

# The Big Carrot: A Local Toronto Cooperative

## Our History

Back in November 1983, The Big Carrot opened its doors for business across the street from our current location. Owned and operated based on the principles of a worker owned co-operative, The Big Carrot was the first health food store to offer a one stop shopping experience with a vegetarian deli, organic produce department and a selection of frozen natural meat products.

The Big Carrot came about when five workers in a natural food store found themselves unemployed. They had bought shares in the company where they worked but discovered later that they had no say in running the store. The original owner had left the operation of the store in the hands of these five, but when he returned after a year away he informed them that he still controlled 50%. Knowing they wanted to keep working together they were looking for a working model for their new enterprise. A chance viewing of The Mondragon Experiment, a BBC documentary about a successful large-scale worker co-operative system in Spain suggested a possible solution to the power problem. One share, one vote. Seven of the founding partners had experience in natural food retail: Mary Lou Morgan, Grant MacKinnon, Patricia Smith, Daiva Kryzanasuskas, Les Bowser, Jane Langmuir, Jerry Lewicki. One partner was involved in a housing co-op (David Dennis) and one partner was a novice (Akemi Kobayashi). The group negotiated personal loans with Bread & Roses Credit Union to bring their contributions to \$5000 each (50 class B shares) totaling \$45,000. By pooling their capital they garnered the banks support, which gave them the creditability to seek new investors. They received a \$50,000 loan guaranteed by Ottawa under small business legislation and raised another \$ 28,000 from investors and friends in the form of Class A shares. (Not voting shares)

The partners looked for locations in various areas of the city. Back in 1983, the Danforth area was in transition with many young families moving in, so several partners surveyed the neighbourhood decided that Riverdale was ready to support a local health food store. The location was at 349 Danforth Ave. 2,000 square feet, now occupied by Second Cup and Green Basil. A lot of work needed to be done before it opened, as the space was in bad shape. The store was designed, built and painted by its owners.

Natural food stores at that time were predominantly small ma & pa shops that lacked in fresh products and relied mainly on vitamins for sales. The need for a one-stop natural food store was in demand and the Big Carrot was able to provide that experience, introducing natural foods to a neighbourhood not accustomed to so much natural food selection. Organic food was virtually unknown at that time limited to some European products.

Busting at the seams at its original location in 1987, the group was fortunate to meet David Walsh a real estate developer. Both worked on developing the concept and construction of what we now know as Carrot Common. A property available across the street, formerly a car

dealership owned by the Playter family, would be a perfect location. The Big Carrot needed to come up with money to secure anchor tenancy in the new development, so they decided to seek new investors. A small sign on the cash register asked customers to invest \$5,000 at 10% for an indeterminate length of time. Over the next eight months \$264,000 in non voting shares was raised from customers. Suppliers forwarded \$150,000 of inventory and the Federal Business Development Bank lent \$250,000 and The Big Carrot was able to finance their expansion into Carrot Common.

The Big Carrot then had 13 worker owners and 25 staff and offered a full service natural meat department. A little ahead of ourselves, there was little demand for fresh meat to make it successful as this concept was a bit foreign to health food shoppers at that time. The space was later shared with our Body Care & Supplements Departments. The Big Carrot then expanded to the location next door, formerly Sanelli's, an Italian Food Deli. Supplements and Body Care split into 2 separate departments. As business grew, The Big Carrot continued to occupy other retail spaces in Carrot Common. Supplements across the courtyard became its own Wholistic Dispensary and the Organic Juice Bar is located at the front of the mall.

In 2006, The Big Carrot experienced its biggest expansion and renovation. The Big Carrot has grown into Canada's largest worker owned natural food market and continues to set standards for quality and selection of natural foods while observing a cooperative non-corporate agenda.

Source: <https://thebigcarrot.ca/about-us/were-worker-owned>