

A celebration of 150 years of co-operation



Scotmid - Past, Present & Future

Written and compiled by George Davidson

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*Of capital they had little
or none, and their business
experience was extremely
limited; still their hopes
were high and their courage
inexhaustible. It was in this
atmosphere that
Co-operation began; but
honest men and sound
principles triumphed over
all difficulties.*

*We, today, reap the reward:
we reap where the pioneers
had sown.*

W D Gready, St Cuthbert's President, 1924



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Association Limited 1859-1909"
Edited by William Maxwell

"One Hundred Years of Co-operation"
by William E Lawson, Co-operative Press

Introduction

by Hollis Smallman, Society President

Hollis Smallman started with St Cuthbert's Co-operative Association on 12 May 1958 and progressed to become a member of the Senior Management Team as Head of Corporate Affairs.

He retired from this position in March 2003 after 45 years' service and was elected Society President in 2005, having been an active democratic member of the Society since 1986.



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

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Looking back at the names of past Presidents who have contributed and achieved so much over the past hundred and fifty years, I feel humble and greatly privileged to be counted among them.

I have worked and served all my adult life with and for this famous Society of ours, and contained in this publication is just a brief history of what went before. I remember well the centenary celebrations at Stenhouse Stadium.

Considering the harsh conditions in which the pioneers lived and worked, perhaps the following quotation which I read recently by American

writer, Orison Swett Marden, sums up their achievements:

"Success is not measured by what you accomplish but by the opposition you have encountered and the courage with which you have maintained the struggle against overwhelming odds."

Today we still recognise the founders who through their own determination and endeavours created a better way of doing business, with values and principles which we still hold dear today.

Scotmid Co-operative's tenet has been to work hand in hand with

the communities we serve and membership of our Society gives our customers a genuine opportunity to play a key role within the organisation while also helping their community.

As the Society moves forward, the responsibility falls to us to ensure its continued success and that the Society continues to remain a truly independent Scottish Society, owned and controlled by its members.

Success is not measured by what you accomplish but by the opposition you have encountered and the courage with which you have maintained the struggle against overwhelming odds. **Orison Swett Marden, American Writer**

From St Cuthbert's to Scotmid

The beginnings of Co-operation

Co-operation in the United Kingdom has a long history, stretching back around two and a half centuries. We in Scotland may be proud that one of the earliest known co-operative societies was formed by a group of weavers in Fenwick in 1769, with another, the Govan Old Victualling Society, being founded some eight years later. It is, however, in England that the co-operative movement as we know it had its beginning, when in 1844 twenty-eight weavers in Rochdale formed the Rochdale Equitable Pioneers Society, the first co-operative society to be based on the ideas and practices that set the pattern for all future successful co-operative societies both in the United Kingdom and abroad – in particular, on the principle of paying society members dividends from profits on the basis of the purchases they made rather than the capital they invested.

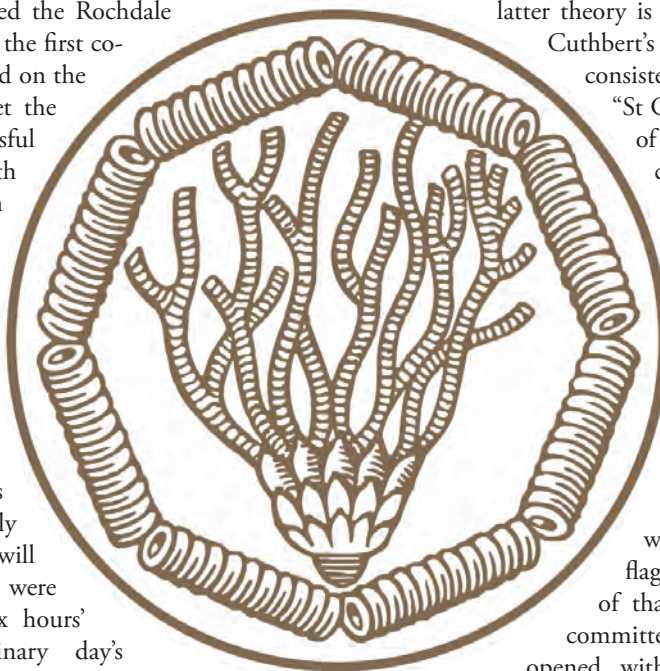
The amount of gratuitous service rendered in the early days of the movement will never be known. Men were known to give five or six hours' service after their ordinary day's work; they travelled miles on foot to some neighbouring town to consult others regarding their local difficulties; they advanced any little money they had to the store if they found the confidence of the members falling away.

The formation of St Cuthbert's Co-operative Association

The history of co-operation in Edinburgh does not reach back quite as far as it does in Fenwick, Govan or Rochdale. It was in July 1859 that a group of twelve Edinburgh workmen met in the house of Adam Walker in Grove Street and decided to form a co-operative society. During subsequent meetings, rules for the society were drawn up and agreed to, and John Borrowman (a joiner) was appointed the first president of the society.

Why the society was given the name "St Cuthbert's" is not known for certain. It is possible that the name was taken from the name of the parish church of the district where the society was founded, although the suggestion has also been made that the founders may have had in mind the legend of St Cuthbert, a saint whose body was said to have been indestructible, remaining after his death in the same condition that it had had during his life, defying the usual ravages of time and decay. Whether or not the

latter theory is correct, the crest of the St Cuthbert's Co-operative Association consisted of what are known as "St Cuthbert's beads", the joints of the arms of fossilised sea creatures related to starfish.



St Cuthbert's: the early years

The first St Cuthbert's shop opened on the 4 November 1859, on the corner of Ponton Street and Fountainbridge. There was no grand opening ceremony, there were no speeches and no flags or bunting, but speaking of that day one of the original committee members later said: "We opened with considerable spirit and enthusiasm, and some of us found new relish

in our butter, ham, and meal, in that it was turned over to us from our own shop, through our own committee. We were all yet working-men, but we began to have the feeling that we were something more, and would soon be business men, reaping profits we had for long been sowing for others." The Association had 63 members, and capital of just over £30.

The high hopes just expressed were followed by some years in which the very survival of the Association was far from certain. (Of five other co-operative societies that opened in Edinburgh in the four years after St Cuthbert's, none survived.) At the end of the first quarter, a dividend of 1s 1d on the £ was paid on the basis of the £13 profit the Association was thought to have made, only for it to be



James Hay, blacksmith; George Guthrie, wood turner; William Caw, joiner; Richard Lees, cabinet maker; John Borrowman, joiner; George Smart, cabinet maker;

150 Years of co-operation

discovered on rechecking the books that the Association had in fact made a loss of nearly £11. (The members of the Association were asked to refund the dividend that had been wrongly paid to them but, perhaps not surprisingly, were unwilling to do so!)

The affairs of the Association went from bad to worse. Members did not give their full support to their own shop and shopped elsewhere. A vote in favour of allowing sales on credit rather than only cash sales reduced the Association's working capital and caused some members to withdraw share capital. At the end of the sixth quarter, sales were down and the Association's losses had risen to nearly £15. With reduced sales, increased debt and a vanishing capital, the end of the Association seemed inevitable. The only glimmer of light in the darkness was the continuing optimism and determination of the committee, who visited every member of the Association to convey to them the need to give all their business to their own store. This appeal to the members must have been successful: by the end of the following quarter, the Association had made a profit of nearly £3 10s and was able to offer a dividend of 2¾d on the pound. This was the turning point in the Association's affairs, and by October 1864, the Association had 275 members, quarterly sales of over £1,500, and a profit for the previous three-month period of over £100. The future of the Association was secure, and the committee could at last see solid results from their efforts.

The first St Cuthbert's store in Ponton Street, Edinburgh opened 4 November 1859



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

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1859

KEY EVENTS

'A Tale of Two Cities' by Charles Dickens is published

*If ever men deserved to succeed,
it was this devoted band
of social reformers.*

William Maxwell, editor of the *First Fifty Years*



George Pearson, engine driver; John Lawrie, blacksmith; Adam Walker, foundry manager; James Nicol, joiner; Robert Will, cabinet maker; James Bonnar, warehouseman

1863-1900



The formation of the Northern District Co-operative Society

People were now coming from other parts of Edinburgh to join St Cuthbert's, and it was decided to open a branch on the north side of the city, in Stockbridge. This second shop opened for business in June 1863. Unfortunately, the new shop was not well managed, and in February 1866 a decision was made to close it. The members of St Cuthbert's who had been served by this shop, however, having appealed unsuccessfully against the closure, decided to form a new co-operative society, the Northern District Co-operative Society, and the shop re-opened under the auspices of this new society in May 1866.

Co-operative purchasing

Discussions between the various co-operative societies in the Edinburgh area with a view to joint buying of goods began as early as 1863, as it was felt that if the societies could unite their purchasing power, they would be able to buy on equal terms with any of the largest and most successful merchants. Such discussions and arrangements regarding joint buying paved the way for the eventual formation of the Scottish Co-operative Wholesale Society (SCWS) in 1868.



