

Giant Co-ops US Beyond Capitalism

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Something important is happening in Cleveland: a new model of large-scale worker- and community-benefiting enterprises is beginning to build serious momentum in one of the cities most dramatically impacted by the nation's decaying economy. The Evergreen Cooperative Laundry (ECL)—a worker-owned, industrial-size, thoroughly "green" operation—opened its doors late last fall in Glenville, a neighborhood with a median income hovering around \$18,000. It's the first of ten major enterprises in the works in Cleveland, where the poverty rate is more than 30 percent and the population has declined from 900,000 to less than 450,000 since 1950.

The employees, who are drawn largely from Glenville and other nearby impoverished neighborhoods, are enthusiastic. "Because this is an employee-owned business," says maintenance technician and former marine Keith Parkham, "it's all up to us if we want the company to grow and succeed."

"The only way this business will take off is if people are fully vested in the idea of the company," says work supervisor and former Time-Warner Cable employee Medrick Addison. "If you're not interested in giving it everything you have, then this isn't the place you should be." Addison is excited about the prospects: "I never thought I could become an owner of a major corporation. Maybe through Evergreen, things that I always thought would be out of reach for me



might become possible."

These are not your traditional small-scale co-ops. The Evergreen model draws heavily on the experience of the Mondragón Cooperative Corporation in the Basque Country of Spain, the world's most successful large-scale cooperative effort (see page 7).

The Evergreen Cooperative Laundry, the flagship of the Cleveland effort, aims to take advantage of the expanding demand for laundry services from the healthcare industry, which is 16 percent of GDP and growing. After a six-month initial "probationary" period, employees begin to buy into the company through payroll deductions of 50 cents an hour over three years (for a total of \$3,000). Employee-owners are likely to build up a \$65,000 equity stake in the business over eight-to-nine years—a substantial amount of money in one of the hardest-hit urban neighborhoods in the nation.

Thoroughly green in all its operations, ECL will have the smallest carbon footprint of any industrial-scale laundry in northeast Ohio, and probably the entire state: most industrial-scale laundries use three gallons of water per pound of laundry; ECL will use just eight-tenths of a gallon to do the same job.

A second green employee-owned enterprise also opened this fall as part of the Evergreen effort. Ohio Cooperative Solar (OCS) is undertaking large-scale installations of solar panels on the roofs of the city's largest nonprofit health, education and municipal buildings. In the next three years it expects to have 100 employee-owners working to meet Ohio's mandated solar requirements. OCS is also becoming a leader in Cleveland's weatherization program, thereby ensuring year-round employment.

Another cooperative in development (\$10 million in federal loans and grants already in

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