



**Marmaton Market**

# The Marmaton Market

*"We own it!"*

How cooperatives can restore the power to communities

# Background: Moran and Stub's Market

- ▶ Farming community in rural southeast Kansas: 522 people, 220 households, about 2,500 in surrounding farms.
- ▶ Poverty 10.1%
- ▶ Median household income: \$38,295
- ▶ Owners at retirement age
- ▶ Roughly 5,000 sf
- ▶ Sales around \$800,000/yr, and declining
- ▶ Significant distribution challenges
- ▶ Very significant capital needs-underinvested



# Where we are now:

- ▶ Opened May 30th
- ▶ 118 member households
- ▶ Partially grant funded (both local and statewide), partially financed by CDFI and local funds
- ▶ Capital, operations upgrades to be made through 2018
- ▶ Experienced, capable General Manager
- ▶ Board elections scheduled in the next 90 days





# Why a cooperative?

- ▶ Many options available:
  - ▶ City-owned models: St. Paul, KS and many Iowa towns
  - ▶ Private buyer for existing store
  - ▶ Expansion of existing chain
  - ▶ Cooperative
- ▶ Pros:
  - ▶ Broadly and democratically controlled
  - ▶ “Something from nothing”
  - ▶ Specialized financing and technical assistance available
  - ▶ Sustainable: 70%+ food co-ops succeed if they make it to opening with technical assistance
  - ▶ Build leadership capacity in your community
  - ▶ People before profits!
- ▶ Cons:
  - ▶ Typically a long timeline (at least 2-3 years)-not necessarily longer than other options
  - ▶ Conventional financing difficult
  - ▶ Educational process and learning curve

# What helped us:

## ▶ External support:

- ▶ Foundation support: Sunflower Health Foundation Healthy Eating, Rural Opportunities, (pending) Kansas Healthy Food Initiative, Food Co-op Initiative (SEED Grant)
- ▶ Nonprofit support: Thrive Allen County, Corporation for National Community Service, Kansas Farm Bureau
- ▶ Local government support
- ▶ Strong consulting environment
- ▶ Strong/lucky staffing (VISTA, General Manager)

## ▶ Conditions

- ▶ Succession, not closing
- ▶ Stable population and market
- ▶ Small, rural food desert: minimal competition







# Questions?



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