

Warrnambool Co-operative Society Ltd

**Author**

Grame Charles

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**Co-operative Federation of Victoria Ltd**



**The Warrnambool Co-operative Society Ltd.** or “The Co-op” as it is generally referred to in Warrnambool, is a truly wonderful story of a successful Victorian co-operative.

Back in 1960, 32 farmers subscribed seven pounds ten shillings each to get the Co-op under way.

Thus the Allansford & District Artificial Breeders Co-operative Ltd. was officially formed on March 23rd, 1960 with a share capital of \$480. Today, now known as the Warrnambool Co-operative Society Ltd., it is a thriving business with net sales revenue of approximately \$43,589,123, net assets of \$10 million and a membership of 10,404. as at March 2003.

Long-serving, former CEO Bill Quinlan, said in his final report to members, “In the early days, we encountered a lot of pressure from other retailers and service providers. Because we discounted products to our members, and set our own pricing policy which was below the recommended retail prices, many retailers put pressure on suppliers not to supply goods to the Co-op. As we built the business and generated volume sales the suppliers could no longer ignore us, as we became a major player in the supply of merchandise, herd improvement and other rural services.”

### Principal Activities

The Co-op’s principal activities are:

- Retail Sales (Retail and Rural Divisions)
- Herd Improvement (through the Western Herd Division)
- Milk Harvesting Services ( Milk Harvesting Division)

Net sales revenue for these various business segments as shown in the 2003 Annual Report was :

- Department Store \$10,981,837
- Rural Store \$ 22,989,356
- Western Herd Improvement \$ 8,513,122
- Milk Harvesting \$ 1,104,808

The following milestones in the Co-operative’s history highlight its continual growth.

- 1960** Co-operative formed with 32 members.
- 1963** The artificial insemination business was strengthening and a regular trade of merchandise was sold to members from the boot of a car.
- 1964** Relocated to Fairy St. Warrnambool. Membership was up to 412 and annual sales turnover \$280,000.
- 1969** Co-operative renamed Warrnambool Artificial Breeder Co-operative Society Limited
- 1976** Membership in excess of 1,000 and the name is changed to the Warrnambool Co-operative Society Limited.
- 1982** Sales turnover just over \$5 million, membership up to 1,791.
- 1992** Main store expansion in Timor Street opened and the booklet Highlights in History published.
- 1996** Membership in excess of 5,000 while sales exceeded \$20 million for the year.
- 2000** Membership exceeds 8,000 with annual turnover of \$32 million and Bill Quinlan retires as Chief Executive after 40 years of service.
- 2002/ 03** Two properties adjoining the co-operative are purchased, Eastern Genetics in West Gippsland is acquired and Brian Beirne resigns as CEO after three and a half years,

### Adding Benefit

Former Co-op Chairman, Frank Creed, said in his 2000 Review, “ The value of membership is a high priority of the Board and management team and we will go on adding benefit within the confines of a successful operation.”

Member benefits include, point-of-sale discounts on all goods purchased, occasional “members-only” specials, twice yearly “members days” when point-of-sale discounts are doubled, and the highly successful “Co-Card”.

The Co-Card is a scheme available to members whereby purchases made at participating agencies are then invoiced on the members monthly Co-op Statement. It is a charge card and point-of-sale discounts are received by the member on the majority of Co-Card purchases. Currently there are over 200 Co-Card agencies, ranging alphabetically from Accommodation to Windmill Repairs. Significant categories of agencies that members respond to include: Tyres, Plumbing Supplies, Jeweller, Insurance, Auto Repairs, Chemist, Furniture, Fuel, Photo Supplies, and Electrical Whitegoods.

David McKenzie, Manager Human Resources/Credit, says “ since its inception less than 5 years ago, the Co-Card has provided in excess of \$1.2 million back to members by way of discounts.”

The Co-op publishes a quarterly members newsletter as it endeavours to keep its members fully informed of changes and developments which might affect them. It also maintains its commitment to community activities, providing more than \$16,000 to local charities and not-for-profit organisations during the year ended March 2003.

Providing employment for 110 full-time and 100 part-time staff the Warrnambool Co-operative Society Ltd. remains a significant contributor to the local economy which it has impacted positively on since it first commenced operations in 1960.

This brief profile of Warrnambool Co-operative Society highlights some impressive statistics and achievements, but hidden among them are one or two events of particular interest from a co-operative point of view.

Sometime around 1970 and again in 1978, the then Board gave strong support for the “For those who have less Society” by providing good yearling heifers to Assisi Training Farm in India. Many cattle donated by the members in those years are now the foundation of the dairy herds that exist in India today. Such actions are a very tangible demonstration of the co-operative living its “commitment to play an effective role in the community”.

In 1991 a seminar on Co-operatives was hosted by the Warrnambool Co-op, and is reported in the Co-op’s own recorded history as “an outstanding success.” A large number of Regional and Interstate co-operatives attended.