Staff standing outside at the opening of the store on Morningside Road, 1887

The consequences of membership

Some St Cuthbert's members in Granton were evicted from their homes by their landlord, a local grocer, simply for being members of the Association and refusing to give up their membership. The committee were said to have been greatly impressed with the loyalty of these Granton members who had made such a sacrifice for co-operation.

1863-64

2nd St Cuthbert's store opens in Stockbridge & married women allowed to join the Association

1865

New grocery & bakery opens in Morrison St

1877-78

New grocery stores open in Dalry & Adam St

1880-82

New head office built in Fountainbridge & Tynecastle grocery store opens

1885-86

New grocery stores open in Newington, Dumbiedykes, St Leonard's & Morningside

Admission of women members

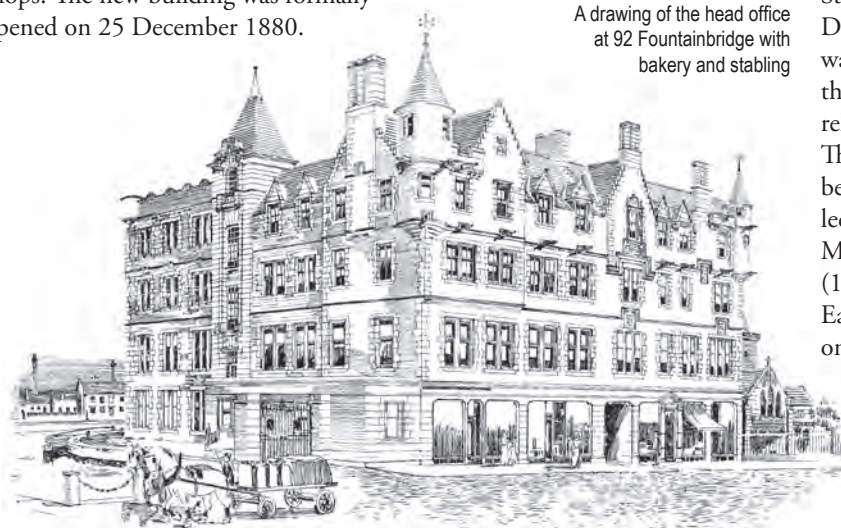
In 1864, married women were allowed to join the Association, but with a resolution added at the following quarterly meeting 'that we fine married women who have husbands able to attend the meetings, but who are absent'! (This latter resolution appears never to have been enforced.)

Expansion of St Cuthbert's

The mid-1860s saw the opening of a new shop and bakery in Morrison Street, and also saw the Association branching out beyond groceries to include drapery and boots, not immediately with great success. It was not until 1872 that the members of the Association were persuaded to allow the committee to create a separate shop dedicated to drapery and boots; this shop opened in April 1873 next to the grocery store in Morrison Street.

New premises at Fountainbridge

With rising membership and increasing trade, the Fountainbridge premises were becoming too small for the requirements of the Association, and the committee therefore bought from the North British Railway Company a large piece of land in Fountainbridge on which to erect new premises in which baking and stabling could be accommodated close to the shops. The new building was formally opened on 25 December 1880.



A drawing of the head office at 92 Fountainbridge with bakery and stabling

The trials of debt-collecting

Due to the problems arising from allowing members credit, a debt-collecting committee had to be formed to call on members every week to try to persuade them to reduce their accounts.

One committee member, getting tired of his lack of success, tried an interesting new line of persuasion in the home of one member who could not be persuaded to pay even a penny of her outstanding debt: he took out a notebook and, looking round the room, began making entries, saying out loud 'One eight-day clock, one chest of drawers...'

'Mercy me,' cried the woman, 'whit are ye gaun to dae wi ma clock?'

'Sell it,' said the visitor, 'to pay your store account.'

'Ye'll no dae that,' she said, and produced five shillings from her handbag, promising to pay something every week to reduce the account.



Further expansion of St Cuthbert's

The late 1870s saw the start of a period of determined and significant expansion for St Cuthbert's. New branches opened at Dalry (1877), Adam Street (1878), Morrison Street (1880), Tynecastle (1882), Newington and Dumbiedykes (1885). In fact, membership of the society was increasing at such a rate that the committee realised they would have to open even more branches in order to relieve the congestion at the Association's current premises. The committee therefore decided that new shops should be opened everywhere they were likely to succeed, which led to the opening of branches in St Leonard's (1887), Morningside (1887), Canongate (1893), Bruntsfield (1894), Montrose Terrace (1895), Causewayside (1896), Easter Road (1899) and The Pleasance (1900), to mention only a few.

1886

New drapery store opens in Bread St

1888-91

New grocery stores open in Valleyfield St, Dundee St & Marshall St

1893-94

New stores open in Canongate, Bruntsfield & Warrender Pk

1895-96

New grocery stores open in Gorgie, St Giles St, Montrose Ter, Albert Pl, Causewayside & Royal Park Ter

1897-1900

New grocery stores open in Polwarth, Roseburn Ter, Bonaly Rd, Easter Rd & The Pleasance

1886-1915



Widening the service

St Cuthbert's continued to expand its horizons beyond its core grocery and bakery business. A butcher's shop was established in Fountainbridge in 1886, and other branch butcher shops opened shortly afterwards. A coal department was set up in August 1887. Three new drapery shops were opened between 1887 and 1899, and from drapery the Association expanded into the sale of furniture. A crockery department opened in 1894, and the first pharmacy department in Bread Street in 1900.

Expansion into new areas of business

Set up in 1912 in a part of the fleshing department's slaughter house building at Gorgie that was not then in use,

the St Cuthbert's laundry was an immediate success. A new laundry was opened a few years later, which the army then threatened to requisition for its own use, a threat that was later removed when a delegation from the board went to London to argue for the laundry to remain in the Association's hands. Shortly after, the end of the war brought the army's need of the laundry facilities to an end.

Persuaded by the then general manager, John Cairns, that agriculture offered the Association a fruitful field for development, in 1913 St Cuthbert's bought the Cliftonhall estate outside Edinburgh for £40,000. Almost 1,000 acres in extent, the estate included four farms, a mansion house, cottages, market gardens, and a mill. Four more farms, on the Newtonhall estate, were purchased at the end of 1918, and a further 780 acres at Bonnington, including a mansion house and a small village, were bought the following year. By 1935, St Cuthbert's were the largest farming operation in Scotland and the largest cattle feeders in the United Kingdom.



St Cuthbert's Association has been an undoubtedly beneficent factor in the lives of thousands.

William Maxwell, editor of First Fifty Years

1886

St Cuthbert's opens butcher's shop in Fountainbridge

1887

St Cuthbert's sets up a coal department

1887-99

New drapery stores open in Nicolson St, Tynecastle & Pilrig

1894

St Cuthbert's opens crockery department

1900

St Cuthbert's opens pharmacy department in Bread Street

1886-1915



Top left: Interior of the successful laundry business in Chesser Avenue.

Left: Staff from the coal department filling their truck with bags of coal.

Above: St Cuthbert's farming operation which included horses for tending the fields, cows for milk production and chickens for egg production.

Top right: A drawing of Tynecastle drapery store in 1899.

Improving staff conditions

Among the improvements to staff conditions during this period was the institution in 1885 of a weekly half-day off on a Tuesday. Other benefits to staff were social gatherings and grants for excursions. Shop hours were further reduced in 1914, with shops closing at 6.30pm three nights a week. That same year, a motion was passed by members that all employees of the Association should be encouraged to join a trade union.

Amalgamation of St Cuthbert's and the Northern District

With the expansion of co-operation in the Edinburgh area, the question of societies' overlapping territories inevitably arose. Members of St Cuthbert's, for example, living in

The paying of dividends

In the early years of the Association, members had to come on a stated Saturday afternoon to sign their names in the dividend book against the sum credited to them, which they would then receive from the treasurer.

This caused difficulties for older members who could not even write their own names, and who would invariably claim that they had forgotten their glasses and so were unable to see well enough to write their names.

As membership increased, a new method of paying dividends had to be devised. In 1885, dividend warrants were introduced, which did away with the need for members' signatures.

areas served by other societies were demanding that the Association open shops in these areas too. The Scottish Section of the Co-operative Union recommended amalgamation as the only cure for the problems of overlapping. While some societies were unwilling to consider this option, discussions opened between St Cuthbert's and the Northern District Co-operative Society, which had separated from St Cuthbert's in 1866, leading to the union of the two societies in 1900.

Financial success

By 1909, St Cuthbert's was the largest co-operative society in Scotland. During its first fifty years, the Association had paid out £3,646,726 in dividends to its members. By 1912,

St Cuthbert's had the highest sales of any co-operative society in the United Kingdom.

Amalgamation with the Norton Park Society

In 1911, the Norton Park Society amalgamated with St Cuthbert's. The addition of its 500 or so members bringing the total membership of St Cuthbert's to 50,000.

