



K-State's Center for Engagement and Community Development

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Working to Save Our Rural Grocery Stores One Challenge at a Time

Challenge Six: Models of Ownership

Rural grocery stores provide critical infrastructure to rural communities and serve as important community economic engines, centers of public health and symbols of community vitality. Unfortunately, small communities across the nation are seeing more and more empty downtown storefronts as giant retailers from distant cities lure customers out of town and onto the highways. One store closure can have a domino effect on other businesses, and a once vibrant downtown can look like a ghost town almost over night. This problem is especially critical when that business is a rural grocery store. In response to this issue, many rural communities are now pulling together, exploring and identifying the right ownership model to make their local store as



Solutions

From our work at the Center for Engagement and Community Development, we have identified several ownership / business models being used by rural groceries. Choosing a type of retail business to start will depend on why you want to own a business, as well as your lifestyle, family, personality, basic skills and much more. There are advantages and disadvantages with each of these models. The models we have identified include: (1) the independent retailer, (2) a community-owned store, (3) a grocery co-op and (4) school-based ownership. To learn more about these ownership models and see examples of each model, visit our website at: www.ruralgrocery.org.

Fast Facts:

- A campaign to promote co-op owned stores, www.go.coop states food co-ops have been innovators in the areas of unit pricing, consumer protection, organic and bulk foods and nutritional labeling.
- The Merc Store, in Lawrence, Kan. states U.S. co-ops serve 120 million members or 4 in 10 Americans.
- PolicyLink.com indicates smaller stores have more flexibility than large chain supermarkets to tailor their merchandise mix to meet customer preferences. In addition, stores with a long history in the community often have extensive knowledge about the specific tastes and desires of residents.

Kansas Best Practices:

The community of Kensington, Kan. endured the same story most Kansas towns see, another store closing. The community organized to re-open their grocery store with other local partners, such as the Kensington Community Foundation. With these partnerships and the support of their community, the city of Kensington has sustained their community-owned store for more than five years.

Check out our website for more information:
www.ruralgrocery.org