

hotseat Ted Howard



A DIFFERENT PERSPECTIVE: Social entrepreneur Ted Howard visited Preston to talk about how he does business

# Working together

After last week's National Co-operative Week, talk of doing things differently is growing. DAVID COATES meets a man who has been there

**I**F you do what you've always done, you'll get what you've always got.

Ted Howard would never sum up the mantra behind his work quite so simplistically, yet quenching a desire for a different way to do business is certainly at the heart of what he does.

It is a desire which he first encountered back in 2007 when the University of Maryland professor was approached by a foundation of philanthropists from the US city of Cleveland seeking his help on a project to tackle rising poverty through "community wealth building."

"We had explored these issues for many years but never been involved in the on-the-ground implementation," he says.

"So we saw it as a terrific learning laboratory to look at how we put all the pieces together and make a real difference to the lives of the residents of the city."

Five years later, the fruits of his labour is the Evergreen Co-operative, a body which has helped create a number of worker-owned co-operatives in Cleveland, including one growing salads in a huge city centre greenhouse, an industrial laundry and a business which sells green energy.

Between them, these first businesses are expected to employ in excess of 500 people within a few months and there is at least another two set to get underway next year.

But how did it come about?

It started with convincing some of

Cleveland's "anchor institutions" – including hospitals, universities and the city's own government – to give their backing to these co-operatives by handing them contracts.

Ted Howard says: "There was a considerable period of dialogue and education to start with; we had to show these institutions this was not just theoretical, there were places where it worked."

He points to Mondragon, an area in the Basque region of Spain where a raft of co-operatives exist, and adds unemployment there is below 9% – when the rest of the country is spiralling above 25%.

"The reason for that," he adds, "is the Mondragon philosophy is they do not lay people off when times are tough, they get together as a group and find ways to save the money."

"That is clearly another approach to reinventing economics, very different to the one we have taken with Evergreen but on the same lines."

"The people of Mondragon will tell you 'this is not heaven, we are not angels', they have different problems there, but unemployment is not one of them."

The social entrepreneur visited Preston last week on an invitation from the city's council to talk about the Evergreen journey.

Sat alongside him in the city's Town Hall is Matthew Brown, the council's cabinet member for community engagement, a socialist to his core and a man bidding to get others to look at things a



**“I think the economic downturn shows the traditional ways of doing business are not always the best**

different way.

Last week, along with his distinguished guest, met with some of Lancashire's own 'anchors' including the county council, NHS bodies and universities to start the debate around whether such an employee ownership model could work here.

He says: "I think the economic downturn we are in has shown people how the traditional ways of doing business are not always the best."

"Here in Preston we took this route with our Tithebarn project (the failed £700m retail rebirth for the city centre) and got private investors ready to back it and, 13 years later, the city has stood still and not a single brick has been laid."

Ted Howard says Preston's being one of the first authorities to adopt the Living Wage – paying staff an amount deemed to be enough to meet their needs – was an "important mechanism" and a step towards the ideals adopted by Evergreen.

So, could the model work here?

He says: "If you try and take what is happening in Cleveland or Mondragon and put it down here, it will not work, you need something that works for here, but I sense a hunger for new approaches in Preston."

"If you do not like the idea of the state controlling everything and you do not like the idea of corporate capitalism which operates in many places today – what kind of system do you want which can produce better outcomes?"

## County pair up for gongs

A PAIR of Lancashire businesses are in the running to be named the best in the North West at a leading awards event.

Preston-based textiles firm Plumbs and construction business, Eric Wright Group, which is based at Bamber Bridge, are on the shortlist for the Business of the Year prize at the North West Society of Chartered Accountants which takes place later this month.

Blackburn-based engineering firm WEC Group is the third nominee for the top prize which will be handed out at the Imperial Hotel in Blackpool on November 22.

Darren Thomason, of Bamber Bridge-based haulage firm, WH Bowker, is in the running for the Finance Director of the Year prize with Preston accountants, Moore and Smalley up for Accountancy Firm of the Year. Other local nominees include Moore and Smalley's Judith Dugdale and Rebeckah Holt.

## Accountant firm to run seminars

A TEAM of employment law experts have teamed up with a Government body to help Lancashire businesses resolve disputes with staff.

Preston-based Napthens Solicitor will run a series of seminars with ACAS, the state-backed service aimed at resolving disputes, over the next 12 months focusing on issues around human resources and people management.

It is hosting the first seminar on conducting investigations at Ribby Hall Village in Wrea Green, near Kirkham, on November 23.

ACAS regional director Pete Monaghan said: "In an ever changing workplace this kind of training is becoming vital for companies large or small."

For further details, contact 01254 686221.

## 'Pull cash out of bonds'

AN investment expert has urged people to pull their money out of state-back Government bonds and into more "risky" investments.

Jason Street, director at financial advisory group Taylor Patterson, said the bonds, or gilts, were rated as 'red' on a system of financial alerts and urged clients to reduce their exposure to them.

He said the value of the investments is expected to fall with the "green shots of growth" appearing in global economies.