



Deep Roots-Strong Future

# Oh, how we've changed...

## OUR NAME

Maritime Livestock Board (1927-1930)

Canadian Livestock Co-operative (Maritimes) (1930-1944)

Maritime Co-operative Services Ltd (1944- 1974)

Maritime Co-operative Services (1974-1978)

Co-op Atlantic/Coop Atlantique (1978-present)

## OUR LOGO

Without a doubt, throughout our 75 years, Co-op Atlantic's image has remained fairly consistent and widely regarded. Much of that is attributed to the fact that the organization's logo has changed very little over those years - a symbol of fairness and co-operation.



**1927 to 1961** This was the first logo for our organization. It was used under the Maritime Livestock Board and the Canadian Livestock Co-operative (M). Interestingly enough, it was the American co-op logo. This logo was later replaced by a strictly Canadian logo. After all, the growth of the co-operative system nationally certainly warranted the change.

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**1961 to 1998** This logo came into existence at about the same time that Inter-provincial Co-operatives (IPCO) first introduced the Co-op and Harmonie labels. This logo was used by all retail and wholesale co-operatives across the country affiliated with IPCO. It was later trademarked in 1966. It remains a nationally recognized and used logo across the country.

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**1998 to present** This most recent logo was designed by Co-op Atlantic, for exclusive use by our organization and our member co-ops. The intent behind the new design was to more accurately reflect the changes occurring within the organization in 1998. The new logo dropped the centre 'dash', making it bilingual, and replaced it with the image of people, symbolizing that people are the heart of the organization and the key to its success. Without a doubt, a younger Co-op Atlantic began to emerge as this new logo started to receive considerable recognition.

# Preface

Most successful organizations can trace their roots back to one individual who possessed the initial vision, passion and energy to make a positive change in our world. What sets Co-op Atlantic apart from other business success stories is the fact that our roots lie not in one individual, but in a succession of gifted and talented persons who believed, and continue to believe, that the best way to achieve economic prosperity is to work together as a team.

The success of Co-op Atlantic extends beyond individuals and management practices of the times. Our success has rested and continues to rest with our member co-operatives throughout the Atlantic Provinces and the Magdalen Islands that remain united by their adherence to co-operative values and

principles which guide their decision making. Without their ongoing loyalty and support, we would not be marking this, our 85th anniversary.

Thanks to our members and the visionary individuals who have guided our development, Co-op Atlantic today is a dynamic co-operative wholesaler providing goods and services to nearly 100 member co-operatives across Atlantic Canada and the Magdalen Islands. Our member co-operatives, in turn, are community businesses owned and operated by the people they serve. Collectively, these co-ops serve over 200,000 families and employ over 5,000 people.

Co-op Atlantic is the eighth largest company in Atlantic Canada, and is a

regional leader in a wide array of food, agricultural products and services, and it plays an important role in social housing, generating annual sales exceeding \$600 million. Our network provides our member co-ops with a substantial social and economic advantage in an increasingly competitive global marketplace.

This historic booklet offers a brief outline of how this organization began and how much we've grown over the past 85 years. The collective success we enjoy today is the result of years of co-operation and determination on the part of people from diverse cultural identities who live in five Atlantic Canadian provinces, and who continue to work together for their mutual advantage and benefit.



# President's Message



**Marcel Garvie,  
President, Board of Directors**

The fact that Co-op Atlantic celebrates its 85th anniversary the very same year that the United Nations has proclaimed it to be the International Year of Co-operatives is more than a coincidence. It's a remarkable concurrence of events that inspires us all to renew our confidence in the potential of the co-operative model of business enterprise.

As owners of this democratic organization, we can feel proud of the

countless achievements of our leaders – both elected and appointed - who have contributed to its success over the decades. The past presidents, listed below, together with their fellow board members, have devoted their personal time and energy to provide direction to the organization. In reading this anniversary booklet, we can also feel the enormous responsibility that those leaders have carried, and that we all carry now, in our times.

The founders of this great co-operative organization were ordinary people, with modest needs and aspirations. They came together with the belief that their common aspirations of building a better life for their families would be better achieved by working in co-operation, as opposed to competition. By adhering to a set of common values and principles, they came to equate their success with that of the organization they collectively owned. The same holds true today, for us and for the organizations that make Co-op Atlantic.

Far from the founding years of the 1920s, today's organization is infinitely more complex and diverse, with issues and challenges that our founding members never had to deal with.

Nevertheless, the path leading to success still requires the thoughtful application of the same values and principles that unite us all. Our democratic structure and our open communication enable every member to stay informed and influence the decisions that move us forward. The International Year of Co-operatives reminds us of the immense contribution that co-ops bring to community development around the world. As members of a co-operative, we are part of a global family of more than one billion people in some 100 countries. Together, we share, we contribute and we help build a better world, not only for ourselves but for the community to which we belong.

Looking ahead, I'm confident that Co-op Atlantic and its member-owners will continue to prosper because they serve those who own them and they remain attentive to their needs. In supporting their central, our co-ops ensure the autonomy and independence of the co-operative system in our region. In this spirit of solidarity, let's now unite in looking forward to celebrating our centennial anniversary.

## Presidents

1927-1928 - A.B. Roberts  
1928-1930 - O.A. Jess  
1930-1931 - H.H. Girvan  
1931-1932 - W.B. McLellan  
1932-1940 - J.H. MacKichan  
1940-1946 - Harry Thomas  
1946-1949 - L.H. MacIsaac  
1949-1973 - J.E. Walsh

1973-1977 - Richard Savoie  
1977-1981 - Don Newcombe  
1981-1984 - François Babin  
1984-1985 - John Dechman  
1985-1986 - John Chisholm  
1986-1990 - Jean MacGillivray  
1990-1992 - Sidney Pobihushchy  
1992-1994 - Francis Porelle

1994-1995 - Frank Tibbo  
1995-1996 - Francis Porelle  
1996-1998 - Eric Meek  
1998-2003 - Léonce Losier  
2004-2005 - Tom Trueman  
2005-2006 - Brian McCullum  
2007- present - Marcel Garvie

# CEO's Message



**Paul-Émile Légère,  
CEO, Co-op Atlantic**

I am extremely proud to be part of this milestone as the first Acadian to hold the position of CEO of Co-op Atlantic. As part of the executive management team for the last seven years, I am very gratified to see the progress we have made.

We know that challenges remain to be dealt with. However, it was not that long ago that showing six years of positive and improving earnings would have been seen as wishful thinking. We have accomplished these significant financial results by working together, facing problems head on with honesty and openness, and sticking to our core values.

