

# Q&A ■ INTERVIEW BY CINDY KIBBE

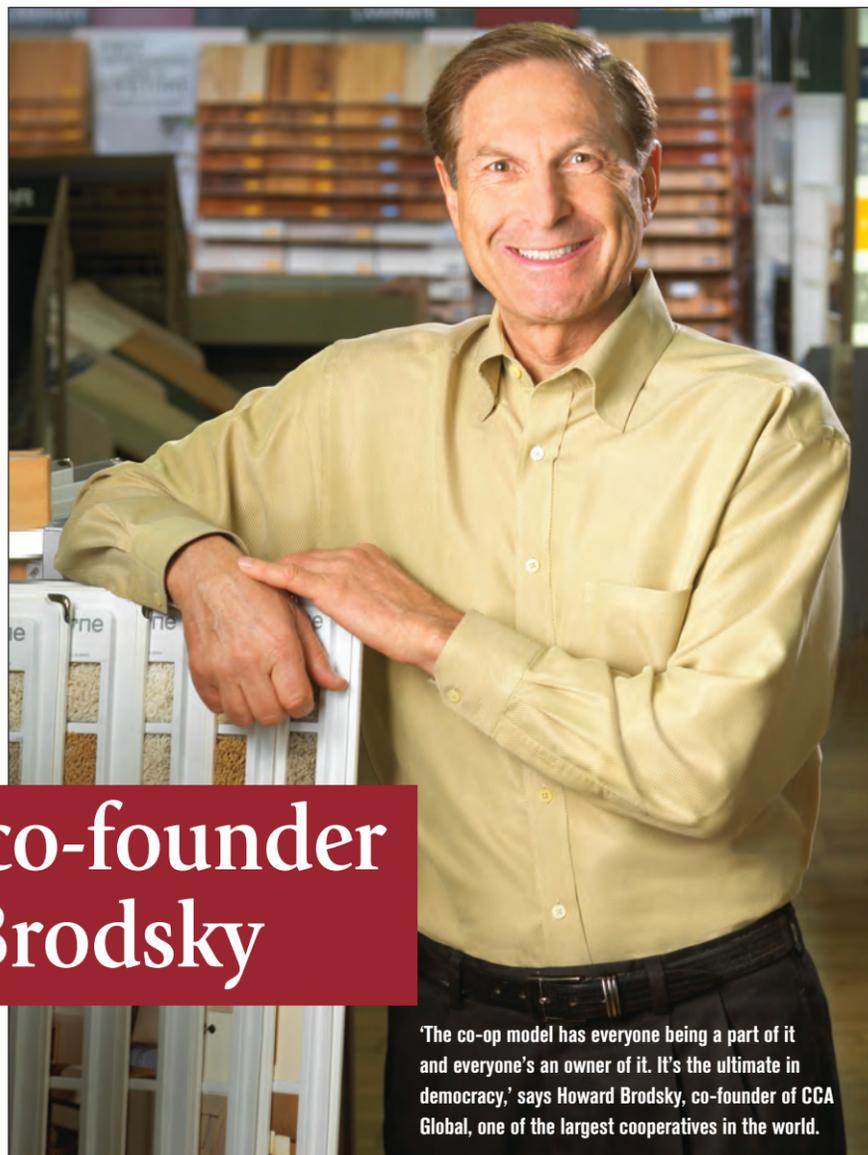
Manchester native Howard Brodsky is chief executive and co-founder of CCA Global, one of the world's largest business cooperatives and one of the largest privately owned companies in the country, with more than \$10 billion in annual sales.

**Q.** Tell us the story of how your first co-op came about.

**A.** What I saw was independents everywhere were starting to become challenged by big-box stores. They couldn't compete. It wasn't that they weren't smart, they just didn't have the scale or resources.

My very good friend Alan [the late Alan Greenberg, co-founder of CCA Global] and I pulled together a grassroots national campaign for the floor covering industry, doing a billion dollars of business in 10 days. That campaign taught us that, if you could leverage local, the power was there.

We started the first floor covering cooperative in the United States with 13 of our closest friends, Carpet One. It went on to become 1,000 stores.



## CCA Global co-founder Howard Brodsky

Then lighting people asked us if it would work for the lighting industry; we said we thought it would, and came up with Lighting One. Then the bicycle industry, the skiing industry, formalwear.

We realized it didn't matter what the industry or the product was, the co-op model would work because you're streamlining all the back-room processes.

**Q.** Why did you decide to choose a co-op model instead of a franchise model or just a purchasers group?

**A.** Independent businesses need services, scale and buying power, but they want to maintain their independence. This model really helps them maintain that; it's the ultimate in democracy.

Franchises tell people what to do. We try to give people the necessary tools to succeed in business.

**Q.** Now you're applying the co-op model to nonprofit organizations through CCA for Social Good.

**A.** We realized that nonprofits are like little cottage businesses. They have the same issues as

small independent businesses: they have HR issues, credit card processing, training, marketing and fundraising issues. Their passion, however, is that mission, but you can't consolidate passion.

We could, however, provide tools to help them run their nonprofit more efficiently, and hopefully give them more time to concentrate on their mission and more money to deliver to their mission.

Our most recent endeavor is with the New Hampshire Center for Nonprofits, building the nonprofit resource platform (See NHBR Feb. 25-March 10).

**Q.** Would the co-op model work with the health-care industry as a way to cut the enormous costs?

**A.** It absolutely would work in health care. In the state of Washington, there's a large health-care cooperative. They have the lowest cost but

'The co-op model has everyone being a part of it and everyone's an owner of it. It's the ultimate in democracy,' says Howard Brodsky, co-founder of CCA Global, one of the largest cooperatives in the world.

the highest quality health care in the country, and it's a cooperative.

We have a system that has more cost and less control. I would say the cooperative model has the reverse - lower cost and more control, more self-control.

**Q.** If you weren't doing what you are doing now, what would you be doing?

**A.** I love what I'm doing. I'm lucky every day I wake up. My mother gave me a great sense of optimism. To be in a world where I can still be very creative and helping others. It's amazing to be part of a company that is still so exciting. **NBR**

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## take 5

Whether it's March Madness running into April, Mickelson at the Masters or the mound at Fenway, major sporting events creep their way into our work lives. In a recent OfficeTeam poll, **57 percent of more than 1,000 managers surveyed said frittering away time at the office on sporting events was OK as long as it didn't get out of hand.** There was even 11 percent who said they thought it was actually good for morale. Could it be those managers are ones with skin in a game?

We've all heard that small businesses are the key to a strong economy, but just how strong? In the Granite State, says the U.S. Small Business Administration's Office of Advocacy, **small businesses made up more than 96 percent of employers and accounted for 54 percent of private sector jobs,** based on 2008 data. In 2009, the gross state product grew by 1.8 percent compared to the nation's 0.7 percent. See, size truly doesn't matter.

If economists are waiting for consumers to shop us out of a slow economy, they have a long wait ahead of them. An American Research Group poll found about **75 percent of some 1,000 surveyed said they were shopping less because of rising gas prices.** And 62 percent said they were holding off of spending sprees until next year or even later.

**It seems one thing Americans are spending money on is improving energy efficiency at home.** According to Harris Interactive, some 60 percent have replaced incandescent light bulbs with compact fluorescent ones, 60 percent are using power strips and 53 percent purchased Energy Star appliances.

With disasters around the world, Americans might still be concerned about the environment, but global warming isn't a priority right now. Gallup asked some 1,021 adults and found that **79 percent indicated soil and water contamination troubled them the most.** Only half said that global warming worried them a great deal, behind urban sprawl.



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