



## BRIEF DESCRIPTION

Suma reaches a global market from its distribution centre in Yorkshire in northern England. This worker-owned wholefood wholesaling cooperative develops and distributes ethically-produced, environmentally-friendly foods and household products to some 5,000 retail and institutional customers in 55 countries.

Suma started as an informal privately-owned business in 1975 in Leeds and was bought and registered as a cooperative by its workers in 1977. This was done with the support of a dozen or so existing worker cooperative wholefood retailers, which had come together as the Federation of Northern Wholefood Collectives and wished to benefit from a supplier local to them. Members have held true to its founding principles of organisational independence, radical equality, empowerment and self-management of workers such that in 2019 Suma still pays an equal wage rate to all workers (which is double the industry average). There is no chief executive officer or managing director

(under the slogan 'Disempower the Executive'). Members practice multi-skilling and job rotation and all management is done consensually (they say 'Management is a Function not a Status.')

The cooperative currently has some 300 workers (250 full-time equivalents) from all social classes, ethnicities, abilities, sexual orientations and genders. Nearly 200 are full members with the remainder being aspiring members or contracted employees. Equal opportunities, for all who are willing to become a Suma member, and take advantage of the skills development possible in this more or less equal-status organisation, is both a key ethical principle and a key to the commercial success of the business.

Turnover for 2018/19 was €65 million, reflecting a normal 10% per year growth rate. In 2019 Suma was voted 'Most Ethical UK Company of the past 30 years' by the readers of *Ethical Consumer* magazine.



## GOVERNANCE MODEL

Suma is a UK Cooperative Society but the legal foundations are often subservient to the wishes of its members. Governance is about coordinating those wishes and various models have been tried during Suma's lifetime but, throughout, the General Meeting of members is the sovereign power.

In the early days a general meeting was held every week and decisions were taken by consensus of all members. As the coop grew, new governance procedures were tried: a Viable Systems Model-based Central Representative Committee and Functional Sectors was followed by an elected Management Committee plus Function Area Coordinators.

In 2019, as growth caused previous structures to

become unworkable and/or a danger to cooperative working practices, a new governance structure has been adopted which has similarities to the Basque Mondragón worker cooperatives.

The sovereign general meeting instructs and is informed by a board of nine elected directors with delegated authority to run the business. Sub-committees of the board oversee the activities of the 'company' officers (Personnel, Finance, Health and Safety, Facilities, Compliance) who have oversight of the entire operation.

Operations are managed as three largely self-managing 'zones', Commerce (sales and marketing activities), Business Support Services and Logistics. Each of these has a 'Leader' (the use of this title and not 'manager' is significant – Suma often fulfils



orthodox business functions in its own idiosyncratic fashion) and officers responsible for people, strategy, compliance (legal, quality control etc.) within their zone. The zones are answerable to the board.

An elected Member Council of nine representatives acts as a scrutiny function to check that the board is acting in accordance with general meeting decisions, is consulting the membership properly and that the board and zones are acting in the best interests of the members. It is too early to gauge the success of this model but it largely conforms to the classic Three Powers model of good governance, namely Legislature, Executive and Judiciary.

Meeting time is paid and attendance at general meetings is compulsory for members. Suma operates open books management with all business information available to all members. Several user-controlled communication systems enable communications between members as well as communication both to and from the various management foci by individuals or groups. Formal and informal, online and face-to-face forums abound. Disputation, discussion, dialogue and debate about all aspects of the cooperative is normal Suma culture. A classic organigram of the communication channels at Suma looks like a massively tangled web compared to more formally hierarchical organisations.

Though most operations are on one site, approximately ten workers are based in a distribution centre in London. Their integration is assured through worker exchanges between the two sites and attendance at major social events.

At the root of Suma's underlying governance is the

self-managing cooperative member and Suma's unique development of that role is undoubtedly the underpinning of its organisational success. Many years ago, Suma members agreed a job description for the role of member which describes how people should act and behave as member owners, in addition to fulfilling their 'day jobs' in the operations of the business.

The subsequent recruitment, selection, training, assessment and development of new members using that job description transformed the business from a collective of co-working, but frequently conflicting, individuals into a cooperative of aligned members, who combine individual initiative with collective responsibility.

Suma members are both more empowered and more engaged in their cooperative and business than in many other coops, as shown by the fact that labour productivity at Suma is double that of similar coops. The value of this member definition process is also evidenced in the success enjoyed by other cooperatives which adopt it.

Despite this extreme empowerment of individual members, Suma is, unusually for a UK private-sector business, strongly unionised with some three-quarters of staff being members of the food workers' union, BFAWU. A Suma personnel officer described the relationship as 'normally we and the union sit on the same side of the table but, when an individual worker is being represented, we move to opposite sides'. Thus individual worker rights are protected while Suma as a worker-controlled business gets the benefit of the union's industry expertise.



START DATE:  
1977



LEGAL FORM:  
Worker co-operative



N° EMPLOYEES:  
300



## SOCIAL IMPACT

- Demonstrated that working people can successfully run their own ethical and democratic businesses without an executive elite
- Developed and shared many unique and empowering business management and people coordination tools with other cooperatives
- Championed and changed public discourse on many environmental and ethical causes including healthy diets, organic food production, genetic modification-free food, low-carbon vegetarian and vegan food, environment-friendly cleaning and household products, fair trade and ethical business practice
- Financially supported and mentored many British worker cooperatives as start-ups or when in trouble
- Provided hundreds of well-paid secure jobs in the economic dereliction of Northern England
- Provided healthy food to millions of people in England and around the world



## STRENGTHS

- Aligning the collective intelligence of 300 workers
- Extreme customer, consumer, supplier and worker loyalty
- Huge business stamina (Suma was described by a competitor as 'never giving up' the fight to win a customer)
- Empowering remarkable individual and team initiative and commitment
- Pragmatic idealism
- Independent and autonomous



## WEAKNESSES

- No appropriate tried and tested UK worker cooperative models to follow, hence slow development due to trial and error
- Often too proud to ask for help or seek expert advice
- Reluctance to fully cooperate with 'competing' cooperatives leads to unnecessary and mutually damaging competition
- Being a people-intensive business, vulnerability to capital-intensive competitors using robotics and automation

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