

## Case Study 4.1

### Ocean Spray

Ocean Spray is an agricultural co-operative owned by more than 600 cranberry growers across North America and Canada and over seventy Florida grapefruit growers. The co-operative was formed in 1930 by three cranberry growers who shared a common goal of expanding the market for their crops through innovative products.<sup>1</sup> The growers are from diverse regions in North America including British Columbia, Oregon, Wisconsin, Massachusetts, New Jersey and Florida. It employs more than 2,000 people worldwide and in 2009 generated revenues of around \$1.9bn.<sup>2</sup> It is run from a headquarters surrounded by cranberry bogs in Lakeville-Middleboro, Massachusetts.

Ocean Spray is a type of enterprise known as a marketing co-operative. This means that Ocean Spray's owners use the co-operative for joint marketing and production operations. Each farmer will supply their produce to Ocean Spray which offers the highest price it can as well as guaranteeing to purchase all of their members' produce.<sup>3</sup> Ocean Spray then markets and sells the farmers' inputs through a wide range of products, including juices, dried fruit and sauces. The owners of the business also share in the surplus generated by Ocean Spray.

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<sup>1</sup> Ocean Spray. 'Our Growers Cooperative'. <http://www.oceanspray.co.uk/heritage/growers>, accessed 14 June 2011.

<sup>2</sup> Yahoo Finance, accessed at <http://biz.yahoo.com/ic/40/40346.html>.

<sup>3</sup> 'Ocean Spray's Creative Juices' *Businessweek* 15 May 2006.

[http://www.businessweek.com/magazine/content/06\\_20/b3984097.htm](http://www.businessweek.com/magazine/content/06_20/b3984097.htm), accessed 14 June 2011.

