

Edible Assets Workshop Notes 14/09/10

PowerPoint Presentation can be found at

http://www.sustainweb.org/localactiononfood/local_food_events/

Community Finance Workshop

Jim Brown (Baker Brown Associates – download presentation) with David Mezzetti and Nicola Beglin from Real Food Store in Exeter.

Presentation by David and Nicola from the Real Food Store in Exeter

- £122,000 raised so far by Real Food Exeter – will be ready to sign a lease on a property for a shop in October.
- Started 17 months ago - set up at an open spaces meeting in February 2009 to discuss a local food plan for Exeter – namely how to find an outlet in central Exeter for affordable local food.
- Now they have 200 members (shifted from talking about investors to members very early on).
- 98 of them have subscribed £100 (minimum)
- 50% subscribed the remaining £10,000
- 93.5% gave between £100 and £1000 which is 39.5% of the total money raised. Have had some substantial subscriptions - 2 of these £20,000 from people they didn't know.
- If they didn't raise the money all investors would get their money back – and if that happens you can charge administration costs.
- They reminded people that they could get their money back and they only lost two offers throughout the process. If the offer changes, you have to get all the members to agree.
- Could potentially get a bank like Triodos to underwrite a certain amount – may give confidence in investors, financial return needs to be defined as well.
- Of 110 people who came to the original meeting, 80 of these became investors.
- Location of shop is essential, close to 3,000 office-based workers, bus station, park and ride etc.

How was the offer publicised?

- Used Transition Network, Green Party, foodie contacts.
- Launch of share offer – had refreshments, local food, identified networks, used South West Food and Drink mailing list.
- Is being run by a group of 7 people who met every other week for 6 months, all unpaid, all work done in spare time. Two accounts – one for the shareholders, another for overheads, and have spent approx. £1,700 on website production, cards, promotional material and this money was donated by the 7 in the group.
- When they start the shop, the staff won't have to be members. Will not have volunteers in the early stage of development, need committed professionals to make it work and have a smooth opening.