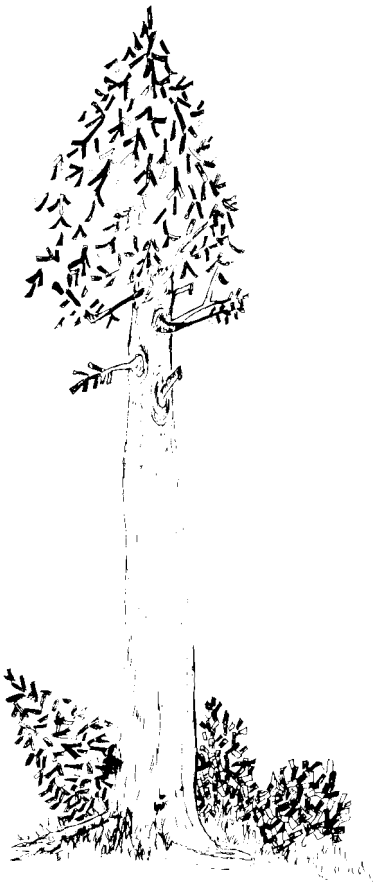


North of 53 Consumers CO-OP., Flin Flon

"Incorporation of the North of 53 Consumers Association took place on September 9, 1946, after many months of hard work by a group of dedicated citizens who believed in the co-operative principles. Their first task was to try and raise \$25,000 by selling shares at \$10.00 a share with a minimum of five shares per person. They set up a Provisional Board of Directors and enlisted as many people as they could to canvas the town selling shares and also selling the idea of owning their store. This provisional board of 1946 was comprised of the following citizens: Robert Fredrickson — Chairman, John Ash — Secretary Treasurer, Douglas Ferg, Frank Abbey, Jules Nielson, Al Storey, R. Pettapiece, W.S. "Shorty" White.



The community was divided into sections and canvassers enlisted to cover every household. Some of these canvassers were: Fred Raven, Leonard Lapointe, Martin Michalkon, Robert McLachlan, Archie Welsh, D. Hydamaka, Richard Coles, Howard McIntosh, Murray Ferg, W. Sauve, H. Lindsay, A. Smale, Robert Frederickson, Mrs. C. Parker, Mrs. F. Abbey, Al Storey, Doug Ferg, J. Buckland, A. Warner, John Ash, Albert Ash, J. Rusinak, Thomas Hunter.

To facilitate the raising of share capital, a small office on Main Street was rented in the Sutton Petterson building. The directors took turns in manning the office, especially on pay-days and the day after. Later a girl was engaged to do the office work.

The first annual meeting was held on June 16, 1947 and resulted in the election of the following Board of Directors: Doug Ferg — President, John Ash — Treasurer, F. Abbey, W.S. White, Robert McLachlan, M. Michalkon, A. Welsh, D. Hydamaka, Frank Mooney.

The H.B.M.&S. Company was asked and agreed to arrange for payroll deductions for those wishing to invest in the new venture.

It should be noted here that it was customary for nearly everyone to buy on credit. To change over to a cash system and also produce \$50.00 for 10 shares was quite a struggle for most shareholders given the economics of the times. Even so, some dedicated co-operators bought more than the minimum of five shares; in effect loaning the new venture their money at a nominal rate of interest. Eventually the association bought these extra shares back, but it was not until the mid 1960's that these loans were fully paid up.

Dicussions in early 1947 took place about finding an outlet for the store and several properties were examined. By July 3, 1947 there were 303 members and \$10,812. raised. An offer by Mr. R.H. Channing, president of the H.B.M.&S. Co. Ltd. to build a store on property they owned on the corner of 4th Avenue and Main Street, was accepted July 31. This prospect was a real boost for the canvassers, and by September 10, 1947 there were 951 members and capital of \$25,593.00. In November it was decided to apply for a business license and warehouse space was rented in the Foster Block on Tweedsmuir Street. Mr. C.C. Hay was hired on December 5, 1947 as warehouse manager and they opened for business on January 15, 1948. Sales at first were in case lots only, but on April 24, 1948, personal shopping for shareholders was inaugurated. Terms were strictly cash and the Manitoba Co-operative Wholesale were the suppliers and also the auditors. On June 10, 1948 they bought the first delivery truck for cartage and delivery. Previously this had been done by Harold Leask, the founder and owner of the present Reliance Services Ltd.

