

An informational brochure for:

CWCF'S JUSTICE, EQUITY, DIVERSITY, & INCLUSION (JEDI) BUSINESS CONVERSION PROJECT

The future of ethical business is here, and CWCF is ready!



Are you a member of an equity-denied group (EDG)*?
Are you interested in building a people-centric, non-capitalist economy?
Are you selling a business or thinking of purchasing?
Then what's inside is for you!



EDG: BIPOC and other racialized communities, people with disabilities, LGBTQ2+, women, and youth.

About the JEDI Business Conversion Project

The CWCF's JEDI Social Acquisition project is funded by the Government of Canada's Investment Readiness Program (IRP). For our purposes, the terms- 'Social Acquisition' and 'Business Conversion' refer to the transformation of traditionally operated business into a **Social Purpose Organization (SPO)** such as a co-op, social enterprise, etc. These terms will be used interchangeably.

The JEDI project targets members of EDGs (especially those interested in selling or collectively purchasing a business) to empower them through the SPO model. We recognize the need to include more members of these underserved groups within the Social Purpose Organization space, as these individuals face unique challenges in the realm of business succession and continuation. Since SPOs are based on values of mutual aid and the pooling of resources, we believe and have seen that members of EDGs may feel more alignment with this economic paradigm rather than traditional models that have historically underserved and under-represented them.

Accordingly, this project aims to educate on what SPOs are as well as their social, socio-cultural, and socio-economic benefits. We seek to communicate information on various means of converting a business to a SPO that may interest equity-denied groups. For EDGs, business continuation through the SPO model is an important consideration for:

- culture and heritage preservation
- dismantling systematic socio-economic oppression
- increasing autonomy over business services



About Us

The Canadian Worker Co-operative Federation (CWCF) is a national, bilingual, membership-based organization for worker co-operatives, other similar types of co-ops, and organizations that support co-ops.

Our overarching goal is to become a growing web of democratically controlled worker co-ops; providing a high quality of work-life balance while contributing to an economy based on justice and sustainability. **We value principles such as:**

- creating the best possible work environment for employees
- service to employees and community rather than to capital
- democracy & solidarity.

Our Mission:

- To work in solidarity with our members to achieve our vision of a Co-operative Economy
- To support the development of new worker co-ops & other types of Social Purpose Organizations
- To strengthen the Federation and animate the worker co-operative movement
- To represent and promote the Canadian worker co-op movement in Canada and internationally.

Some of our current initiatives include:

- Common Good Capital (registered plans program) for co-ops, non-profits, & related types of organizations
- Worker Co-op Academy
- JEDI Social Acquisition/Business Conversion Project (see next panel for information!)

Key Considerations for Selling Owners



When it may be ideal to pursue the SPO option:

If your business has a strong customer base, a legacy in the community, dedicated employees, and is in good or fair financial standing- transitioning to a SPO is a great option for selling.

Instead of searching for an individual buyer, your employees could purchase the business by converting it into a worker-owned SPO, or community members could turn your business into a community-based SPO. For members of EDGs, these SPOs can be positioned to introduce an economic model for and by the people, encourage cultural education, build food sovereignty etc. Alternatively, if your business is in danger of closure, converting to a SPO is a viable alternative to selling assets and ceasing operations. Your employees, community members, etc. could collectively purchase the business and convert to a SPO.

In both cases, your market-recognition, years of hard work, and business legacy will be preserved!

Some Steps to Consider for a Successful Conversion with which CWCF can provide guidance & support:

1. Connect with a SPO business advisor
2. Develop your Transfer Plan
4. Sign a joint 'Commitment Letter' with the SPO's steering committee
5. Evaluate the business' value through a Neutral Expert Assessment
6. Negotiate an agreement with the SPO's steering committee for the purchase of your organization
7. Develop your Asset Management & Knowledge Transfer Plans
8. Transfer your knowledge & skills to the new team

Key Considerations for Buyers

(incoming owners)



Role of the Incoming Owner(s):

As the new owner(s), you play the exciting role of shaping the future impact of your Social Purpose Organization (SPO)!

Decide on which issues matter the most to you, and develop your business's social, cultural, and/or environment mission(s) accordingly. Then, plan to use the majority of the company's profits to fulfill it!

Some Steps to Consider for a Successful Conversion with which CWCF can provide guidance & support:

1. Meet with your SPO's employees/members to educate on SPOs (this depends on which type of SPO you pursue)
2. Assess the interest and commitment level to create a Steering Committee for your SPO
4. Sign a joint 'Commitment Letter' with the business' seller
5. Develop a 'Succession Plan'- this involves defining the mission(s) and strategic direction of the SPO
6. Create a 'Preliminary Financing Plan' for purchasing the business
7. Come to an agreement with the seller regarding the value of the business, through the Neutral Expert Assessment
8. Develop a 'Business Plan'
9. Develop a 'Knowledge Acquisition Plan' with the seller
10. Plan the steps you will take to acquire expertise on SPO management and governance
11. Operate: enjoy the fulfilment of worker democracy, a culture of care, mutual aid, and the achievement of your organization's mission(s)!

Contact Information



For questions and inquiries regarding CWCF's Business Conversion Project please contact:

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"The first step to becoming a changemaker (the only secure job going forward) is to give oneself permission, to ignore - politely, of course, all those who say 'Don't do it'".
Bill Drayton, Social Entrepreneurship Pioneer



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