This brief historical overview of Co-op Atlantic is very informative and enlightening. Without seeking to recall every circumstance and every major decision, it offers us a level of understanding of the issues, concerns and the sequence of events that our leaders dealt with over the decades leading to this historic year.

From its beginnings, as an agricultural co-operative, Co-op Atlantic has become a modern and diversified enterprise that is a leader in the business sectors of food, agriculture, energy, and social housing within Atlantic Canada.

We have faced challenges in our 85 years and we will continue to do so in the future. As our recent history teaches us, it is during the difficult times that co-operators really come together and display the values that help us thrive, namely that of democracy, and solidarity. By knowing more about our history, we will better appreciate the courage and the devotion of the leaders who have shaped our organization. We will also be inspired to do our personal best – as a board director, a manager, an employee, or as an individual member – to help our co-operatives succeed. Co-op Atlantic has endured by adapting to the needs of its members. Our democratic approach helps ensure that we keep this focus. On this our 85th anniversary, and the International Year of Co-operatives, we can all be encouraged to seek new applications of the co-op model to further improve the lives of our members and their communities.

## General Managers

1927-1929 - J.K. King  
 1929-1932 - R.M. "Bunny" Elliot  
 1932-1961 - W.H. McEwen  
 1961-1974 - W.D. Dernier  
 1974-1982 - L.G. Horton

1982-1990 - Nestor Charuk  
 1990-1997 - Eric K. Dean  
 1997- 2002 - Eric Claus  
 2002-2011 – John Harvie  
 2011 – present – Paul-Émile Légère

# 1927-1929

Comme c'est le cas pour beaucoup de bonnes idées, il a fallu de nombreuses années avant que le concept de Coop Atlantique ne s'implante, et encore bien des années avant qu'il ne se concrétise dans sa forme actuelle. L'entreprise a été constituée en 1927, mais son histoire remonte vraiment à deux événements importants survenus au cours des années 10.

En 1914, H.S. Arkell, alors directeur de la commercialisation au ministère fédéral de l'Agriculture, annonce la nomination de Hugh MacPherson comme premier

conseiller agricole régional en Nouvelle-Écosse. Un peu iconoclaste, M. Arkell estime que l'aide gouvernementale aux agriculteurs doit mettre l'accent sur la commercialisation des produits agricoles plutôt que sur l'amélioration de la science et des techniques agricoles en vue d'accroître la qualité et la quantité, comme l'avaient fait les directeurs précédents. Cette approche violemment contestée frise pour certains l'intervention, mais non pour M. Arkell qui confie à M. MacPherson la tâche de réformer la commercialisation de l'agneau et de la laine dans l'Est de la Nouvelle-Écosse.

Le deuxième événement survient trois ans plus tard. En suivant un cours au Nova Scotia Agricultural College à Truro, F. W. Walsh et A. B. MacDonald avancent que la meilleure façon pour les agriculteurs de s'aider eux-mêmes et de rehausser la qualité de l'agriculture dans les Provinces maritimes est de collaborer entre eux.

La notion que les agriculteurs doivent travailler ensemble et axer leurs efforts sur la commercialisation peut sembler révolutionnaire à l'époque, mais les agriculteurs de la région, surtout les éleveurs de bétail prennent déjà des mesures dans les années 10 pour améliorer leur situation en participant à des clubs de transport. Le concept, appuyé par le ministère fédéral de l'Agriculture, donne aux producteurs le contrôle de la commercialisation de leur bétail, les aidant ainsi à établir des règles du jeu équitables et à rompre avec le système de commerçants d'animaux. Selon ce système, des intermédiaires



**KPMG**  
cutting through complexity

## Bravo!

KPMG is proud to congratulate **Co-op Atlantic** on 85 years in business and all they have given back to our communities.

KPMG tient à féliciter **Coop Atlantique** pour ses 85 années d'existence et son engagement soutenu dans la collectivité.

KPMG in Atlantic Canada  
KPMG au Canada, Région de l'Atlantique  
MONCTON - FREDERICTON - SAINT JOHN - HALIFAX - ST. JOHN'S

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Mary Fairweather – Secrétaire et comptable  
Première employée

between 1911 and 1921, some 6,571 farms were abandoned, taking 791,215 acres out of production. At the same time, the region's rural population declined by 11,544, while urban centres grew by 73,917. It was initiatives like the shipping clubs that stemmed that tide, while helping the livestock industry become the first in North America to integrate to the point where the industry controlled the product from the farm gate to the butcher shop in every major market.

Although the shipping clubs represented a major step forward for the region's farmers, the fieldmen recognized that they could achieve a lot more if they were more organized and adopted a more unified approach to marketing their goods. So the fieldmen set out to establish a central office that would tie together the marketing efforts of the 86 shipping clubs in the three Maritime Provinces. The dream was realized on March 7, 1927 when the Maritime

Livestock Board (MLB) was incorporated in Moncton under Subsection II of the Canadian Companies Act.

At the time, the MLB's board of management was comprised of three federal representatives – one from each province – three provincial directors and seven representatives from the livestock clubs. The federal government provided \$3,000 in seed money for office space and salaries. Nova Scotia and New Brunswick each contributed \$1,000 while PEI provided \$500. Mary Fairweather, secretary, was the first employee at MLB's St. George Street office. J.K. King, a Fredericton native and founding officer of the MLB, became the first general manager in May of that year. There would be only two MLB employees for several years.

While the newly launched MLB proved quite successful, it became apparent that it could better serve producers by purchasing grain and other provisions on their behalf. This would give farmers

throughout the Maritimes access to a better grade of feed than the hay, grass and corn they were using. Better feed would lead to better livestock, and the best way to ensure farmers had access to better feed was to buy in bulk. So King, with the help of Walsh, then an MLB director, contacted the Canadian Co-operative Wheat Producers (CCWP), based in the Prairies, about meeting their needs. The CCWP believed that the MLB was well-established enough that they could work together; all that was needed was someone to oversee the sale of grain.

Meanwhile, the federal government moved, in 1929, to create the Canadian Livestock Co-operative Ltd. to coordinate livestock marketing initiatives at the national level. This prompted a change in name for the MLB to the Canadian Livestock Co-operative (Maritimes) (CLC(M)), and R.M. "Bunny" Elliott replaced King as general manager on a three-year contract.