Amalgamation with Bonnyrigg and Juniper Green

Further expansion of the Association came with the taking over of the Bonnyrigg Society in 1914 and the Juniper Green Society in 1915. The two societies bringing into St Cuthbert's another 1,300 members.

1900

Amalgamation of St Cuthbert's & Northern District

1911

Amalgamation of St Cuthbert's & Norton Park

1912

St Cuthbert's starts laundry business

1913

St Cuthbert's starts farming operation

1914-15

Amalgamation of St Cuthbert's & Bonnyrigg and Juniper Green

The spread of co-operation



Women's Guild

The Women's League for the Spread of Co-operation, later the Co-operative Women's Guild, was set up in 1883. For over 120 years, the Guild movement has held true to its principles, informing women of their role in society and their right to equality. The Scottish Co-operative Women's Guild was formed in 1892 under the title 'The Association of the Women's Guilds in Scotland'.

The first St Cuthbert's branch (Central) of the Guild was formed in January 1896 about the same time as a branch was established by the Northern District society. Two more branches were formed in 1905 (Eastern) and 1907 (Southern). By 1959, there were over thirty St Cuthbert's branches with a membership of about 1,500.

Although the number of branches has fallen considerably over the past fifty years, there are still eight guild branches in the Scotmid area, meeting weekly from September to May.

Above: Members of the Women's Guild celebrate their Diamond Jubilee in 1952. Isa McNair, National President and Jack Moffat, St Cuthbert's President are seated in the centre of the photograph.

St Cuthbert's and the Co-operative Party

At the April 1900 quarterly meeting, a member of the Association proposed that St Cuthbert's should support representation of the co-operative movement in Parliament, a proposal which had first been made at the Perth Co-operative Conference in 1897. However, the members of St Cuthbert's decided by a large majority that the Association should not take any part in politics. The question of the Association's possible involvement in political activity was to be raised in one form or another at various times over the following decades – that and the possible lowering of the dividend were the only two issues that could be guaranteed to bring out large numbers of the members to the quarterly meetings – and was almost always opposed, until in May 1933, angered by the Government's anti-co-operative taxation measures, the members agreed by a substantial majority to a motion that the Association join the Co-operative Party. The Association soon saw Co-operative Party members elected to Edinburgh Town Council.

*In few women's organisations is there more criticism,
but in none is there a greater sense of love and friendship.*

Isa M McNair OBE, History of the Scottish Co-operative Women's Guild Diamond Jubilee, 1892-1952

The spread of co-operation



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Education committee

An education committee was set up in January 1901. Early ventures included the organisation and training of an adult choir and orchestra and two junior choirs, as well as book-keeping, first aid and history classes. Later activities included country dancing and elocution classes, children's groups and youth clubs, and a dramatic society. The name and function of this committee changed in 2001 to the Member Relations Committee whose remit was to arrange members' events and help to recruit new members to the Society.

1859

KEY EVENTS

The chimes of Big Ben ring for the first time in London

Above: Co-op Congress in Edinburgh.

Right: Education Committee visiting the war memorial at Edinburgh Castle.



1914-1927



The effects of war

When the United Kingdom declared war on Germany on 4 August 1914, there was panic – and panic-buying. Afraid of possible shortages to come, managers and buyers besieged the SCWS grocery warehouse on the Monday morning following the declaration of war, sugar and flour being in particular demand. And the general public were no different: anxious to safeguard themselves against shortages, Association members crowded into St Cuthbert's stores to buy up as much as they could carry away, in response to which the management quickly devised a 'fair shares' scheme.

St Cuthbert's also kept its prices down in the face of this panic. One week into the war, store prices were as much as 150% lower than what many private traders were charging. As the emergency continued, the Association provided an invaluable service to the people of Edinburgh by keeping a brake on prices.

As the war moved into its third and fourth years, and German U-boats destroyed many of the food ships coming to Britain, the value of the Association's farms became ever more obvious.

Above: The exterior of Bread Street department store in 1900.

1859

KEY EVENTS

Sir Arthur Conan Doyle was born

Co-operation & unco-operativeness

After a hold-up on building activity during the war years, work resumed on the extension of the Bread Street emporium, only for it to be brought to a halt once again, this time by a dispute between the masons and the plasterers about who should do what. At one stage during the three-month stoppage, the plasterers went so far as to demand that the work that had been carried out should be demolished again!

On a brighter and more co-operative note, some Association employees were allowed the use of a St Cuthbert's lorry to go to a football match in Glasgow.

1914

World War I starts

1923

Women admitted to the Board of Management

1925

St Cuthbert's opens the Port Hamilton bakery

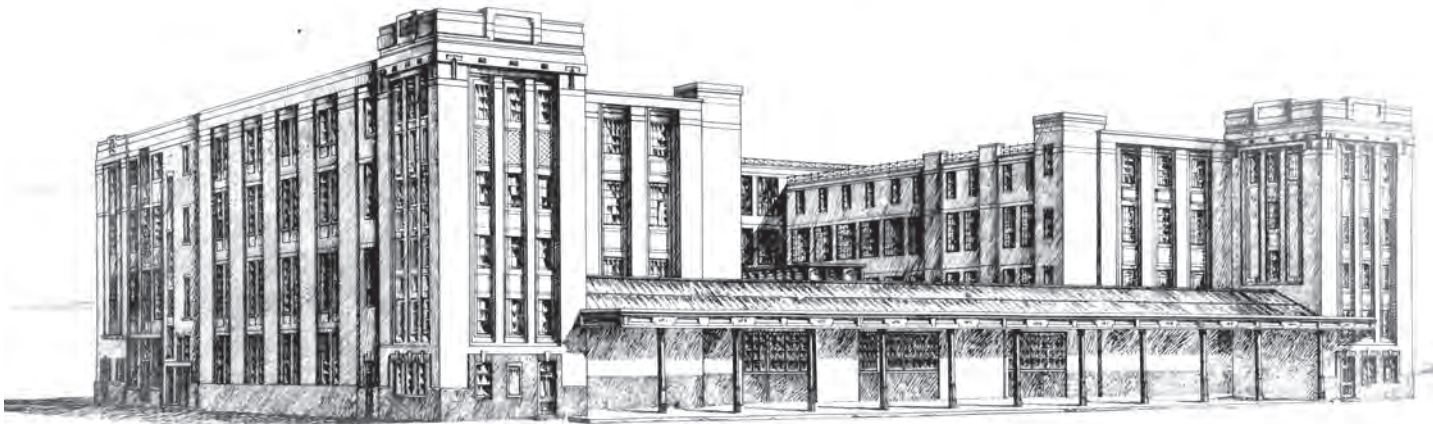
1927

St Cuthbert's opens the dairy in Port Hamilton

1927

St Cuthbert's funeral service begins

1914-1927



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The most successful Society in Britain

In 1923, St Cuthbert's had the highest annual sales of any co-operative society in Britain, although it was only the fifth largest society in terms of members.

The price of success

With matters going so well, attendance at the quarterly meetings of the Society fell away, to the extent that one member lamented that the only thing that would now bring most members out to meetings was a threat of the dividend being reduced.

Women admitted to the board of management

Having been admitted to membership of the Association in 1864, women

were first admitted to the St Cuthbert's board of management in 1923.

Port Hamilton bakery

The Port Hamilton bakery was opened on 25 March 1925. A four-storey building with entrances from four streets, almost fully automatic, and with an initial handling capacity of 2,250 sacks a week, it was very much a showpiece and many delegations from other co-operative societies came to see it in action. The bakeries at High Riggs and Laurieston continued to operate, but it was decided that the Fountainbridge bakery should be converted into offices.

Further widening of business

A dairy was opened next to the Port Hamilton bakery in 1927, with

Top: A drawing of Port Hamilton bakery.

Above left: An interior shot of the milk process in Port Hamilton in 1927.

Above right: A horse hearse outside the funeral headquarters at Sample Street.

equipment for the pasteurisation of milk – in the use of which the co-operative societies had been pioneers in Scotland. The Association received high praise from Edinburgh's Medical Officer of Health and a lot of favourable publicity which no doubt had a large part to play in making the dairy service popular with consumers. St Cuthbert's charged for milk bottles, a policy which seems to have been successful as their losses were much smaller than those in societies who provided milk bottles free of charge. A separate dividend on milk was also introduced in 1927. By 1959, the dairy had a daily output of 12,000 gallons of milk.

Also established in 1927 was the Association's funeral service.

There is no firm in the city and no co-operative society in the United Kingdom, that has extended, branched out, and widened its activities as has St Cuthbert's.

W D Gready, St Cuthbert's President, retirement speech in 1924

1929-1950

70 years on

In 1929, a total of £354,000 was paid out in dividends. Paying the dividend was an immense task, requiring the hiring of the Music Hall, and the presence of 90 staff and a dozen policemen. Saturday night was the distribution night.

