CREATING JOBS AND COMMUNITY WEALTH THROUGH COOPERATIVE DEVELOPMENT
From Glory Days

Springfield National Armory

Pioneered Interchangeable parts → Mass production → Precision manufacturing
Glory Days: “City of Firsts”

- Duryea – 1st gas car
- Indian Motorcycle
- Vulcanization pioneered by Goodyear
- Monkey Wrench
• 1968 Armory closed

• De-industrialization → Middle class and White flight → eroding tax base

• Poor management, and unequal state revenue sharing

• → State Financial Control Board, 2004-2009
Diverse but hurting

- Majority people of color

- 60% adult unemployment in inner city – lowest rate in New England

- Inner city median family incomes $18,000-25,000

- 55% of Springfield jobs held by commuters

**Upshot:** Lack of entry level jobs or access to jobs outside of Springfield
Wellspring’s Mission

• Job creation in inner city Springfield
• Worker owned → Wealth creation and democratic participation
• Leverage anchor institution purchasing
• Decent jobs
• For un/underemployed and hard to employ
• Replicable model for medium-sized cities with limited resource
Planting the seed

Fred Rose: 15 years of community organizing in Springfield

Emily Kawano/CPE: Solidarity economy → praxis

Key players interested in jobs and asset building: Baystate Health, Colleges/Univ.
Evergreen’s role:
Ted Howard visit to Springfield

Robert Wood Johnson
grant through PHC (Partners for a Healthier Community)

Organizational capacity building

Evergreen’s role:
- Delegation to Cleveland, 2-day visit to Evergreen Cooperative.

Core team:
- UMass CPPA (Fred Rose)
- Center for Popular Economics (Emily Kawano)
- PHC (Frank Robinson)

Wellspring Cooperative incorporated
Partners

- Anchor institutions
  - Baystate Health
  - Mercy Health
  - Springfield Technical Community College
  - University of Massachusetts, Amherst
  - W. New England University
  - MassMutual

- Community & Labor
  - WMass Jobs with Justice
  - Arise for Social Justice
  - Pioneer Valley Project

- Economic Development & Funders
  - Regional Employment Board
  - Cooperative Fund of New England
  - United Way
Research

- Spent 6-8 months researching anchor institution purchasing

- Prioritized:

- And chose...
Upholstery!

- Key motivation was partnering with the county jail’s York St. Industry (YSI)

- YSI runs an upholstery shop – very strong reputation and influence.

- Wellspring Upholstery creates jobs for some of their “graduates”

- Jail would help with bidding and securing contracts

- Anchor institution market: hospitals and colleges

- Low capital business: $140,000 (investment, loans & grants)
Fred, Evan and Jose
Evan Cohen is a master upholsterer with 35 years of experience.
Wellspring Upholstery Cooperative
Hospital patient recliners
College DC & dorms
Cause for Celebration!

- Turned a profit in 3rd Quarter
- 5 workers and poised for expansion
- Finally landed our first auditorium!
- Total sales in 2014 = $92,840
- Projected sales in 2015 = $127,411
  - a 37% increase (based on current rate of sales)
In the works

- WUC product expansion: meditation cushions
- Greenhouse, Food Processing & Energy
- Home healthcare
- Transportation
Gaps

- Market - over one year before our first auditorium
  - Anchor partnerships have been critical in opening the door to procurement officers
- Cash flow problem – strong relationship with Freedom Credit Union
- OJT through the Regional Employment Board
- Finding workers with right skill or aptitude
- Conflict between workers – race, class, culture/language
Staffing

- **Wellspring Co-operative co-directors**
  - We do it all
  - With a little help from:
    - Board
    - Finance Comm.
    - Resource Comm.
    - HR Comm.
    - Greenhouse Team

- Compensation through grants, consultant fees, sometimes volunteer work