**J.K. King - First General Manager  
(1927-1929)**



**The 1927 Board of Management. Back row: J.W. Graham, F.W. Walsh, J.K. King and Jas Bremner. Second row: Wm. Gunn, A.W. Peterson, Walter Shaw and Geo. Whalen. Front row: Patrick Cormier, O.A. Jess, W.H. McGregor, A.B. Roberts and Nicholas Godin**

# 1930-1939

In June 1930, Wesley Haddan McEwen was hand-picked by R.C. Steele at the CCWP to oversee the sale of grain to the CLC(M). So the Ontario-born McEwen packed up his two-door, Model-T Ford sedan and left Winnipeg for the Maritimes. Once he arrived, McEwen discovered that no formal network existed between the region's livestock clubs. Although clubs were operating under the CLC(M)'s guidance – and there were a few agricultural and retail co-ops – they were far apart in their thinking, despite the realization that they shared certain things in common. At the urging of the CCWP, the CLC(M) arranged a meeting with the clubs to provide direction to McEwen, but it proved to be a disaster, and McEwen contacted feed sellers for advice on what to do. Although they

advised him to pack it in, McEwen started ordering grain and set out on a mission to talk to and unite farmers throughout the Maritimes. He was able to convince the farmers to trust him, trust their neighbours and, more important, pay in advance for feed. Weeks later, the first carload of grain arrived at Porter Brothers Dairy Farm in Hammond River, New Brunswick. By May 1931, 180 carloads of grain had been sold.

It was quite an accomplishment for McEwen, but one soon endangered by rising rail costs. So McEwen arranged grain deliveries by water. Over the summer of 1931 – in an adventure he christened *The Farmer's Argosy* – he put 10,000 miles on his Model-T to secure orders. On September 29, the S.S. *Winona* delivered 2,100 tonnes of

grain to Pictou. Unfortunately, the grain had been dumped carelessly into the hold and most of the labels had been torn off. Only McEwen knew enough to separate the grains, but his efforts to sort through the mess and salvage the shipment eventually cost him his little finger on his left hand. By now, McEwen was out of a job, as financial problems at the wheat pools had prompted the closure of the CCWP in late 1930. He applied for the newly vacant position of general manager at the CLC(M), competing against the estimable J.K. King. Although he lacked experience in marketing livestock, McEwen's organizational skills and ability to make things happen helped him get the job, while King went on to become Deputy Minister of Agriculture for New Brunswick. McEwen

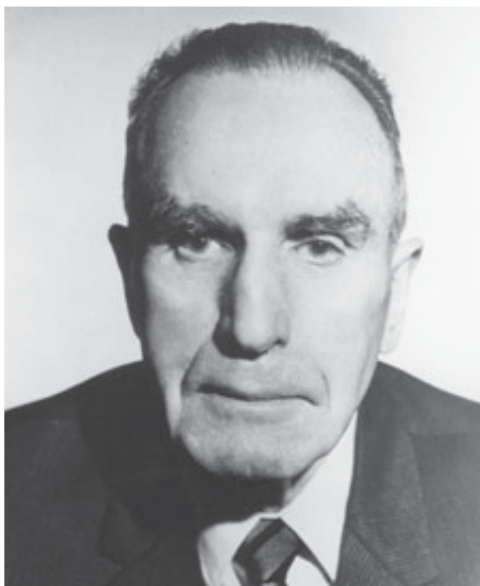


The S.S. *Winona* in Mulgrave, N.S., in 1931

immediately began work on what was, at the time, a very ambitious plan for the CLC(M) – an effort that took on more urgency with PEI’s coincidental withdrawal from the organization in 1933. He proposed a well-developed network where producer and consumer co-ops – rural and urban – would put aside regional, political and geographic differences and work together. It was a vision similar to the Co-op Atlantic of today, but the plan met with considerable uproar, leading to the approval of a watered-down version instead. McEwen struggled over the next few years to build a consensus and ties between the different co-ops, finally getting the boost he needed in 1937 when Roy Grant was hired as assistant GM responsible for livestock marketing. Revised plans aside, the CLC(M)

managed some pivotal milestones through the mid- and late-1930s. The organization continued adding services – such as buying fertilizer for members, and grew considerably in size. A warehouse with office space was leased on Mechanic Street, in 1935, and two adjoining warehouses were later opened. In 1938, McEwen decided CLC(M) could operate without government subsidies. That same year, following rallies in Sydney, a proposal was submitted to the AGM to use the central CLC(M) as the basis for a wholesale warehouse to serve co-op stores in Cape Breton. Although the plan was modified when McEwen suggested it could only work if CLC(M) opened a branch, not a subsidiary, the Sydney warehouse opened soon after on October 1 and J. T. MacDonald became

manager, in 1939. The warehouse supplied a network of 32 stores organized into nine zones and, by the end of 1939, was shipping approximately \$30,000 worth of groceries each month. Meanwhile, the CLC(M) had grown to 30 employees and had even diversified into the insurance business, first offering livestock condemnation and travel, and eventually adding group sickness for employees and fire coverage. There were also changes made to the organization’s bylaws. But these were uncertain times for CLC(M) and the world. Hitler had declared war on Poland and England declared war on Germany. These developments would have a profound impact on the growth and development of the organization in the decade ahead.



Wesley Haddan McEwen - General Manager  
(1932-1961)



From all of us at the Nova Scotia Co-operative Council

**“CONGRATULATIONS”**  
to Co-op Atlantic  
for 85 great years!

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# 1940-1949

In 1940, the CLC(M) changed representation on the management board – making it a board of directors – and grouped the region’s co-ops into seven geographic zones. Yet these changes were overshadowed somewhat by the profound transformation that resulted from the war between England and Germany. The CLC(M) became the contact for millions of tonnes of Maritime bacon products shipped to Great Britain, and these shipments renewed interest in centralized coordination for the

region’s co-ops in all areas of business. When the war commission announced that it would only negotiate with one Maritime co-op, the CLC(M) was selected to take the lead. These developments suggested that McEwen’s vision for a strong Maritime network of co-ops might finally catch on, but that dream suffered a considerable setback in 1941. Cape Breton co-operatives, looking to strike out on their own, established Cape Breton Co-operative Services (CBCS) and took over operation of the Sydney

branch. The move – approved at the 1941 AGM – followed parallel developments in the region, such as the five-store Eastern Co-operative Services, founded by co-ops in the counties of East Pictou, East Guysborough and Antigonish. Similar operations also took shape in communities like Amherst and Madawaska, which were both CLC(M) members.