Price reductions

1933 saw the resolution of another issue that had bothered the Association on and off for years – whether it was more desirable to have low prices or high dividends. During the war, it had been suggested that it would be in the interests of the lower-paid members if both prices and dividends were cut, but that proposal had been voted out by the majority of members, who could afford to pay higher prices and wait for large dividends. In 1933 competition and falling sales finally resolved the issue, and it was decided to reduce the price of some basic commodities – cereals, butter, eggs, bacon, and jam, followed a few months later by meat products. In 1937 it was recognised that, by its size and example, St Cuthbert's had the power to regulate prices in Edinburgh and that competitors would drop their prices to match what the Association was charging.

Employees' superannuation scheme

A further improvement in staff conditions came with the introduction of a superannuation scheme for employees in 1934.

A church becomes a store

The bright spot of 1937 was the opening of a new furnishing store in Bread Street, on the site of a former church. Unique in the city at the time, it had one of the largest glass frontages in Britain.

A celebration of co-operation

From the Association's point of view, the outstanding event of 1931 was the exhibition (pictured below) put on by St Cuthbert's in the Waverley Market at the end of March and beginning of April. Over nine days, the exhibition drew some 125,000 visitors.



Margaret Bain the first woman president

Women had been admitted to membership of the Association in 1864 and to the board of management in 1923. But it was not until 1942 that for the first time in the Association's history a woman was elected president.



Another war

At the outbreak of the Second World War, it was recognised that civilians in the cities could be almost as much in the firing line as the troops, and appropriate action was taken to provide shelters for staff and customers. Underground shelters were built at the Fountainbridge premises, into which the entire staff could be evacuated in two minutes. Safety zones were erected for staff and customers underneath the Bread Street and Nicolson Street shops, and protection was provided for staff at the smaller branches.

Opening of Welfare House

In 1946, the members of St Cuthbert's granted £10,000 for the purchase of premises for welfare and educational facilities for the Association's employees. Welfare House in Polwarth Terrace was finally opened towards the end of 1950 as a memorial to those employees of the Association who had lost their lives in the two World Wars.

The 'Cavalcade of Co-operation'

In 1949, St Cuthbert's celebrated its 90th anniversary with a 'Cavalcade of Co-operation' exhibition that ran for two weeks during the Edinburgh Festival. One of the many attractions was a replica of the original St Cuthbert's shop in Ponton Street. The Association also produced a film indicating how the organisation had grown in its first 90 years.

1934

Introduction of superannuation scheme for employees

1939

World War II starts

1942

First woman elected president, Mrs Margaret Bain

1944

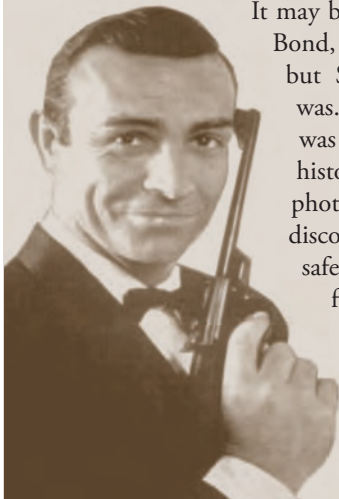
Sean Connery commences work with St Cuthbert's as a milkman

1949

St Cuthbert's first self-service shop

1929-1950

Thomas Sean Connery



It may be hard to imagine James Bond, 007, as a co-op milkman, but Sir Sean Connery once was. His employment card was one of hundreds of historic documents and photographs that were discovered in three huge safes at the Association's former headquarters at Fountainbridge during the move to the new offices in Newbridge in 2005. (This material can now be found in an archive in the National

Library of Scotland.) The records show that in July 1944, at the age of 13, Sir Sean started as a barrow worker at the Association's dairy, for which he was paid 21 shillings a week. He left St Cuthbert's in 1948 to do his National Service, but returned the following year and worked as a milk horseman, this time for the much-improved wages of £3 15s 6d per week. Sir Sean left St Cuthbert's again in 1950, soon to pursue an acting career.

Willie Hamilton's football boots

Sean Connery was a talented footballer, good enough to have played professionally had he wanted to do so. He did play for St Cuthbert's, however. One of Sean's friends when he worked for St Cuthbert's was Willie Hamilton, a driver with the Association's dairy, and the story is told that one day when Sean was due to play for St Cuthbert's, he found he couldn't wear his own boots – perhaps he had mislaid them – so he borrowed Willie Hamilton's boots for the match. They were brand-new boots and Willie had paid £1 for them. Unfortunately Sean's feet were bigger than Willie's, and by the end of the match the boots had burst and were ruined. Perhaps one of the reasons he never became a professional footballer.



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Self-service shops

St Cuthbert's was among the pioneers of self-service shopping in Scotland, and 1949 saw the first experiment in self-service at the Dundee Street branch (pictured below), followed not long after by the conversion of the Picardy Street branch to the same new method of shopping.

Developing from this, in 1959 St Cuthbert's opened the first supermarket in Scotland in Leven Street (pictured above), just around the corner from the site of the original St Cuthbert's store in Ponton Street, where business first began 100 years earlier.



1950-1975



The Queen's State Visit to Edinburgh

Coaches and horses were provided by St Cuthbert's for the State Visit of HM the Queen and HRH the Duke of Edinburgh in 1953. Six saddled and sixteen coach horses, all taken from milk rounds, took part in the procession from Holyrood Palace to St Giles' Cathedral. St Cuthbert's drivers, suitably attired, acted as footmen and drivers.

1959 Co-operative Commission Report

The first Co-operative Commission was set up in 1955 because the co-operative movement was experiencing its first ever halt in growth. At that time there were huge changes in retailing following the end of rationing and the beginning of self-service. After four years, there were two reports published; one recommending a single co-operative for England and Wales (plus one for Scotland) and the other comprising 51 recommendations. The co-operative movement was slow to adopt many of the recommendations.



St Cuthbert's Centenary, 1959

St Cuthbert's celebrated 100 years of co-operation by erecting a plaque and inlaying the seal into the stone at Fountainbridge, providing six ornamental seats throughout the city of Edinburgh, giving new members in 1959 a 10s voucher and providing old age pensioners with goods parcels valued at 10s.

The Centenary finale was a children's gala day held at Stenhouse Stadium, which stood on a site not far from Saughton Prison. The day featured among other things the Association's carriages and horses, which gave the children rides. Everyone was given a 'goodie bag' as they came in, which included a special celebratory badge with an image of a handshake on it.

1953

St Cuthbert's provides the horses and coaches for the Queen's visit to Edinburgh

1959

St Cuthbert's celebrates its Centenary

1965

St Cuthbert's receives the prestigious Royal Warrant

1966

Queen visits St Cuthbert's transport department

1966

Amalgamation of St Cuthbert's & Hillwood Society

1950-1975



Coach Painters to HM the Queen

In 1965, the Association's transport department received the prestigious Royal Warrant (no other co-op had achieved this) for Coach Painting. The following year, the Queen and the Duke of Edinburgh visited St Cuthbert's transport department, and the Queen was presented with a four-wheeled game wagonette for use at Balmoral. The coach painting and coach hire department at Angle Park closed in December 1994, and the Royal Warrant therefore came to an end.

Top left: HM the Queen visiting Edinburgh in 1953.

Left: A photograph of the St Cuthbert's Exhibition celebrating its Centenary with specially designed Centenary logo with image of handshake on it.

Above, right to left: Archie Prentice, Transport Manager walking with HM the Queen and Lord Provost Duncan Mackay Weatherstone and George Gay, Society President in 1966.

Portobello and Leith Provident Societies join St Cuthbert's

In 1968, the Portobello Co-operative Society transferred to St Cuthbert's, followed seven years later by the Leith Provident Society (which was established in 1878). There was now only one co-operative society in Edinburgh.

The union of the Leith Provident Society and St Cuthbert's was not at first an entirely happy one, with some Leith members vowing never to shop in a St Cuthbert's store, but in time the dust settled.

Computerisation

April 1970 saw a significant move into the modern world with the introduction of a computer to the Association's Head Office, along with a new post of Data Processing Manager. This completely changed the way the office operated. Before then, all the ledger work and calculations were done by hand, whereas now reels of punched tape came to the office from the stores with customers' share numbers and purchases encoded on them. The data from these tapes was then fed directly into the computer, without the need for operators to key it in. Naturally, this meant that fewer staff were needed in the office, and the number gradually fell from about 300 to fewer than 100.

Changing markets

With the onset of cheaper global sourcing and more ubiquitous car use, 'the one-stop shop' efficiency of supermarket shopping grew in popularity. Planning law relaxation allowed the massive penetration of retailers into out-of-town retail park sites in the 1970s and 1980s, with catastrophic impacts on town centres.

1968

Amalgamation of St Cuthbert's & Portobello Society

1970

Introduction of computers within the Association

1971

Amalgamation of St Cuthbert's & Gorebridge Society

1972

Amalgamation of St Cuthbert's & Crofthead Society

1975

Amalgamation of St Cuthbert's & Leith Provident Society

1981: A new Society and a new name



Chesser Avenue Trendcentre store
built on the old laundry site

Over the years since its inception, St Cuthbert's has been strengthened by its amalgamation with many smaller societies whose members have recognised the benefits of belonging to a larger organisation. The most significant merger in its history, however, came in January 1981, when it was agreed that St Cuthbert's should join forces with the Dalziel Co-operative Society of Motherwell. This merger was made to ensure future growth and to extend trading areas.