At the second annual meeting held in the Labour Temple on Church Street on June 29, 1948 the following Board of Directors was elected: F. Mooney — President, R. McLachlan — Secretary,

J. Ash — Treasurer, F. Abbey, W.S. White, Doug Ferg, Jos. McDonald — Vice-President, Earl Sullivan, George Boam.

In August, Mr. Dough Ferg resigned, as he was leaving the area for points west and his place was taken by Mr. Charles Hill. Also in August a new manager, Mr. D. H. McIntosh, was engaged. On November 23, 1948 a general shareholders meeting was held and plans were made for the opening of the new store, then under construction, early in the new year. This big day came on February 17, 1949 with the appropriate ceremonies. Only the first floor was stocked. Dry Goods and Hardware were added on the second floor later. Offices were upstairs and one was rented to the Alpha Credit Union, forerunner of the present Flin Flon Credit Union. No set rental was set by Mr. Channing at first — just pay the taxes. Later on an agreement was made to pay \$750.00 per month rent plus the taxes.

The third annual meeting was held in the Labour Temple on July 2, 1949 which resulted in the following directors to hold office: John Ash — President, G. Folkestone — Vice-President, R. McLachlan — Secretary-Treasurer, C. Hill, Jos McDonald, Mrs. Cora Laidlaw, Mrs. Stella Ranson, Ed VanDoorn, George Boam.

In 1950 Mr. F. Brewster replaced Mr. D. McIntosh as manager. Also Mr. Angus Mullaney was appointed to the Board to fill in for Mr. C. Hill, who had been transferred to Island Falls.

After the annual meeting of July 8, 1950, the following directors held office: John Ash — President, G. Folkestone — Vice-President, R. McLachlan — Secretary-Treasurer, Ed VanDoorn, Jos. McDonald, Geo. Barker, Willard Copeland, Cece Johnston, Mrs. Jack (Cora) Laidlaw.

In June of 1951, Mr. F. Brewster was released and Mr. Joseph Griffith was interim manager until the arrival of Mr. Art Bengé in August. After the annual meeting of July 21, 1951 the following directors held office: C. Johnston — President, W. Copeland — Vice-President, G. Folkestone — Secretary-Treasurer, J. Ash, E. VanDoorn, George Barker, R. McLachlan, Mrs. Edna Hopkinson, J. Rutley.

During these early years of operation the directors were faced with many problems. One of the toughest problems was in educating their customers to a cash policy. Many were using their Deposit Accounts as a sort of credit. As a result they were always a month behind in their payments and the association was paying interest on the money they had to borrow to keep the wholesalers paid up. Also larger items such as clothing, appliances, plumbing fixtures, and

hardware required some system of monthly payments. A plan was worked out with the Alpha Credit Union which did a lot to solve this problem.

After the sixth annual meeting held in the Community Hall on April 30, 1952 the following directors held office: W. Copeland — President, E. VanDoorn — Vice-President, Mrs. E. Hopkinson — Secretary-Treasurer, G. Folkestone, J. Ash, C. Johnson, J. Rutley, Mrs. J. Hartmen, Chas. Donald.

With the arrival of Mr. A Bengé in August 1951, the store began to grow and expand rapidly. A general meeting of the shareholders was called in the Labour Temple on December 2, 1952 for the purpose of bringing the by-laws of the association up to date. They now allowed shareholders to buy shares for \$1.00, and the accrued profits be credited to their share accounts until they had paid the full \$50.00.

Application was also made to the Provincial Secretary to increase the authorized capital from \$100,000 to \$250,000.