Despite these developments, and the closure of roughly 100 small village co-ops and credit unions throughout the Maritimes between 1936 and 1946, there were indications that the co-op concept was catching on. This created growing pains for the CLC(M), albeit positive ones. The Mechanic Street warehouse was now too small to serve the region’s needs, so the CLC(M) acquired land on Record Street for a new warehouse and office facility, in 1941. That same year, the CLC(M)’s Moncton retail unit, formed

## 85 YEARS OF SUCCESS THE CO-OPERATIVE WAY

Since 1927, Co-op Atlantic has prospered while strengthening our communities. It is fitting to celebrate this milestone in the United Nations’ International Year of Co-operatives.

Happy 85<sup>th</sup> Anniversary, Co-op Atlantic. We at McInnes Cooper are honoured to work with you as you continue to build a better Atlantic Canada.



MCINNES  
COOPER  
LAWYERS | AVOCATS



Maritime Co-operative Services Ltd. (MCS) and Co-operative Farm Services (CFS) - Record Street property in the 1940s

in the mid-thirties, received its co-op charter and became Co-operative Farm Services (CFS) – later Co-op Centre. This allowed CLC(M) to diversify as a full-service central. More important, CFS marked the beginning of CLC(M)'s management agreement when McEwen assumed the role of CFS manager. To this day, many co-ops throughout Atlantic Canada continue to operate under such agreements with Co-op Atlantic for the organization to identify and hire management for individual co-ops. But the growing success of the CLC(M) was best reflected in the organization's financial performance. Thanks to increased wartime demand, livestock sales consistently broke records month after month. By 1942, the value of livestock sold through the CLC(M) had risen to \$731,997 from \$72,400 in 1932.

Writing in his Maritime Co-operator column that year, assistant GM Roy Grant, informed readers that September-November 1942 represented the heaviest trading season in the history of the organization. By 1944, the CLC(M) achieved total sales of \$3,378,302 and, after reorganizing into eight geographic zones, adopted a new name in 1945 – Maritime Co-operative Services Ltd. (MCS), to incorporate the subsidiaries. With the end of the war, McEwen attempted to revisit his bold vision for a unified co-op network with The Maritime Plan. Unfortunately, the plan, drafted in 1946, was tabled for two years before it quietly died. On a more positive note, two future general managers joined MCS during this time. W.D. Dernier became manager of the Feed Department, in 1947, and Lloyd

Horton joined the Farm Chemicals section, in 1948. The end of the decade saw a new feed mill open in Moncton, new efforts by Dernier to organize a fleet of trucks and bulk feed deliveries, and the return of PEI, now known as Island Co-op Services, to the organization, in 1949. That same year, J.E. Walsh became president of MCS – a position he would hold longer than any other president. By now, the organization had grown to more than 100 employees and was in desperate need of a new home. Fortunately, McEwen had prepared for such a development.



1945 Annual General Meeting

# 1950-1959

On October 2, 1950, Co-operative Farm Services (CFS) purchased MCS's Record Street facilities, and MCS moved into its new location at the Victory Industrial Centre, on Halifax Street. The site would also serve as home to MCS's first feed mill, which was built the same year. MCS had purchased land and buildings at the Centre – a former military base, in the fall of 1946, a full two years after the organization had outgrown the Record Street facility. Although it took almost four years to relocate, the move gave MCS its own property and

its third location in 24 years, illustrating just how much the organization had grown since its incorporation, in 1927. Despite constant growth, Maritime Co-operative Services faced a number of new and emerging challenges in the 1950s. Perhaps the greatest challenge to the organization was the growing number and strength of multinationals entering the marketplace. The need to stay competitive in the face of increased competition, dominated discussion at the 1952 AGM. One representative

said the best way to remain competitive was to survey the people who do household grocery shopping, to get a better sense of how MCS, and the co-ops it served throughout the region, could better meet their needs. But most of the delegates at the meeting were men, and they were mainly preoccupied with the business affairs of the co-ops. It was the wives of the delegates that were the primary grocery shoppers, and the realization began to dawn that perhaps management should become more inclusive to better reflect the needs of



**June 1952, The Faithful, Hopeful Co-operators**

**Left to Right: Monseignor M.J. MacKinnon, newly appointed Ex. Director, St. F.X. Extension; Fred Hollidge, Sales Manager - Interprovincial Co-operatives Ltd, Winnipeg; W.H. McEwen, GM - MCS Ltd.; J.H. MacKichan, GM - United Maritime Fishermen, Ltd., Halifax; A.B. MacDonald \_ General Secretary - Co-operative Union of Canada, Ottawa; Alex A. (Tando) MacIsaac, Secretary - Manager - Co-operative Union of Nova Scotia, Antigonish; J.E. Phillips, GM - Consumers Cooperative Inc., Superior, Wis.; and Dr. M.M. Coady, Just retired Director - St. F.X. Extension Dept., Antigonish**

co-op consumers and stay competitive. On another note, MCS had grown to 200 employees, as early as 1952, and there were signs that some of the regional service co-operatives were ready to join, or rejoin MCS. Many had fallen on hard financial times in the years since they were formed. While some came back into the fold, others merged to create large local wholesale co-ops, most notably Cape Breton Co-operative Services and Eastern Co-operative Services – the regional service co-operatives that started it all – in 1956. The merged operation, now known as Eastern Co-operative Services Ltd. (ECS), built a poultry processing plant, a cold storage plant

and marketing facilities, in Sydney. As the 1950s progressed, McEwen's role began to change, and he became more of an executive officer than a general manager of Maritime Co-operative Services. He continued to write a regular column for the Maritime Co-operator, but the column, launched as Funny Business in 1950, changed its name to Serious Business, in 1955. That same year, MCS began to formalize a standard contract for the management agreement that took shape in 1941 when McEwen became manager of Co-operative Farm Services. The end of the decade brought continued growth and expansion for MCS.

The organization introduced bulk feed in 1958 and built a new feed mill in Fredericton the following year. There seemed to be a strong sense that MCS had not only arrived, but that a bright future was in store for the organization. This was exemplified by a five-year plan that McEwen drafted for MCS, in 1958, one that was based on the experience – his experience – of 25 years. The organization was clearly positioned to make major strides in the decade to come, but not before some major changes took place that signaled the end of a great era.



Moncton Feed Mill

Celebrating Co-op Atlantic!

**85 years of commitment and co-operation,  
one year at a time.**

The Caisses populaires acadiennes proudly celebrates  
Co-op Atlantic's undeniable and vital contribution  
to our communities.

