



CO-OPERATIVES or COLLECTIVES

Some Tips on Setting Up

Co-operatives can be set up under a legal agreement, with a contract that includes the working relationship of the partners.

Choosing partners

One of the key areas for a successful co-op is finding people who can work as a team, who want to make it work through being prepared to compromise and put in their own voluntary time.

They need to be people who not only want to sell their art, but who will take on an extra job apart from being rostered on to run the shop on a day to day basis.

Therefore it is important to have a mix of skills amongst the members, for example; a treasurer to ensure that artists and bills are paid regularly, someone with marketing experience and someone willing to assist with setting up the shop and displays.

When selecting members it is important to consider compatibility in working styles and personality, not just style of art work. It is important to meet first to see whether you can work together and to set some broad principles.

Also important is that all partners are open about what they want for themselves as well as what they want for the co-operative.

It is your choice as to the number of people in your partnership, but 7 is recommended as optimal, as there are 7 days a week the shop is open, and also it is good to have an odd number for voting.

KEY TIP

The co-operative should be a shared project, which takes time to get established - at least a year. It needs compatibility and compromise. Don't rush into selecting a partner, the right person will appear.

The Partnership Agreement

- Get a sample agreement of a similar co-operative
- Have a lawyer go over it for potential pitfalls
- Write it in common language and keep it simple, as it is your base document that partners will need to refer to.

Should contain the following sections:

	Example	
<u>Purpose</u>	To promote the partners work To provide a professionally run outlet for the artists	
<u>Operation of the gallery</u>	Equal time basis Roster, made up 2 months in advance Substitute arrangement is the responsibility of the individual Partner may work in the gallery	
<u>Commission</u>	Partners 15%	Other artists 30%

Selection of artwork

New work is put to the vote of members as to suitability for the gallery
Also applies to members if they have a new line of work eg gift cards
Individual pieces are not voted on
Partners will invite other artists to submit their work for consideration
No exclusive rights on artists work

Financial

Initial setup costs, (e.g \$3,500 for painting walls, phone line, eftpos) and thereafter monthly costs of day to day running, (rent power or phone) are shared.

Objective to get the monthly fee to zero, by building up the kitty (shop account.)

All money from sales on behalf including commission, goes in to shop account.

Payout to artists for sales is once per week.

All cheques to be co-signed, not by members of the same household.

Insurance Is the responsibility of individual artists
Burglar alarm and fire alarm on premises
All reasonable care taken

Trading title Shop name

Membership If someone wishes to leave they must give 6 weeks notice
Keys to be returned

Roles and jobs Treasurer, secretary, chairperson roles with other partners
doing other jobs
All jobs change regularly
May co-opt on others with specific skills eg treasurer
Co-opted members don't have voting rights

Meetings Monthly meetings
Minutes taken and kept in minute book

Leases

Shop lease

Go into a lease with a long term view - 3 years minimum. Review this after the first 6 months. Build this into the lease agreement. Also get a 3 year right of renewal.

Telephone and eftpos

Lease is in the names of all partners

Daily diary

Keep a log book for what has happened each day, and for taking messages and information that needs to be passed on. This is the hub of the shop. The first thing the rostered partner should do is read the daily diary to see what needs to happen since they were in last.

Meetings and communication

It is important that attention is paid to the group dynamics. Need to be honest and open about:

- Aspirations for the group
- Financial commitments
- Individual artistic careers

Meetings should be kept to a minimum and minutes emailed out within a week. Agenda sent one week before meeting.

Email communication can happen between meetings using 'reply to all'.