With the departure of Mr. A. Bengé on March 1, 1956, Mr. Joe Griffiths took over the manager's position. Growth continued, but there were many problems. An agreement had been made with the Retail Clerks Union in 1952. As early as 1955 the idea of a Co-op Service Station was discussed. Property was obtained directly across the street from the store. A bulk station and tanks were built on C.N.R. trackage. In 1958 Mr. Wm. Reader was engaged as the first manager of the service station.

Alterations to the upper floor were carried out. Offices were moved to the west wall. Office space here was also rented out to the Alpha Credit Union. The bulk oil station was expanded in 1959. In December 1959 the Retail Clerks Union went on strike, but the store was kept operating by the supervisory staff and some loyal workers. As a result business dropped off considerably in 1960-1961.

In July 1962, Mr. B. Jeske replaced Mr. Griffiths, who had been transferred out by F.C.L. Plans were made to completely renovate the interior of the store with a \$40,000 loan from F.C.L. Once again the association prospered and many new members were attracted as shareholders.

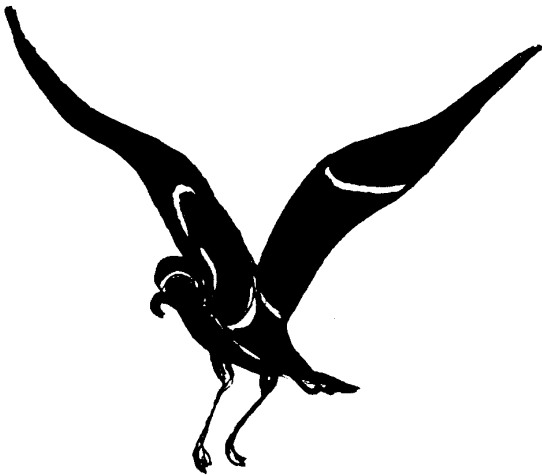
In April 1964 the store was purchased from the H.B.M.&S. for \$120,000 to be paid over a ten year period. In 1965 the property now used as a parking lot was obtained and put in shape for parking at a cost of approximately \$20,000.

In 1966 application was made to the Provincial Secretary to increase the share capital of the association to \$500,000 from \$250,000. More land was acquired at the bulk oil station and new tanks installed. Also the old warehouse of the Ogilvie Flour Mills on C.N.R. trackage was

purchased and their lease taken over.

In 1967 F.C.L. transferred Mr. B. Jeske and Mr. Arnold Christman came in as General Manager. Growth continued favorably and when Mr. Christman left in 1970, the North of 53 Consumers Co-op Association was in a very sound financial position. In July 1970, Mr. Herman Dop became General Manager and the association continued to grow and prosper. On January 26, 1971 a special meeting of the board was held to honor Mr. Gunnar Folkestone who had resigned from the Board after twenty-one years of service. He was also honored at the annual meeting on May 7, 1971 held in the Elks Hall.

In December 1972 the association had passed the \$2,000,000 mark for the first time. Property immediately south of the store was acquired and plans made for a large expansion and renovations to the store were made. This project was completed in late 1973 at a cost of approximately \$200,000. In August 1973 the final payment on the store was made to the H.B.M.&S. Co. The store and all other assets now belonged to the shareholders.



Early in 1974 Mr. Robert Kramchynsky became manager to replace Mr. Dop who had resigned in December 1973. In 1974, sales went over the \$3,000,000 mark for the first time. At the annual meeting in April 26, 1974 it was agreed to write the Provincial Secretary for authority to raise the amount of share capital from \$500,000 to \$1,000,000. In 1976 it was decided to convert the service station to a self-serve operation and install new pumps. In 1977 a lot on Main Street was purchased and made a parking lot for use of the service station.

In December 1976 the local of the Retail Clerks went out on strike. This was not settled

until mid-February. This caused considerable dislocation and loss of business and the Association was fortunate to break even in 1977.

