would be the perfect location for a grocery co-op in Val Rita.

I completely disagree 1 2 3 4 5 6 I completely agree

19. I would be ready to contribute to the opening of the grocery co-op in Val Rita Harty.

I completely disagree 1 2 3 4 5 6 I completely agree

20. I would participate at the community meeting for the project launch.

I completely disagree 1 2 3 4 5 6 I completely agree

21. I would be ready to contribute financially to the opening of the grocery co-op in Val Rita Harty during a fund raiser.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

The grocery co-op management in Val Rita Harty

Circle, for each line, the number that represents your opinion. If, for example, your answer is “**I completely disagree**”, circle the number “**1**”. If your answer is “**I completely agree**”, circle the number “**6**”. The numbers **from “2” to “5”** represent **intermediate position**.

22. I would recommend that the grocery co-op in Val Rita Harty being managed by its own board of directors representing local residents.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

23. I would recommend that the grocery co-op in Val Rita Harty being managed by the board of directors of the Moonbeam co-op with some of community representatives seating on the board.

I completely disagree **1** **2** **3** **4** **5** **6** I completely agree

Thank you for your time!

Once completed, please give that survey to the Municipal Office of Val Rita – Harty or Opatatika before the 31th of May 2017.