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are here to listen to you and to propose strategies  
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Caisses populaires  
acadiennes  
*higher, further, together*

# 1960-1969

A decade of great social change, the 1960s marked the end of one era – and the start of a new one – for MCS as both McEwen and Grant announced their retirement, in 1961. While it was true that McEwen had not achieved all of his ambitious goals for the organization, his endless efforts to create a unified network of Maritime co-ops laid the foundation for MCS to become a major economic force in the region, and a leader in the marketplace. McEwen would stay on with MCS as Corporate secretary until the early 1970s. McEwen's successor was W.D. (Willard) Dernier, former manager of the feed department. He had received

extensive training under McEwen before taking on the position. Widely regarded as a builder and risk taker, Dernier brought with him a more entrepreneurial approach to the management of MCS, one that would help the organization capitalize on the growth it had enjoyed in the 1940s and 1950s. The change in management was complemented by a change of office for MCS, that same year. A new 25,000 square-foot, three-story building was completed and officially opened on Halifax Street on November 15, 1961 to serve as a permanent home office for the organization. The following year saw more developments and construction

with the building of a feed plant in New Minas, as well as the formation of the Atlantic Council of Co-operators. MCS was also restructured into three distinct divisions: merchandising, retail services and finance. Yet the most significant development of the decade came in 1964 – just three years after McEwen's retirement – when Eastern Co-operative Services agreed to merge with MCS. Its assets were transferred in January of 1965, and the Sydney wholesale operation was once again a branch of Maritime Co-operative Services. For McEwen, it was a bittersweet development – not one he looked upon as a victory, but rather as an all-around defeat. And



Moncton office building in 1969

yet, the move meant that the Newfoundland co-ops, which had been buying co-op products from the ECS warehouse because they lacked a central wholesaler, were also now dealing with MCS. Finally, the pieces were falling in place for the united network that McEwen had worked so hard to establish almost 30 years ago, this time as an Atlantic Provinces-wide network.

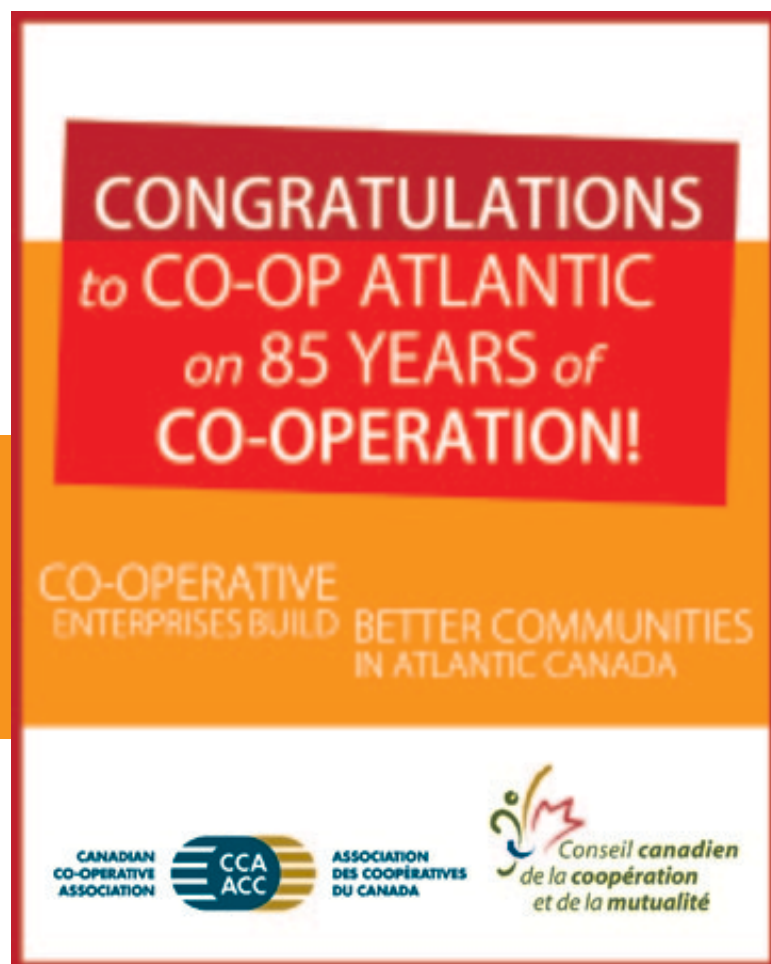
Sydney's return to the organization, and the growing ties with Newfoundland co-ops, led to a rash of

new initiatives at MCS. Dernier and his assistant general manager, L.G. (Lloyd) Horton, convinced the board to approve a feed warehouse for Sydney, which opened in 1967. The following year marked the reorganization of Maritime Co-operative Services into ten geographic zones in recognition of Newfoundland's growing involvement with the organization. Other highlights from 1968 include the opening of the first two direct charge co-ops in the region – in Dartmouth and St. John's – as well as the opening of an 80,000

square-foot warehouse in Moncton. And, in 1969, a new feed mill opened in New Minas, a move made necessary by a fire that destroyed the original mill in 1967. All of these developments demonstrated that MCS was gaining considerable ground in the marketplace and, at long last, becoming a highly integrated and efficient co-operative network. All that was needed was a new name to make clear just how far the organization had come since 1927.



W.D. (Willard) Dernier



# 1970-1979

The 'me' decade was a relatively stable period for MCS, and one marked by continued expansion, construction and consolidation. Sydney got a fully modern distribution facility with a new 40,000 square-foot warehouse in 1970 and, three years later, work began on a new feed mill for New Minas, as well as a 50,000 square-foot addition to the Moncton warehouse. Yet there were occasions when issues created division among MCS board members, and the most notable division in the early 1970s focused on direct charge stores. By this time, there were more than a half-dozen direct

charge co-ops located throughout the region, and stores were exerting pressure on MCS to put more promotion behind the concept. Support for the direct charge concept was pretty much divided along generational lines. McEwen and Dernier were opposed to the idea, but future GM Nestor Charuk believed it would be well received in urban centres, instead of the traditional format. Another future GM, Lloyd Horton, also expressed support for the concept, but it wasn't long before some of the detractors came around. Speaking at the opening of the

Simonds Co-op in 1973, Dernier, ever the pragmatist, said how pleased he was to have been involved in the full launch of the direct charge business model which featured member-only shopping and promised substantial savings to member-owners in exchange for an automatic weekly service fee and a contribution to share capital. These stores were generally constructed on inexpensive land with modest facilities, warehouse shelving and limited product offerings. Meanwhile, 1971 saw a final break with a proud past as McEwen took full retirement from the organization.