On July 1, 1977, Mr. Ken Bocking was hired as General Manager to replace Mr. Kramchynski and took over operations on August 15th. Emphasis has been placed on providing better and more efficient service in modern up-to-date surroundings. We hope you will continue loyal patronage to your own store.

This is a brief outline of the North of 53 Consumers Co-operative Association, which has grown from an idea held by a relatively few people in 1945 to its present position.

There have been many ups and downs but your successive Boards of Directors have been responsible in creating for their shareholders, one of the finest stores in Flin Flon, by continually striving to forge ahead and provide service to their members. Included is a list of directors over the years who all served voluntarily devoting many, many hours of their time. Of the many men listed I believe special mention should be made of three of these gentlemen: Mr. John Ash – 12 years service, Mr. Robert McLachlan – 13 years service, Mr. Gunnar Folkestone - 21 years service. They were the ones who guided the Co-op in its formative years.

Also, I believe special mention should go to three general managers who served from 1962 to 1974, a period of phenomenal growth for the association:

1962-1967	Mr. B. Jeske
1967-1970	Mr. A Christman
1970-1974	Mr. H. Dop

We have now completed the 1978 year and sales have passed the five million dollar mark. With the loyal support of all shareholders the association hopes to continue to grow and provide ever more efficient service to all.

H.A. Scott''

I want to thank Mr. Scott, who served as North 53's Vice-President for five years, for this thorough analysis of their minutes and to General Manager Murray Young for having this analysis typed and sent to me. Unfortunately, this had to be only part of the complete job Mr. Scott did because of lack of space.

The lists that follow are his work.

NORTH OF 53 PRESIDENTS

Robert Frederickson	1946-1947
Doug Ferg	1947-1949
Chas. Hill	1949-1949
John Ash	1949-1951
C. Johnson	1951-1952
W. Copland	1952-1954

J. Rutley	1954-1955
W. Copland	1955-1956
A. Skoda	1956-1957
C. Berry	1957-1958
John Rutley	1958-1960
John Ash	1960-1962
John Rutley	1962-1964
J. McFarlane	1964-1970
E. Switzer	1970-1976
R. Thompson	1977-

G. Hume	H.A. Scott
J. McFarlane	G. Brophy
W. Fardoe	N. Galant
Wesley Smith	R. Rossington
W. Smith	F. Bowman
G. Manns	Robt. Thomson
T. Daubert	W. Folwark
K. McCullough	H. Klassen
J. Loblaw	Gunnar Folkestone

SECRETARIES

John Ash Robert McLachlan
 Mrs. E. Hopkinson Gunner Folkestone
 Presently serving is W. Fardoe
 Both Bob McLachlan and Gunnar Folkestone served for 10 years each.

GENERAL MANAGERS OVER THE YEARS

Dec. 1947 - Aug. 1948	C.C. Hog
Aug. 1948 - April 1950	D.H. McIntosh
April 1950 - June 1951	F. Brewster
Aug. 1951 - March 1956	Art Bengé
Mar. 1956 - July 1962	Joe Griffiths
July 1962 - Oct. 1967	Bud Jeske
Oct. 1967 - July 1970	Arnold Christman
July 1970 - Dec. 1973	H. Dop
Jan. 1974 - July 1977	R. Kramchynski
July 1977 - Oct. 1979	Ken Bocking
Oct. 1979 -	Murray Young

Those who have served as directors over the years:

John Ash	Doug Ferg
F. Abbey	W.S. (Shorty) White
R. Pettapiece	Al Storey
Joles Nielson	Leonard La Pointe
Robt. McLachlan	Frank Mooney
Martin Michalkow	Archie Welsh
D. Hydamaka	George Boam
Jos. McDonald	Earl Sullivan
Ed. VanDoorn	Mrs. Cora Laidlaw
Mrs. Stella Ransom	Angus Millaney
Cecil Johnson	George Barker
Willard Copland	Mrs. Edna Hopkinson
Mrs. J. Hartman	Chas. Donald
L. Creighton	Mrs. A. Welsh
C. Berry	E. Crone
A. Skoda	F. Highfield
Mrs. A Hudak	B. Aitken
A. Nowak	Wm. Waugh
J. Thompson	S. Brownridge
E. Switzer	S. Caerar
M. Chlan	A. Anderson
A. Feldman	H.A. Hart