The new association being named the Scottish Midland Co-operative Society – 'Scotmid' for short – the famous name of St Cuthbert's disappeared into history. But it lives on in the memories of its many satisfied customers.

More societies transfer to Scotmid

Although there had been little enthusiasm for a merger with Dalziel when the original approaches were made, the 1980s and 1990s saw other societies throughout central Scotland flocking to join forces with Scotmid: the Carluke and Law Society in 1981, the West Lothian and the Bo'ness Societies in 1982, the Penicuik Society in 1985, the Uddingston Society in 1991, the Prestonpans Society in 1994, and the Bonnybridge Society in 1996.

The latest society to transfer to Scotmid is the North Tayside, Strathaven and Kilwinning Society, in 1998.

Trendcentres and trendsetters

1985 saw the opening of newly refurbished stores, called Trendcentres, at Chesser, Dalry and Portobello. That same year also saw the introduction into Scotmid stores of something we all take very much for granted now – barcodes, automatic scanning of purchases at till points, and printed till receipts. A leaflet was specially produced to explain to customers how this new kind of checkout would operate, promising both quicker service and greater efficiency. As the leaflet proudly and rightly boasted: "Tomorrow's way of shopping at Scotmid today".



SCOTMID

1981: A new Society and a new name



Dalziel Co-operative Society

The first moves towards the historic merger came from Motherwell, not Edinburgh. The Dalziel Co-operative Society was founded in 1860, just a year after St Cuthbert's. By the mid-1970s, the Society had a turnover in excess of £11 million per annum, and comprised both retail and manufacturing sections. The retail section included 11 food shops, a fish shop, two drapery shops, three shoe shops, three baby shops, two furniture stores, a paint and wallpaper shop and a pharmacy. Customers were also served by four mobile grocery shops and two bread vans. There was also a catering department. On the manufacturing side there was a bakery (the Society's original bakery was destroyed in a fire in April 1890, at an estimated cost of £1,800), a meat factory and a boot factory.

Faced with increasing competition, the Society decided that the drapery store in Hill Street, Wishaw, a two-storey building, should be converted to comprise a grocery supermarket on the ground floor and a drapery on the first floor. This new store was given the trading name of DALCO and proved a great success, with sales far beyond what had been expected. A second DALCO store in Brandon Parade

followed not long afterwards, opened by the television personality Michael Parkinson, and was an equally great success. Unfortunately, not long after, the local authority gave permission to Fine Fare for the construction of a superstore on the adjacent site, and since this new store was three times as large as the DALCO shop and potential customers had to walk past the Fine Fare store to get to DALCO, the

writing was clearly on the wall for the co-op shop as it closed a few years later.

In response to such competition, the Managing Secretary of the Dalziel Society, Mr Bert Hetherington, acting on the advice and vision he had gained from a visit to the Midland Co-op in Stoke-on-Trent, approached all twelve co-operative societies in central Scotland with a view to creating a 'Scottish Midland Co-operative Society'. The only reply he received was from St Cuthbert's.

On the formation of the new Society, Mr Hetherington retired and Mr Joe Currie, the CEO of St Cuthbert's, became the first CEO of the united Scotmid.

This is the way forward for us...

Bert Hetherington, Managing Secretary of DALCO, 1980

1985-1994



Sadly, with more and more people buying their milk in cartons directly from shops and a consequent fall in demand for doorstep milk deliveries, the Morrison Street dairy had to close. Scotmid's milk-rounds were taken over by the Co-operative Wholesale Society, but the milk would no longer be delivered by horse-drawn carts. Saturday 26 January 1985 saw the very last horse-drawn milk deliveries, not just in Edinburgh but in the whole of the UK. The St Cuthbert's stables closed their doors, and eight of the twelve horses went off to new homes. Four horses were kept for carriage hire, for weddings and other special occasions.

Finding new homes for the eight horses no longer required by the Society was not difficult. As soon as news of the impending closure of the dairy was released, offers for the horses poured in from all over the country, some from as far away as the south of England. Suitable new owners and homes for the horses were soon found, and on Saturday 2 February, there was a parade of the eight horses with their owners, along with the four horses that were to remain with Scotmid, providing useful publicity for the coach-hire service and the carriage repair facilities that were still being offered by the Society.

End of an era - Scotmid says goodbye to its milk-carts and horses

Horses pulled milk-carts in and around Edinburgh for over a hundred years. The milk horses were a common sight about the city, and favourites with adults and children alike. Around the beginning of the twentieth century, Scotmid had over a hundred horses, homed in two stable blocks. The stables supplied horses to the Royal Family and the Household Cavalry, as well as training horses for the Edinburgh and Glasgow police forces. They also provided accommodation for the horses of visitors appearing in the annual Edinburgh Military Tattoo, such as the Royal Canadian Mounted Police (the Mounties). Another famous equine guest was Roy Rogers' horse, Trigger, when they both visited Edinburgh.

The milk horses' working day started around 6am and finished about midday. After the empty crates had been returned to the dairy, the horses were unhitched from the carts and led back to the stables where they made their own way to their stalls on the second floor.

Aside from being more economical to run than motor vehicles, the horses' great advantage over milk floats was their reliability in winter. During one particularly severe winter, when temperatures were as low as 20 degrees Fahrenheit, the Society's milk roundsmen had all sorts of trouble with the diesel-powered floats, but the horses, with special non-slip studs fitted to their horseshoes, just carried on as usual.

Top: Billy Angus, milkman/coachman, with Mickie the horse delivering milk in Stenhouse.

Above left: Jimmy Macdonald, Stable Manager, and our Trigger in the best-selling postcard in Edinburgh photographed by Colin Baxter.

Above right: Roy Rogers' horse Trigger photographed in St Cuthbert's stables.

Paddy joins the army

Of all the horses St Cuthbert's has owned, the most famous must be Paddy, an imposing Irish skewbald who began his working life delivering milk down the Royal Mile but, having been spotted by a member of the Household Cavalry (some say that it was Her Majesty herself who first noticed him!), changed careers to become an army drum horse. Renamed Cicero, he served for many years in the regimental band of the Life Guards. He was probably the most famous drum horse of all time, and in the 1970s was the subject of two books and a film about his life.

1859
KEY EVENTS
Billy the Kid was born

1981

Amalgamation of Scotmid & Carluke and Law Society

1982

Amalgamation of Scotmid & West Lothian and Bo'ness Societies

1985

Amalgamation of Scotmid & Penicuik Society

1985

Till point barcode scanning commences in Scotmid stores

1985

Retirement of milk horses

1985-1994

Fountainbridge refurbishment

In 1988 there was a major refurbishment of the Fountainbridge offices, mainly to introduce proper computer networking and better heating. Amazingly, the work was carried out without the office staff having to move out.



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

19

An end to animal testing

Always at the forefront of moves to make the products offered in its stores more ethical, Scotmid was delighted when the Co-operative Wholesale Society announced that after 1985 no co-op brand toiletries or household products or their ingredients would be tested on animals.

Commonwealth Games 1986

Scotmid was proud to handle all the BBC's transport requirements throughout the Commonwealth Games that were held in Edinburgh during July and early August 1986.

Thomas McKnight, the Transport Manager at the time co-ordinated 24 52-seater coaches for all BBC and Commonwealth media staff and six

limousines for VIP transfers covering all sporting locations in Edinburgh.

New corporate identity

The summer of 1986 saw a new corporate identity for the Society and the start of a more unified marketing strategy. As part of this, to point up the Society's new image, a 'Scotmid dog' (named 'Scottie') was introduced in press, television and in-store point-of-sale advertising.

100 years of inflation

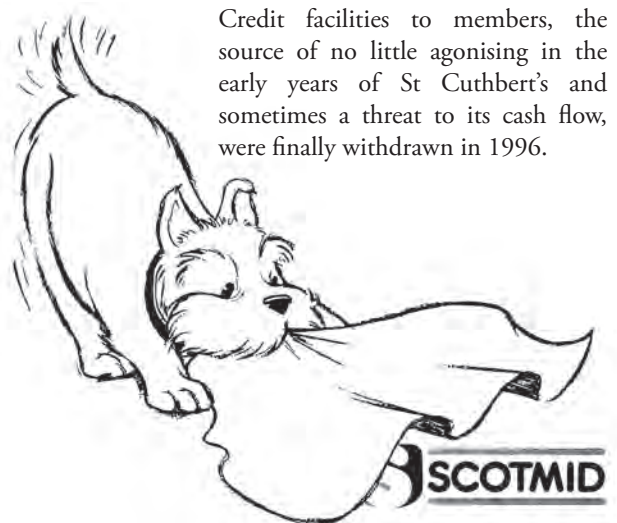
It is interesting to compare what it cost to refurbish the Fountainbridge building in 1988 with the cost of alterations made a century earlier. To alter the Fountainbridge building in the late 1880s cost St Cuthbert's

Below: Scottie the Scotmid dog helped to advertise Scotmid's new identity in the press, television and in-store point of sale.