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Peoples Park Tower turning of the sod

Despite the move, his name would figure significantly in MCS's immediate future. Proceeds from the sale of his house were used to establish the McEwens Seminars, in 1972, to further co-op education, so named in recognition of McEwen and his wife, Merle. And, four years later, the McEwen Centre, a major addition to the home office, was completed, further exemplifying the enormous contribution McEwen had made to the success of MCS.

Another change in management occurred in the 1970s, with some sadness, as Lloyd Horton took over as general manager from Willard Dernier, who passed away in 1974. Although more conservative than his predecessor, Horton recognized the immense opportunities afforded by technology to support and grow the wholesale

business. Perhaps that openness to technology led to the installation of MCS's first mainframe computer that same year. He would also oversee the completion of many major initiatives launched by Dernier, including the development of Atlantic Peoples Housing Ltd., and the subsequent construction of Peoples Park Tower, a senior's apartment complex, in 1976. Horton also oversaw the completion, in 1974, of a new feed mill – the largest and most modern in the region – in Truro. Other highlights from that year include MCS's incorporation under the Canadian Co-operatives Association Act as Maritime Co-operative Services – as required by the new act – and the Agricultural Division's decision to open a purchasing and brokerage office in Winnipeg, garnering a seat on the

Winnipeg Stock Exchange. The following year, the Co-op College established an Atlantic regional office, ensuring that co-op executives could now obtain training in the region tailored to meet the very unique demands of doing business in Atlantic Canada.

In July 1978, Maritime Co-operative Services took another major step forward and adopted a new name: Co-op Atlantic. The change reflected the organization's growth from a Maritime Provinces-based co-operative network to one that extended throughout Atlantic Canada, and Co-op Atlantic would fully capitalize on that new name in the 1980s.



Peoples Park Tower, Moncton



Tannery Court, Fredericton

# 1980-1989

The early 1980s were not necessarily the best of times for Co-op Atlantic. The Fredericton feed mill burned down in 1981 and, in December 1982, Wesley McEwen, one of the most important figures in the early development of Co-op Atlantic, passed away in Sidney, B.C. There were also mounting concerns that consumer-members and producer-members could not be adequately served under the same umbrella. Yet it wasn't all bad news for Co-op Atlantic during this time. A change in management in 1982 saw Nestor Charuk assume the position of general

manager, and, in 1983, Newfoundland got its first distribution centre. The Sydney Distribution Centre had been serving that province's co-ops since Eastern Co-op Services joined Co-op Atlantic in 1957, and the demand was so strong that the 30,000 square-foot warehouse – built in Gander – underwent a 23,000 square-foot expansion just six years later. As the decade progressed, several initiatives launched in the 1960s and 1970s truly came into their own. Atlantic Peoples' Housing began to expand with a series of seniors' complexes. The number of direct

charge co-ops continued to grow sharply and the success of the concept was well established.

Co-op Atlantic also completed several construction projects in the mid-1980s, such as the opening of the Henri Durant Distribution Centre, in 1985, and the Produce Wholesale Operation in Moncton, in 1986. The facility marked Co-op Atlantic's first venture into produce. A grain storage facility was also built the same year in New Minas.

Looking to ensure that the organization was continuing to meet the needs of member co-ops

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Fredericton Feed Mill

throughout the region, Co-op Atlantic unveiled the Co-ops in the Marketplace Study, in 1986, which examined the relevancy of co-ops. The following year, the organization celebrated its 60th anniversary in part by purchasing outright the Henri Durant warehouse and incorporating the Atlantic Co-operatives Development Fund. With this milestone and these initiatives behind them, Co-op Atlantic closed out the decade with the Gander expansion and a three-floor expansion to the McEwen Centre to accommodate the organization's ever-growing workforce. The next decade would see Co-op Atlantic taking stock and making preparations for doing business in the fast-approaching 21st century.



**Gander Distribution Centre**



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# 1990-1999

As the last decade of the millennium got underway, and with the organization's 65th anniversary on the horizon, Co-op Atlantic continued to embrace change. A new general manager, Eric K. Dean, took over the reins from Nestor Charuk, in 1990. Dean had previously served as Division manager Retail, and had been general manager of the direct charge co-op, in Dartmouth.

Co-op Atlantic's board mapped out a bold new vision for the organization with A Proposal for Renewal, in 1991. The proposal, led by president Sidney Pobihuschy, represented a major shift in both the structure and operation of the organization, and called on every member to think about what an organization like Co-op Atlantic could accomplish, as well as the potential and opportunities for future growth. Approved at the 1991 AGM, the proposal led to a number of initiatives, starting in 1992.

Meanwhile, Co-op Atlantic was about to embark on a series of firsts for the organization, and for the region. An

Information Technology division was formed and Electronic Commerce assumed responsibility for data integrity. By keeping a detailed record of data between the wholesale operations and the retail co-ops, Co-op Atlantic could now ensure that it had the right information to make timely procurement decisions. Co-op Card Services, Co-op Atlantic's first foray into credit cards, was successfully launched in 1992. The Ecology Coordinating Team, and a groundbreaking and comprehensive Employment Equity Program were also introduced – two trend-setting initiatives in our region.

One of the most significant projects of the decade came in 1994 with the opening of a new produce operation, in Newfoundland. Provincial co-ops, which had previously purchased some of their produce from Moncton, had long pushed for a Newfoundland-based facility, fully convinced that the volume existed to make it work. The approval of the Newfoundland motion at the

AGM was a testament to the democratic nature of the organization, but the subsequent success of the produce operation was a testament to the hard work and dedication of the Newfoundland co-ops.

Most visible in the mid-nineties and beyond, the retail food sector in our region became increasingly crowded in urban markets, with the opening of very large food stores by Loblaws, and new store openings and renovations by Sobeys. This led to price wars in many markets, to the point where many co-ops operating under the direct charge format were struggling and losing members who had become discontented with the weekly service fee aspect of this retail co-op format.

With the ongoing price wars, margins at retail were suffering and sales were decreasing. Many retail food co-operatives were continuing to ramp up their trade accounts with their central, putting significant pressure on the balance sheet.

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Ken Val Co-op Food Market

Through this change in business reality, Co-op Atlantic endeavoured to further support member co-operatives financially, and took initiatives to reduce the cost of operations and, in 1996, undertook a major realignment of staff to generate additional working capital.

The year 1997 saw Eric Claus take the helm as chief executive officer for Co-op Atlantic, signaling a major shift in management style. Young and dynamic, Claus was the first GM not to have come up through the Co-op system. His appointment would lead to a major change in direction for the organization.

