

# The **co-operative** loan fund borrower case study.

## **Unicorn Grocery:**

Produce with principles

Unicorn Grocery is a co-operative based in Manchester that's been in business since 1996. The co-op manages a store that sells local, organic, fairly-traded and wholesome food products. The store also offers a selection of environmentally friendly baby products, cosmetics and household goods made from natural ingredients.

Since it was established, Unicorn Grocery has grown considerably in size. Its membership has expanded to over 50, and its annual turnover has increased from £3,500 to around £3.5million. As well as paying a flat-rate to its staff, the co-op also donates around 5% of wage costs to local and international projects that relate to its clearly defined ethics and principles. These include:

- Secure employment - the co-op is committed to providing secure employment for its members that enables them to collectively control the business.
- Equal opportunity - Unicorn Grocery reserves some of its employment opportunities for people with learning disabilities.
- Wholesome healthy consumption - the co-op is dedicated to trading foodstuffs that have undergone minimal processing.
- Fair and sustainable trade - the co-op trades preferentially in products that follow a fair trade ethos. It also seeks to educate its customers about the benefit of fair trade, and wherever possible it lobbies for the use of reusable packaging.
- Solidarity in co-operation - Unicorn Grocery aims to support other ventures, including co-ops, with similar ethics. It donates 1% of its wage costs to a fund to provide this support.

It also contributes to a tree planting scheme with a carbon tax to offset damage to the environment in the running of the business.

In 2005 the owner of the co-op's rented store wished to sell the property so to avoid losing its premises and ensure its long-term sustainability, the co-op raised the finance required to purchase the property itself. This was achieved through £350,000 raised from loanstock bonds bought by customers and support from The Co-operative Loan Fund and Co-operative & Community Finance.

More recently Unicorn Grocery has remodelled the roof of its premises to create a natural environment featuring small low moisture plants, wetland, and brownfield that will create a variety of habitats and improve the building's insulation. The co-op hopes that the roof will also become home to the black redstart - a rare breed of bird that only breeds in cities.

For further information about Unicorn Grocery go to [www.unicorn-grocery.co.uk](http://www.unicorn-grocery.co.uk)

For more information about The Co-operative Loan Fund please contact the fund managers, Co-operative & Community Finance, on 0117 916 6750, email [info@co-opandcommunityfinance.coop](mailto:info@co-opandcommunityfinance.coop) or visit [www.co-operativeloanfund.co.uk](http://www.co-operativeloanfund.co.uk)