£11,200; some hundred years later, the refurbishment of the building cost Scotmid £1,000,000!

Withdrawal of credit facilities

Credit facilities to members, the source of no little agonising in the early years of St Cuthbert's and sometimes a threat to its cash flow, were finally withdrawn in 1996.



1985

The Co-operative announces that no own brand toiletries are tested on animals

1988

Refurbishment of Fountainbridge Head Office

1991

Amalgamation of Scotmid & Uddingston Society

1992

The Co-operative are the first to introduce Fairtrade products in-store

1994

Closure of Coach Painting & Hire Dept

1995-2004



Semichem comes on board

While the amalgamation of the St Cuthbert's and Dalziel societies into Scotmid was the Society's most significant historical landmark during the latter half of the twentieth century, the acquisition of Semichem, a small family-run business, in 1995 was another landmark moment in the Society's history.

Semichem was founded by the Kerr family in Ayrshire in the 1980s, operating as a discount health and beauty retailer. When bought by Scotmid, the chain had 25 shops. The resources afforded by the Society allowed this small business to flourish and begin moving towards its true potential. A dedicated stream of investment and marketing saw

Semichem expand rapidly across the towns and cities of Scotland and Northern Ireland and become a major high street and household name.

By 1999 the operation had grown to include 80 stores, covering every major town and city in Scotland. New potential acquisitions were sourced outwith Scotland with a view to extending the trading area of the business.

Options

In the middle of 1999, the Society enlarged the Semichem business by buying the Options health and beauty chain in Northern Ireland, which was operating 27 stores.

Above: Exterior of Semichem store in Livingston displaying the logo in the 1990s.

Below: The service room at Thomas Brown Funeral Home, Broxburn.

Scotmid Funeral Directors

Expanding its funeral services to the community, the Society purchased the Broxburn firm of Thomas Brown in 1999, and Dundas Fyfe of Motherwell in 2004. In December 2008, the division expanded its funeral home numbers to eight, opening a new service in Armadale, West Lothian.



1994

Amalgamation of Scotmid & Prestonpans Society

1995

Scotmid acquires 25 Semichem stores

1996

Amalgamation of Scotmid & Bonnybridge Society

1997

Closure of non-food department outlets

1998

Amalgamation of Scotmid & Tayside, Strathaven and Kilwinning Society

1995-2004

Morning Noon & Night acquisition marks major geographical expansion

In August 2004, Scotmid acquired the Dundee-based convenience store chain Morning Noon & Night. Morning Noon & Night, founded in 1991 by the late Eddie Thompson, who was for a time also owner and chairman of Dundee United, operate around 50 local convenience stores throughout Scotland. The purchase of Morning Noon & Night, described at the time as 'one of the most significant retail deals in Scotland', was a major expansion for Scotmid, increasing the number of the Society's stores in Scotland to 120 and widening the geographical spread, taking the total workforce to over 4,000.



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

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Modernisation

Between 1996 and 2000, all Scotmid's non-food department outlets, such as the drapery departments, and its works department were closed – a bold decision on the part of the Society, and one which marked the beginning of the modernisation of the organisation. A major aspect of this move to modernise was a switch from supermarkets to convenience stores in the face of increasing competition from large supermarket chains such as Tesco and Asda.

Co-operative Commission Report

The second Co-operative Commission was established in 2000 with the help from then Prime Minister Tony Blair, who was asked to create and sponsor a commission. The main

aims of the commission were to deliver recommendations that would enable the co-operative movement to survive in the modern marketplace whilst still delivering its social goals, to resist the threat of demutualisation and to ensure on-going co-operation among co-operatives. Most of the 60 recommendations made by the Commission have been adhered to by the co-operative movement.

M & S Toiletries

In 2003, Scotmid acquired M & S Toiletries, a health and beauty wholesale business with a number of retail stores, which had a turnover of £90m and operated out of Livingston and Wakefield, England. After integration of retail stores into Semichem the wholesale supply chain was reorgan-

Above: Morning Noon & Night before and after refurbishment by Scotmid.

Below: The M & S Toiletries depot in Wakefield, Yorkshire.

ised and consolidated into Wakefield. M & S Toiletries was sold in September 2008 to Sert UK.

Alldays and Spar

As a continuation of its move into the convenience-store market, in 2003 Scotmid acquired eight Alldays stores from the Co-operative Group. Further expansion in this field came in June 2004 with the purchase of nine Spar outlets in Edinburgh, the Lothians and Fife from Sokolowski Convenience Stores (SCS).



1999

The Society acquires 27 Options stores in Northern Ireland

1999

The Society's funeral division buys Thomas Brown in Broxburn

2003

The Society acquires M & S Toiletries, a health & beauty wholesaler

2004

Scotmid buys 8 Alldays stores from the Co-operative Group

2004

Scotmid buys 13 Spar outlets from SCS

2005-2009



Social responsibility

For many years, Scotmid has been at the forefront of training its store staff to ensure that age-related sales such as alcohol and cigarettes are conducted correctly. In 2004, Scotmid's Compliance Department started to work on age-restricted sales for alcohol due to the introduction of new legislation in September 2009. They issued age-related point of sale in all stores and set up comprehensive till prompt and audit

facilities. In 2008 and 2009, the Training Department trained over 3,500 staff on this new legislation.

In May 2009, the Society opened 'The Academy' which was developed to improve the consistency of operation within the food estate and with the long term aim of developing staff from shop floor to manager level.

New offices in Newbridge

In November 2005, 125 years of being based at Fountainbridge came to an end as the Society moved to a purpose-built head office at Newbridge outside Edinburgh. The new head office is named Hillwood House after the local Hillwood Co-operative Society, which had amalgamated with St Cuthbert's in 1966.

Financial Turnaround

The Society, following a period of acquisition resulting in a loss of over £20 million, went 'back to basics' and began the process of restructuring the business in 2005. As a consequence some difficult decisions had to be made in streamlining the business.



Under 25?
I've got to ask for ID
It's my job

Above:
Hillwood
House head
office.

Above left: Age-
restricted sales badge

Left: The official opening
of The Academy with
Alan Smith, son of
ex-President Bill Smith
cutting the ribbon.

2004

Scotmid acquires 50 Morning
Noon & Night stores from
Eddie Thompson

2004

Scotmid's funeral
division buys Dundas
Fyfe of Motherwell

2005

The Society moves to
new purpose-built head
office in Newbridge

2007

Start of refurbishment
of stores in the food
estate

2007

The Society sponsors
the first Ethical Fairtrade
Fayre in Edinburgh

2005-2009

A 'Stooshie at the Store', and then a 'Stramash'!

Edinburgh co-op members have recently enjoyed two trips down memory lane thanks to Irene Beaver, the daughter of former St Cuthbert's director, Bobby Brown, with her plays *Stooshie at the Store* and *Stramash at the Store*.

Stooshie, performed at the Edinburgh Festival Fringe in 2006, is set in the former Bread Street store in 1959 just before the Centenary celebrations, and imaginatively recounts what happens when the principal mannequin due to appear in the forthcoming annual St Cuthbert's Mannequin Parade is knocked down by a car and some of the 'Divvie' money goes missing. *Stramash*, first performed at the Fringe in 2008, is also set in the Bread Street store, but three years later, a week before the State Visit to Scotland of King Olav of Norway in October 1962.



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

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New Semichem identity

In 2008, Semichem unveiled a new identity and also started a refurbishment programme of the health and beauty estate. Semichem also launched their first online store offering fragrances, cosmetics, household and electrical products.

The Society started to see the first steps on the road to recovery in 2007 and initiated the food estate refurbishment programme. This included the introduction of new fascia signs, shop frontages, bright and easily accessible sales floors and more chilled cabinets in store. By 2009, 51 stores were completed with this new format.

By 'raising the bar' and through continuous improvement, the Society announced record profits of £9 million in 2009.

Above left: Poster and programme from the play *Stramash at the Store*.

Above right: Semichem store in Wallsend, England.

Bottom right: The Scottish Grocer Award for Social Responsibility.

Scotmid's business awards

Throughout the time they have been trading, both St Cuthbert's and Scotmid have won prestigious business awards. In recent years, Scotmid has enjoyed significant successes at the annual Scottish Grocer Awards, competing against the best of Scottish convenience stores. In March 2009, the Society scooped four top awards, and also collected a further four Highly Commended awards.

The Society's most important award was the Scottish Grocer's Social Responsibility Award which was awarded to Scotmid in 2008 and 2009.