Eric Claus initiated efforts to increase ties with the national and international network of co-ops. Procurement of general merchandise goods were made directly from China in an effort to bring low-priced merchandise to member co-ops. Relations were re-established with Quebec Co-op stores with an eye to meeting their needs, and a concentrated effort was undertaken with two retail co-operatives for a few short years, as well as with a wholesale and processing organization. Unfortunately, all of these initiatives proved to be costly and unsuccessful.

In 1998, Co-op Atlantic unveiled a striking new logo. The logo featured an illustration of a

family, in place of the traditional hyphen, symbolizing that people are at the heart of the organization and the key to its success. And, given the ever-increasing complexity of the organization, the board of directors adopted a policy governance model. The Carver model of policy governance enabled the board to focus on Co-op Atlantic's vision, its mission, and to adopt policies that articulated its own contribution, as distinct from that of management.

Another important development in 1998 came with the decision to close the Sydney Distribution Centre. Such an announcement, by any other company, would have been the end of the story, but Co-op Atlantic was determined not to walk away from the community, despite the fact that the distribution centre was no longer financially viable, following several years of declining sales at co-ops in that part of the province. The organization made a commitment to the local co-ops to find a new use for the facility, and they made good on that promise the following year with the opening of the Sydney Frozen Food Distribution Centre. This was a landmark decision in that it marked Co-op Atlantic's entry into frozen food distribution, although the decision would become a distribution

logistics challenge, given its remote location from the central distribution hub, and the ever-increasing cost of transportation.

Due to the continuing competitive situation imposed by the large national chains and the multinationals, a number of retail co-operatives were facing insolvency and Co-op Atlantic was looking to retain a co-op presence in these markets and to maintain its purchase volumes with national buying groups. This led to the development of the Co-op Basics format, which offered a limited product assortment in a price discount format with warehousing type shelving.

Also in 1999, Claus and his team began discussions on a new strategy to consolidate member co-ops facing insolvency with the proposal to form the Consumers Community Co-operative, which would become Canada's second-largest food consumer co-op. Meanwhile, in the Agriculture division, the year 1999 saw a new Country Store logo and design for farm stores, and the introduction of the Air Miles program in agricultural retail co-ops.



Coop Régionale de la Baie



Gander Co-op

# 2000-2009

At the beginning of the decade and the new millennium, Co-op Atlantic and farmers in the Maritimes formed an organization called the Atlantic Beef Products Inc., a beef processing plant operating in Borden, PEI. The investment in this partnership was \$500,000. The plant allowed CA to produce its own brand of beef products and increase its quality and sales to its member co-ops.

Co-op Atlantic followed through on its strategy to consolidate 28 retail Co-ops with 33 locations into one co-op called the Consumer Community Co-operative (CCC) in the beginning of the decade. These retail co-ops were for the most part insolvent prior to the merger and it was hoped that the amalgamation could save them. The process included a democratic vote at each co-operative to dissolve its organization, and the CCC took control of all properties, assets and liabilities. The transition started in 1999 and ended in 2001. Co-op Atlantic had to write off part of the accounts receivables of these co-operatives and convert another portion into non-voting shares.

Another initiative of interest at the central was the introduction, in the Food division, of two

new independent retail banners that were designed to supply small, local retailers directly from Co-op Atlantic's distribution system. Starting in 2000, the Valufoods and RiteSTOP banners gradually took hold and became a new source of revenue.

In June 2002, CA terminated its Co-op Credit Card services due to competition from major credit cards. During the same year, the Board decided to dissolve the Atlantic Co-operative Development Fund and return the investments to its members because of the difficulty in investing in sound co-op projects. The CCC suffered substantial losses over the ensuing years and closed several locations. In order to support the losses, Co-op Atlantic decided to sell and lease back several buildings including McEwen Centre and the Price Street distribution centre.

In the midst of this profound, system-wide transformation and strong competition, the Board of directors had to deal with the abrupt resignation of its CEO, Eric Claus, in October 2002 - the same year it had celebrated its 75th anniversary. Fortunately, the Board found the required leadership skills internally, in the person

of John Harvie, a seasoned manager and Vice President of the Food Division.

As the new CEO, Harvie immediately worked at securing new financing for the organization. In November 2005, he obtained a loan guarantee from the New Brunswick government and, in 2007, received a \$5 million investment in shares from The Co-operators. Along with the loan guarantee, the New Brunswick government offered the assistance of the firm Richter Consultants. Richter worked with management to develop numerous recommendations that would be implemented over the next few years. Mr. Harvie also worked to obtain membership support through numerous meetings and discussions with member co-op boards of directors. He worked with his executive team to prepare strategic initiatives designed to improve Co-op Atlantic's performance, taking measures to reduce costs and better capitalize the core businesses of food, agriculture and energy. These plans lead the central to launch an integrated agri-food strategy, developing and strengthening business relationships with growers and producers to bring more Atlantic products to its member co-ops. That strategy became tied to the Co-op Difference strategy, which was successfully developed to differentiate co-ops in the marketplace.

Although both the Co-op Basics stores and the CCC retailers failed to reverse the trend of declining sales, the remainder of Co-op Atlantic's members continued to grow their sales and support the central. As a result, the financial situation began to stabilize and gradually improve. The solidly increasing sales from the independent Valufoods and RiteSTOP banners also contributed to improving CA results overall.

The first half of the decade saw a good number of strong initiatives on other fronts: a partnership with ACA Co-operative to acquire an integrated poultry processor in Newfoundland and Labrador; the introduction of Medicine Shoppe pharmacies in Co-op stores; the construction of Camden Park Terrace, in Moncton; the establishment of Avide Developments - an integrated property development company; the opening of the Frozen Food Distribution Centre in Sydney; the launch of Co-op Express gas bars/convenient stores, and the partnership with La Boulangerie des Iles, in the Magdalen Islands.



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In addition to those strategic moves at the central, member co-ops also accelerated their pace of change, with renovations and expansions. Everywhere, those modernizations brought the expected benefits of increased sales, reduced operating costs and improved service levels to members.

At the same time, the Board continued to improve its governance of the organization by revising its policies, launching an electronic newsletter to better reach its member-owners, creating a new zone structure and delegate allocation – going from ten zones to eight - and renewing its commitment to serve member co-ops in the official language of their choice. The second half of the decade also brought challenges and opportunities. In June 2007, MacLeod's Wholesale, of Sydney, was closed due to poor profitability. MacLeod's business was combined with CA's distribution system. In 2008, the PEI government requested that Co-op Atlantic relinquish its investment in the Atlantic Beef Products plant. APB successfully grew its retail business, but fell short on the institutional side of business and had accumulated operational losses. The plant continues to operate under government assistance and supplies Co-op Atlantic with our local beef products.

