

## **Gem City Market Principles of Governance**

VISION – The vision of the Cooperative is a worker and community owned grocery store based on the Mondragon-USW Union Worker Template. The Cooperative is designed to provide quality, affordable, groceries to the community and consistent, fair, employment for the workers at the grocery store. The Cooperative’s vision is to reinvent the local, walkable, neighborhood grocery store for the benefit of both the employees and the community.

THE BASIC PRINCIPLES AND VALUES OF MONDRAGON – The Basic Principles of Mondragon assume and bring together the Universal Co-operative Principles updated by the International Co-operative Alliance. The following are the ten principles of Mondragon which form the basis of the principles of this Cooperative. The Greater Dayton Union Cooperative Initiative (GDUCI), the founding partner of this Cooperative, is striving to embody the principles and values of the Mondragon Cooperatives.

1. **OPEN ADMISSION:** The Mondragon Co-operative Experience is open to all people who accept the Basic Principles and can prove themselves professionally capable of doing the jobs we are able to create. Therefore there is no discrimination of any type for reasons of nationality, religion, political beliefs, race, ethnicity, gender, gender identity or sexual orientation.

2. **DEMOCRATIC GOVERNANCE:** This principle represents the basic equality of worker-owners, the importance of the surrounding community of consumers, the corresponding rights to know the details of the Cooperative business, and to have a voice in its governance. These principles and corresponding rights imply acceptance of a democratically organized company based on the sovereignty of the General Assembly, electing governing bodies and collaboration with managerial bodies.

3. **SOVEREIGNTY OF LABOR:** Worker owners receive competitive and just salaries and dividends based on the profitability of the Cooperative. As far as the wealth generated by the cooperative is concerned, this is distributed among the members in proportion to their labor or patronage and not on the basis of their holdings of share capital.

4. **INSTRUMENTAL AND SUBORDINATE NATURE OF CAPITAL:** Capital is considered to be an instrument that is necessary for business development but subordinate to labor. Therefore it is understood to be worthy of fair and suitable remuneration, which is limited and not directly linked to the profits obtained. The wealth created is distributed in terms of the labor

provided, member support and there is an explicit goal of maximizing the number of good jobs created.

5. **PARTICIPATORY MANAGEMENT:** The Cooperative is committed to the development of self-management. This in turn, requires the development of adequate mechanisms for participation, transparent information, consultation and negotiation, adequate training and internal promotion.

6. **PAYMENT SOLIDARITY:** Sufficient and fair pay for work is a basic principle of the Cooperative. In order to promote solidarity, the compensation of the highest paid workers shall be directly tied to the compensation of the lowest paid workers, so that all wages rise or fall together.

7. **INTER-COOPERATION:** As the specific application of solidarity and as a requirement for business efficiency, the cooperative commits to the principle of inter-cooperation between individual and cooperatives, between subgroups and between the GDUCI cooperatives, and cooperative movements in the rest of the world.

8. **SOCIAL TRANSFORMATION:** All employees of the cooperative shall become members in good standing of any duly recognized union within 30 days of hiring, or shall pay an applicable representation fee where permissible by law. All members of the Cooperative shall be involved in the process of working towards a more caring and just economic structure.

9. **UNIVERSALITY:** All members will be in solidarity with all those who work for economic democracy and economic justice.

10. **EDUCATION:** To promote the establishment of the principles stated above, it is essential to set aside sufficient human and financial resources for cooperative, professional education and workforce development.