"150 years on, this award shows that we are still carrying out the co-operative values and principles in the way we work." Hollis Smallman, President of Scotmid

2008

Unveiling of new Semichem identity

2008

The Society's funeral division opens a new funeral home in Armadale

2008

The Society receives Fairtrade Long-Standing Achievement Award

2008 & 2009

The Society wins Social Responsibility award two years in a row

2009

The Society announces record profits of £9 million

Scotmid today...



Scotmid and Fairtrade

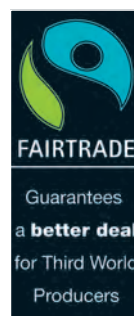
Scotmid has been a champion of Fairtrade for many years. In 1992, the co-operative movement was the first major retailer to stock Fairtrade products in its stores. The Fairtrade products now stocked fall into nine main categories: coffee, tea, confectionery, beers/wines/spirits, bananas, fruits/juices, sugar, composite products and branded products. In 2003, all co-operative movement own-brand coffee switched to being Fairtrade.

Scotmid supports Fairtrade events throughout Scotland in schools and many other organisations. The Society was delighted to be the main sponsor of the Edinburgh Fairtrade City Directory, and it will be sponsoring the Edinburgh Fairtrade events for at least the next three years. Scotmid has also sponsored the Edinburgh Ethical Christmas Fayre in 2007 and 2008, a new venture which also gave the

Society an opportunity to showcase its excellent range of Fairtrade products. The Fayres take place in a marquee in the heart of the city and bring together the very best in Fairtrade, ethically sourced, recycled, organic and locally sourced gifts. Scotmid had a large variety of Fairtrade gift sets on sale, and customers were also able to purchase Scotmid's own Fairtrade cotton bags (part of the Society's attempt to move shoppers away from plastic carrier bags!).

In 2008, the Society was proud to receive from the Lord Provost of Edinburgh, George Grubb, the Lord Provost's Award for Best Fairtrade Long-Standing Achievement.

Scotmid staff from our Duke Street store manning our purpose-built stall at the first Edinburgh Ethical Christmas Fayre in 2007.



Fairtrade in a nut-shell

Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. By requiring companies to pay sustainable prices (which must never fall lower than the market price), Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. It enables them to improve their position and have more control over their lives.



Membership the lifeblood of every co-operative society

The 21st century brought a new emphasis on membership. Membership is the lifeblood of every co-operative society, but it was not until we were into the 21st century that Scotmid started to take a long, hard look at membership and what it meant to a modern co-operative society.

From 2001, new members have received a £10 voucher as a welcome gift. In 2007, the Society developed a new membership strategy which resulted in the redesigning of all the Society's membership material, from the application form to the welcome pack and from communications with members to in-store membership marketing merchandise. In December 2007, the Society started a two-way communication with our membership by means of a biannual members' magazine called Jigsaw, which includes celebrity interviews, news of events, competitions and money-off shopping vouchers.



Constitutional review

In October 2008, the members of the Society agreed to a constitutional review to modernise the Society's governance structure. The process started with a reconsideration of a number of priority areas such as the roles and structure of the Area and Member Relations Committees (MRC), Board size and member democracy. Following a series of special meetings in September 2009, the members approved the changes to the constitution which were recommended by the Board.

The changes include the creation of a new Committee to serve the members living in the north of Scotland. Over recent years Scotmid has increased the number of its stores in the north and that brings with it the opportunity to encourage membership in that region.

Two Regional Committees will also be formed to replace the East and West

Area Committees and the MRC. Each of the three Regional Committees will have 12 members and will report directly to the Board. As part of their new remit they will have more involvement with the members and will be responsible for helping to progress the membership strategy as well as participation in community-based events in their region. A budget will be allocated to each Regional Committee which will allow more local decisions to be made on the funding of local community events and the payment of a community dividend.

Nominations and elections for regional representatives will continue to take place at AGMs and OGMs, but for the first time members will also have the opportunity to directly elect Board members.



Scotmid today...



Scotmid's community participation

From the earliest days of St Cuthbert's, the Society has always recognised that it has a special part to play in the communities it serves and 150 years later this is just as important a role as being a convenience community retailer.

Nowadays Scotmid delivers a range of community-based activities, working with all areas of society from the Scottish Executive right through to small community groups.

Scotmid was the first co-operative society to help establish breakfast clubs in schools and the Society continues to support over 30 clubs, as well as Fruit Waves, which helps many youngsters to receive fresh fruit daily.

In collaboration with the Environmental Health Department of the City of Edinburgh Council, Scotmid sponsors the Food4Life booklet which is given to all first-year undergraduate

students at all of the universities in Edinburgh. This booklet gives tips on food safety and easily prepared recipes as many of these students are living away from home for the first time. These booklets are available at Edinburgh's freshers' fairs, where there are also displays run by both council and Scotmid staff offering free fresh fruit and vegetables to sample.

Scotmid also assists and supports many police projects in order to encourage safer communities. It has helped promote alternatives to teen drinking in West Lothian by supporting the set up of a 'Booze you Looze' club for young people to attend which gives them something positive and fun to do on a Friday afternoon after school. The Society also prints the posters and leaflets to advertise the club and supplies bottles of water, energy drinks and cereal bars on the day.

The Society has absorbed the printing cost of many projects such as West Lothian Police Force's verbal

Top left: Balerno Music Festival, a community event sponsored by Scotmid.

Top centre: Cardinal O'Brien on the smoothiebike with pupils from St Thomas of Aquins.

Top right: Booze you Looze poster to encourage alternatives to teen drinking.

Bottom: Fruit Wave at Holyrood High School.

Below: Community award presented to Scotmid by the West Lothian Chamber of Commerce in 2004.

abuse on shop workers campaign, their under 21 drinking ban initiative and Crimestoppers' campaign on the dangers of binge drinking and drink driving.

As a co-operative, Scotmid demonstrates its concern for the communities where it has shops by giving vouchers to local groups and organisations to help them raise funds. Many of these donations are modest, but the Society also gives an annual donation of £50 to all local gala days who apply. Many playgroups, Guide and Scout groups have benefited from these donations.

In 2008, the Society bought a smoothiebike which makes fruit smoothies when someone cycles the bike. The Society uses the smoothie bike to promote issues such as healthy eating, exercise, five items of fruit a day and environmental issues to local schools and customers.



Scotmid today...



Scotmid's charity support

Over the years the Society has donated hundreds of thousands of pounds to charitable organisations. Each year Scotmid nominates a Charity of the Year. In the past the Society has made donations to Macmillan Cancer Support; Chest, Heart & Stroke Scotland; CHAS (the Children's Hospice Association Scotland) and the Northern Ireland Children's Hospice; and Marie Curie Cancer Care, among others.

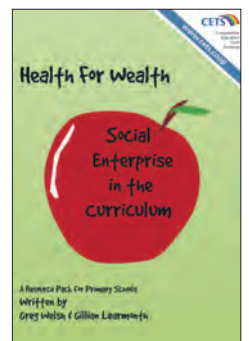
In its 150th year, the Society raised over £150,000 for five charities. Typical charity fund-raising activities are: customer donations through collection cans; staff donations on 'dress down' days; staff taking part in 5k runs; a sponsored bike ride between Glasgow and Edinburgh; and a variety of store-based events from car washing to some more seasonally themed.

Above: Society staff involved in various sponsored events to raise funds for its designated charities.

Right: Health for Wealth pack produced by the Society to encourage Social Enterprise in schools.

Scotmid's support for education

Scotmid is a member of the Board of CETS, the Co-operative Education Trust Scotland. A funded pilot project trialling co-operative teaching resources in four local authority areas (Edinburgh, Stirling, East Ayrshire and Borders) came to an end in 2007, but forward funding from several bodies including the Scottish Executive and Scotmid has allowed new staff to be recruited and new teaching materials to be produced. The scheme will subsequently encompass all unitary authorities.



Marie Curie kiosk

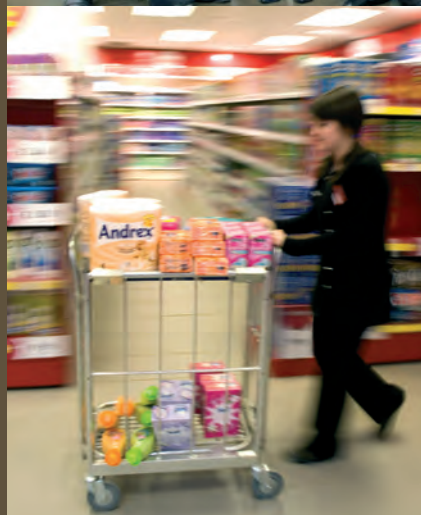
A kiosk at the Marie Curie Hospice in Edinburgh was opened in 2008 by John Brodie, CEO of Scotmid. The kiosk sells essential toiletries such as toothpaste, shampoo, deodorant, shaving foam and hair brushes to patients, their families, and staff at the hospice. The Society donated £16,000 funding for the kiosk, and its property division fitted out the kiosk with shelving, a till point and a fridge. The Society also raised £190,000 for Marie Curie in 2008.

Right: John Brodie joined by volunteers, Joyce Burnett and Madeleine Coutts at the kiosk opening.