In November 2007, a resolution to amalgamate the remaining CCC stores into Co-op Atlantic was presented at a special meeting of all member co-ops. The resolution received a unanimous vote of approval.

The CCC amalgamated stores - now down from 33 to 13 - adopted the name Co-op Food Market (CFM). The sales performance of the CFM stores remained an ongoing concern, but both management and board remained optimistic about their future.

Opportunity took the form of a new urban retail co-op, as requested by residents of Dieppe. The new co-op opened in 2007. By the end of the decade, this new co-op had a membership exceeding 2,000 and was well on its way to achieving positive financial results, in an already crowded market place.

Another new development came about in social housing, with the opening of the first Tannery Court residence for non-elderly, single adults in Moncton, in 2008, followed by a second such residence in 2009. That social housing concept was a first in Atlantic Canada.

By 2009, sales to C.A.'s independent retailers had exceeded \$56 million, amounting to nearly 20%

of the central's food volume.

In agriculture, the market continued restructuring. The once thriving pork industry was decimated and farms continued to consolidate into larger operations. In spite of that, the Agriculture division increased its market share and maintained most of its feed volume. The retail farm stores experienced higher sales levels. In 2009, the division announced the planned closure of the Moncton feed mill and its intention to construct a new one.

In its quest to improve service to its member-owners, the Logistics division dramatically raised its efficiency levels in the warehousing and distribution of its products to retail stores. Facing constantly increasing fuel costs, the division applied creative solutions to reducing expenses and attaining new levels of service. One such solution is the use of a radio frequency, voice-guiding and confirmation system for accurately filling an order. Another is the installation of temperature controlled partitions in delivery trucks to ensure optimal product freshness.

Technology played a crucial role in the exchange of information and data analysis at both the central and the retail levels. The decade saw the launch of an intranet site, a new corporate web site, the online publication of the retail flyers, a

web catalogue for retail stores, the launch of a computer-assisted ordering program which provides automated inventory control, and the implementation of the very complex Oracle Financials system for accounts receivable. Reaching the end of the decade, Co-op Atlantic and its member co-ops felt a sense of renewed confidence, realizing that their solidarity and resilience had brought about a successful turnaround. The 2009 fiscal year marked the fourth consecutive year of positive financial results at Co-op Atlantic.

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# 2010- 2012

The year 2010 was a milestone for the co-operative system: the combined wholesale, retail and producer Co-op business in Atlantic Canada had reached the \$2 billion mark. 2010 also saw 8 store renovations, an indicator that the co-op system had effectively achieved a turnaround.

In December, the Board approved the construction of a new feed mill, replacing the 42-year-old facility in Moncton, an investment of \$8.0 million. Construction began the following year, this being the biggest capital project to be undertaken in more than 10 years. Production commenced in the spring of 2012.

Also in 2010, the Board of directors at Co-op Atlantic won the Board Governance Award from the Canadian Co-operative Association for its excellence in governance, having worked diligently at effecting organizational changes to realize key board initiatives and results.

During this period, the energy sector was in a state of transformation, with world market fluctuations in prices and supplies. Co-op Atlantic's Energy division was looking for business opportunities. They launched Atlantic Canada's first Energy store, providing both conventional and alternative energy choices to member-customers in the form of solar, wind, and heat pump system solutions for both home and small business.

The Energy division made the Sonic gasoline retail brand available to independent gasoline retailers, opening 5 such outlets in 2011. The division also brokered an agreement with an independent fuel supplier by exchanging its customer list in the Fredericton market for that of Saint John, thus gaining efficiencies.

In social housing, Co-op Atlantic opened the

third Tannery Court residence, in Fredericton, and constructed a fourth such residence in Saint John, New Brunswick, in 2010. A second Tannery Court residence opened in Fredericton, in the summer of 2011. With this opening, CA was now managing more than 1,750 social housing units in the Maritime Provinces.

In 2011, CA successfully rolled out the new VillageMART retail banner, starting in Newfoundland and Labrador, and later in the Maritimes. In the spring of 2012, seven VillageMART retail stores were serviced by Co-op Atlantic.

In May 2011, our CEO, John Harvie, took his retirement after eight years of co-operative leadership and building solidarity with our member Co-ops. A strong and personable leader, Mr. Harvie will be remembered as the CEO who successfully turned the organization around and reestablished the co-operative organizational culture.

To replace John Harvie, the Board of directors chose a new CEO, Paul-Émile Légère, the former Chief Financial Officer. His focus was on strengthening CA's core businesses with input from members and staff, and implementing continuous improvements, increasing efficiency and reducing cost within the co-operative structure.

Mr. Légère restructured the Executive management team, creating the new Retail Food Division, which grouped all retail food business activities, such as the Private Independent food business, and Retail Marketing. He also merged Information Technology with the Finance Division.

In 2011, Co-op Energy acquired the home heat and commercial fuels business of Esso in PEI, and

introduced wireless technology efficiencies into its fuel delivery trucks, allowing for on-the-road receiving of new orders and the consequent adjustment of delivery routes. In 2012, Co-op Atlantic celebrated 50 years of fuels operations. It also purchased the Scotsburn feed business, successfully incorporating that tonnage into the Truro feed mill operation.

The combined efforts of the Board, Mr. Harvie, and Mr. Légère, and the solidarity of our member co-ops resulted in Co-op Atlantic's equity improve from 9% to 28%, between 2002 and 2012, moving the organization from a precarious financial position to one of solid financial base.

In this historic year 2012, Co-op Atlantic marked its 85th anniversary and celebrated the International Year of Co-operatives, as proclaimed by the United Nations. Activities and events were held at both the central and in communities where caisses populaires, credit unions and retail co-operatives are present. This historic year served to raise awareness of the benefits of co-operation and the diversity of the co-operative movement in our region.

2012 was also a year to reflect on the power of solidarity and the vital importance of co-operation among co-operatives. The organization has demonstrated a remarkable resilience in the face of hardship and adversity over the past decades. It has shown its ability to transform itself, remaining an essential link among communities of the Atlantic region. This realization should inspire co-operators to face the future with confidence and pride in our contribution to building a better world, here in Atlantic Canada and beyond.



Moncton Feed Mill



Tannery Court, Saint John