

→ Taste of Denmark

Type IV Conversion

TASTE OF DENMARK

Bakery
Oakland, CA

Date of conversion: August 8, 2010

Number of workers at time of conversion: 5

Number of workers as of summer 2014: 13

Conversion Type: Type IV

Based on review of news coverage surrounding the conversion, and limited conversations with Taste of Denmark staff at the bakery in the summer of 2014.

Background:

Taste of Denmark is a worker-owned bakery in Oakland, California. Taste of Denmark was co-founded in 2010 by the ex-employees of Neldam's Bakery, which closed suddenly in 2009, and the owners of the building in which Neldam's was located.

Why it became a coop

In July of 2009, 80-year old Neldam's Bakery unexpectedly and permanently shut its doors. Though Neldam's recession-related financial troubles had been well known for some time, few expected the closure of the bakery, which was widely considered an institution of the Oakland cultural landscape.¹¹³ The bakery's employees, many of whom had worked together at the bakery for decades, were told about the closure just two days before Neldam's was shuttered.

Neldam's closure was a major blow not only to its long-term employees, but also to the owners of the building in which the bakery was located. The building owners, Sukhee and Kevin Yoo, did not want the space standing vacant, and decided to approach three former employees of Neldam's to ask if they would be interested in starting a worker cooperative bakery in Neldam's old space.

The worker cooperative model offered several advantages for re-starting the bakery. For the former employees, worker ownership provided a way to not only get back the jobs that they had held for decades, but also to ensure that their jobs would be secure, long-term investments, under no one's control but their own. For the Yoos, offering the former Neldam's employees an ownership stake was a greater incentive for them to come back and re-start the bakery, giving the start-up plan a greater chance of success. Additionally, the Yoos recognized that restructuring the bakery as a worker cooperative would also likely incentivize workers to "put more passion into the bakery" than they might as non-owners.¹¹⁴ Furthermore, the cooperative model's emphasis on workplace democracy and investment in the community fit well with the Yoos' conscientious vision for the new company, which is now detailed in Taste of Denmark's mission statement.¹¹⁵

¹¹³ Lucchesi, Paolo. "Ex-employees to resurrect Neldam's Bakery under a new name, new ownership." Inside Scoop SF. August 5, 2010.

¹¹⁴ Fetini, Alyssa. "The Late Neldam's bakery is reborn, with workers in charge and treats as diverse as Telegraph Ave." Oakland North. September 11, 2010.

¹¹⁵ Workplace democracy and community investment are two of the ICA's cooperative principles, <http://ica.coop/en/whats-co-op/co-operative-identity-values-principles>. Taste of Denmark's mission statement is available on the company's blog, <http://tastedenmark.wordpress.com/about/>.

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Conversion logistics

Sukhee and Kevin Yoo and three former employees of Neldam's began the process of re-launching the bakery as the cooperatively-owned Taste of Denmark several months after Neldam's closed in 2009. Taste of Denmark officially became a cooperative on August 8, 2010, and opened for business in September 2010. Thirteen of Neldam's former employees soon joined Sukhee and Kevin Yoo at the Taste of Denmark cooperative.¹¹⁶

The financing for Taste of Denmark's start-up came from equity investments from the new worker-owners, along with investments from several entrepreneurs from Oakland's Koreatown and from relatives of many of the worker-owners.¹¹⁷

Coop logistics

Taste of Denmark's staff is comprised of worker-owners and non-owner-track employees.

The cooperative's socially and environmentally conscientious business model is illustrated in its mission statement:

Taste of Denmark is a worker-owned co-op serving the community. Our goals include, but are not limited to:

- *Buying goods from local collectives and other local businesses whenever possible*
- *Providing our customers with the best possible service*
- *Providing Taste of Denmark's Cooperative's workers with a livable wage*
- *Creating a nonhierarchical work space based upon respect, mutuality and cooperation*
- *Supporting fair labor practices*
- *Composting all in-store green wastes; recycling, reducing and reusing resources whenever possible*
- *Creating a diverse, non-discriminatory multilingual environment¹¹⁸*

Key lessons / effective practices

Forming a cooperative from a partnership between veteran bakery employees and the owners of the building that housed the bakery proved to be a smart move for Taste of Denmark. Not only did the cooperative avoid the added task of finding a suitable location, but the veteran employees brought with them their decades of expert knowledge about how to run the bakery. Additionally, because Taste of Denmark was able to literally fill the hole that Neldam's closure had created, the new cooperative instantly gained the considerable client base that Neldam's had accumulated over the course of 80 years.

¹¹⁶ Fetini, "The Late Neldam's bakery is reborn, with workers in charge and treats as diverse as Telegraph Ave." <https://oaklandnorth.net/2010/09/11/the-late-neldams-bakery-is-reborn/>

¹¹⁷ ABC News. <http://www.thenews.coop/32943/news/co-operatives/abc-news-profiles-cooperatively-owned-taste-denmark-bakery-oakland-ca/>

¹¹⁸ Blog of Taste of Denmark. <http://tastedenmark.wordpress.com/about/>