Scotmid today...

SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION



With over 4,000 staff, Scotmid is now one of Scotland's biggest employers and one of the country's leading businesses.

Top left: Staff at the opening of the new Stockbridge store in 2009.

Bottom right: Semichem Livingston shows off the new brand.

Below: The opening of the reformatted Kirkliston store in 2009.



Food retail

Scotmid has over 130 community-based food stores across Scotland. A number of these are still branded as Morning Noon & Night, part of Scotmid Co-operative.

The Society is constantly investing in its stores to respond to the changing market place, and has embarked on a £40m, three-year investment programme to refurbish and expand its estate. The fresh new format is now to be seen in half of the estate, and the refit programme will continue throughout 2010. Scotmid has also started an ambitious programme of new store openings which will continue after its anniversary year.

Semichem

With over 140 stores stretching from the Highlands to the Borders and across to Northern Ireland, Semichem is now a high street fixture offering customers constant savings on everyday health and beauty and household products.

Semichem is also part way through an ambitious programme of ten new store openings in 2009 including a move into the North of England.

SCOTMID IN NUMBERS
as of November 2009

4,000
Employees

133
Food
Stores

140
Semichem
Stores

£350m
Annual Turnover
in 2008

Scotmid today...



Property division

The Property Department has an extensive portfolio of high-quality commercial and residential properties throughout Scotland with which it manages to create a rental income and enhance the net asset value of the Society. The department therefore plays an important role in the growth of Scotmid.

The commercial portfolio consists mainly of retail units let to other retailers ranging from major national multiples down to independent local traders. The residential portfolio consists of flats, and is very much concentrated within Edinburgh where there is a thriving private sector rental market.

The Society has in addition, as part of a long-term plan for an office park, developed a 20,000 sq ft office adjacent to its head office in Newbridge.

Planning applications are also being sought for flats and new commercial space on various sites around Scotland.

Top left: IT staff.

Top right: The new commercial property development at Newbridge.

Bottom left: The new funeral vehicle fleet in 2009.

Bottom right: Staff review property plans.

Funeral directors

As one of the major funeral directors in the country, conducting over 1,200 funerals per year, our funeral division is very much a core business for Scotmid.

Operating eight funeral homes from Motherwell to Penicuik and a memorial masonry service, we are justly proud of our reputation for providing a professional, efficient and ethical service to the community, bringing real peace of mind to our customers at these difficult times in their lives.

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Funeral
Homes

1,200

Funerals
Performed
Per Year

240

Residential
Properties

189

Commercial
Properties

239,000

Society
Members

£190,000

Raised for Charity
in 2008

150

Years since
St Cuthbert's
Established

Scotmid today...



150th anniversary celebrations

Throughout 2009, the Society has been celebrating 150 years at the heart of Scottish communities. Celebrations have been held throughout the year involving staff, members and customers.

The staff were invited to compete in 'Scotmid's Strictly Got the Talent Factor' (a talent competition for staff across the Society) which was both fun and a huge boost for Society morale.

The Society has supported five charities (Cystic Fibrosis, Alzheimer's, Leukaemia Research, CLIC Sargent and Cash for Kids) in its 150th year. A raft of fundraising events have taken place from collecting cans in our stores through to sponsored walks, runs and the high profile sponsorship of Pedal for Scotland, a cycle from Glasgow to Edinburgh raising funds for Leukaemia Research.

The Society was the main sponsor of the 2009 Co-operative Party Conference in the Grosvenor Hotel, Edinburgh in September.

On 3 November, the Society was honoured to receive a Civic Reception in the City Chambers by the Lord Provost and City of Edinburgh Council as recognition of Scotmid's 150 years of co-operative activity within Edinburgh.

A 150th anniversary documentary was produced and showed the workings of the Society from 150 years ago to the present day.

The grand finale to the celebrations was a charity ball on 7 November to celebrate the near end of the Society's 150th anniversary but also to raise funds for CLIC Sargent.

From the opening Church service at St Cuthbert's in Edinburgh through

Top left: Kirkliston store was the set for part of the 150th anniversary documentary production.

Top right: Guests at Scotmid's charity ball.

Left: Chris McLaughlin & Brian Ward from New Stevenson win 'Scotmid's Strictly Got the Talent Factor.'

Right: Civic Reception at the City Chambers in the Royal Mile.

to special offers for customers, double discount days for staff, the production of a special documentary and this brochure, the Society has ensured that its 150th year was well organised and celebrated by all involved in the Society.

... and into the future

Scotmid is proud to have played an important part in the history of Scotland and of the co-operative movement. After 150 years in business, the Society is not standing still, but with a number of new and exciting developments, it is well set up to continue in the future the success that it has enjoyed in the past. As part of a new membership strategy, the Society expects its community activity to take on even more significance in the years to come.

Scotmid will continue to develop to meet the needs of its customers, of its members, and of the communities it serves.

Looking to the future...

by John Brodie

John Brodie trained and qualified as a Chartered Accountant and worked eight years in practice before joining Scottish Midland Co-operative Society as Financial Accountant in 1993.

After five years in that position, he was promoted to Head of Finance, and then depute CEO in 2000 with Society Secretariat duties added in 2003. He became Chief Executive Officer for the Society in 2005.



We are the custodians for such a short space of time within the lifetime of the Society. We can never forget that we are charged with the responsibility of being able to hand this business over to future generations of staff, members and customers.

As we reflect on 150 years of the Society, it enables us to contemplate the endeavours of the St Cuthbert's pioneers in 1859. They started building a co-operative society from nothing in what were undoubtedly difficult times and they had a vision to create something to improve people's lives in local communities.

Life today in this time of recession is also difficult. Granted people are treated better but our challenge is to build upon their legacy and, in a

highly competitive world, still operate the business in a way that is true to their values and principles.

We have the benefit of the foundations they laid. However, five years ago we had to make some tough decisions in order to strengthen our foundations. We had to go 'back to basics' before we could build for the future. This was achieved by everyone working together and now the foundations are strong to build upon and take us forward in future years.

What is particularly pleasing is that the Society recorded its highest trading profit in our 150th year. The founders could have only dreamt that their first, small store in Ponton Street would have grown to an organisation with over 270 trading stores, a

substantial property portfolio and a number of funeral businesses which altogether employ over 4,000 staff.

I feel they would be immensely proud that the city in which they established that first shop recognised them earlier this year with a Civic Reception, publicly acknowledging their contribution to the City of Edinburgh.

We have been passed the baton from the original founders of the Society and it is our duty to pass the organisation on in better shape than we received it. My vision for the future of Scotmid is many more years as a successful independent co-operative business.

We are the custodians for such a short space of time within the lifetime of the Society. **John Brodie, Scotmid's Chief Executive Officer**

Appendix



Presidents

1859–1866	Mr J Borrowman	1896–1898	Mr W Young	1930–1933	Mr W Edmonstone
1866–1869	Mr A Scott	1898–1899	Mr G D Taylor	1933–1934	Mr J Mackenzie
1869	Mr D Edgar	1899–1900	Mr J Macaulay	1934–1936	Mr H N Kennedy
1869–1870	Mr W Galloway	1900–1903	Mr G D Taylor	1936–1938	Mr G Hogg
1870	Mr J Balmain	1903–1906	Mr J Mallinson	1938	Mr A W Mavor
1870–1875	Mr A Scott	1906–1908	Mr J Macaulay	1938–1942	Mr W Cruikshank
1875–1876	Mr W Galloway	1908–1910	Mr J B Bennett	1942–1944	Mrs M Bain
1876–1881	Mr T Cuthill	1910–1914	Mr G D Taylor	1944–1948	Mr J Mackenzie
1881–1884	Mr J Douglas	1914–1916	Mr J B Bennett	1948–1961	Mr J Moffat
1884–1887	Mr J Lochhead	1916–1920	Mr J W Thomson	1961	Mrs B Graham
1887–1888	Mr J C Frier	1920–1924	Mr W D Geady	1961–1979	Mr G Gay
1888–1890	Mr R W Henderson	1924–1926	Mr J W Thomson	1979–1994	Mr W R Smith
1890–1893	Mr J Milne	1926–1927	Mr G Richardson	1994–2005	Mr J P Cronan
1893–1896	Mr J Kerr	1927–1930	Mr J Mackenzie	2005–now	Mr H Smallman

Above: Board in 1929.
Right: Board in 2009.
Bottom Right: Various
Boards over the years.

Appendix



SCOTMID CO-OPERATIVE 1859 - 2009 A CELEBRATION

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General Managers/ Chief Executive Officers

1873–1881	Mr R French
1881–1911	Mr A Mallace
1911–1922	Mr J Cairns
1922–1938	Mr T M Young
1938–1953	Mr J Dick
1953–1969	Mr D Shaw
1969–1980	Mr J Currie
1980–1989	Mr G Macmillan
1989–1998	Mr T Blood
1998–2005	Mr C Bird
2005–now	Mr J R Brodie





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