RECORDS OF SALES AND SAVINGS.			
Year	Sales	Savings	%
1969	22,290,360	604,408	2.7
1970	1,695,998	58,880	3.5
1971	1,856,153	71,913	3.9
1972	2,225,590	119,075	5.3
1973	2,542,273	137,969	5.4
1974	3,340,861	161,812	4.8
1975	4,074,267	109,240	2.7
1976	4,292,794	103,750	2.4
1977	4,137,633	1,375	
1978	5,589,395	307,122	5.5
1979	<u>6,624,486</u>	<u>353,826</u>	<u>5.3</u>
Totals	58,669,810	2,029,370	3.5

Murray Young tells me that their 1980 estimates are for sales of 7,900,000 with savings of 434,500 which would be 5.5%. He indicated this with only six weeks left in the year, so he must be close to target.

Members buying during the year were	4134
Inactive were	<u>321</u>
Total	4455

The call to Flin Flon no doubt came from the Steel Workers Union. I kept patting them on the back for their foresight in this concern. When I thought they were off track I would say so as they could to me. The first couple of trips in were by C.N.R., somewhere in late '45 or early '46. I don't remember that I used a sleeper either way but I think I splurged on a \$2. seat in the chair car. I distinctly remember on the first trip up, there was an unique family group in the chair car. There was the daughter, mid or late 20's (I'm told that I'm not an expert on the age of women) tall, willowy with a large floppy brim hat and the mother, tall, not over dressed or put on. The Dad was a small 160 pound man dressed in every day garb. He was unpretentious and all three were friendly and chatty. The next day I was told that he was R.H. Channing, President of H.B.M.&S. Apparently, his normal procedure was to come into town unannounced, go to his living quarters, pull on his overalls and then go through the mill and

underground. This guy knew first hand just what was going on. His interest was in both the mine and the community.

Of course, it was a company town, but if a group believed something was needed in the community and made a presentation that was down to earth, I'm told they got it and no haggling. I wasn't there at the time the Co-op folk met him about any space that could be available to set up the new Co-op back in '46 but I was told later that he amazed them by saying, "Anything that helps you assume responsibility makes you better for the Company. You raise enough capital to stock the store and we'll build you one." They did and he did. It was a large, solid two storey store. I never heard anyone say anything detrimental about Channing. Their image of him was not one of awe, but of being very approachable and a square shooter.

North of '53 has had a few "downs" but mostly "up's" depending a great deal on management. One of their downs was most annoying and not of their making. They had been approached by an outside union for permission to organize the staff. As the Co-op membership were mostly union people they agreed but only on condition that they unionize the staff of another store in town renowned for their cheap help policy. The organizer agreed, but didn't even try the other fellow!

Sometime later a union rep. came up to renegotiate. He was the type that would do any union a disservice. Big business have them too. He was a know it all. Nothing was right. The co-op was misleading the employees. The financial statements were fictitious. They were making a greater profit and not showing it and so on. His demands for a

new contract were such that the board could not accept them so he pulled the staff out. The board decided to keep the store open with volunteer help. He had worked some of the staff into such a state, that the next morning on the picket line some of them were spitting on members going into the store. In my book, and I know with many others, this a dirty, despicable action in any language and a direct reflection on the ignorance of the representative.

I would wish that there were more successfully run Co-ops in the northern areas of Canada like Flin Flon. There is nothing like people taking, or being given, or being encouraged to get into business for themselves as a group. The Thompson group did it on their own.

North of 53 has always been a good example and along with the Union are progressively providing themselves with increased services.

