

CENTRAL CO-OP AND MIDCOUNTIES IN DISCUSSIONS AROUND LANDMARK MERGER

New Society would unite more than one million members, 13,000 colleagues, and £1.8bn in annual sales across the UK

The UK's two largest independent retail co-operatives – **The Midcounties Co-operative** and **Central Co-op** – have today announced that they are in advanced discussions about a merger that would create a Society for the future, with the scale and resilience to deliver greater value for its members, colleagues, customers and communities.

Both Societies have a long history of co-operation and have been in discussion for many months about how they can benefit their members through even closer ties. As a result, in the coming weeks the Boards of the two Societies plan to ask their members to consider proposals that would formally join the Societies together.

If approved, the combined Society would unite over **one million members, 13,000 colleagues** and annual sales of **£1.8 billion**, with a portfolio of specialist businesses including more than **500 food stores, 170 funeral homes, 70 travel agencies, and almost 50 nurseries**, as well as more than **500 investment properties** across the UK.

The new Society would remain rooted in local communities, with sites in counties across England, as well as operating throughout the UK via the digital reach of its funeral, travel, energy and telecommunications businesses.

At a time when people are increasingly looking to businesses to help tackle societal challenges and have a **purpose beyond profit**, the new Society would have a greater ability to shape policy and would be committed to helping other co-ops to thrive and grow, in line with the government's pledge to double the size of the co-operative sector.

The merger would also have the potential to deliver significant economies of scale and operational efficiencies that would reduce costs and create a platform for sustainable growth.

Elaine Dean, President of Central Co-op, said: "As co-operators, we know that by working together, we can achieve more for our members, colleagues and communities. By combining our strengths, we can create a co-operative Society that is more influential, more resilient and more ambitious, while helping ensure that the co-operative movement continues to grow and inspire. We look forward to continuing discussions with the Midcounties Board over the coming weeks."

Irene Kirkman, President of Midcounties Co-operative, said: “Midcounties and Central have a rich heritage and shared values and together we can lead the way in showing how co-operation can create a lasting and positive impact in the UK. One of the many values we share is the commitment to remaining independent and fully owned by our members and so it will be for our members to determine our future. We will be contacting them in the coming weeks as plans develop and will be consulting them fully before any votes take place.”

Phil Ponsonby, Chief Executive of Midcounties Co-operative, said: “We have a unique opportunity to create a Society for the future, something that reflects the priorities of our members and addresses the challenges of our time. This potential merger would strengthen our ability to innovate, invest and cross-market a broad family of businesses to create a strong and stable platform for future growth.”

Debbie Robinson, Chief Executive of Central Co-op, added: “While talks are ongoing, discussions to date have identified significant commercial and operational benefits that could come from merging our two Societies. However, this is ultimately about more than numbers, it’s about people. By uniting our Societies, we can increase our ability to deliver value for our members and communities; provide more rewarding careers and greater opportunities for development for our colleagues; and it means that we can combine our respective strengths to create a new Society that is built to thrive for the long term.”

Both Societies are planning to contact members in the coming weeks to provide further information about how they will be consulted throughout the process and how they will be able to vote on any proposals that are put forward. Any proposals put to members would see the new Society maintain and celebrate the unique regional identities of its trading areas, following the example set by the recent successful transfer of **Chelmsford Star Co-operative** into Central Co-op.

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Notes to Editors

- The proposed merged Society will be the UK’s only provider of **co-operative phone, broadband and energy tariffs**.
- The combined Society will span communities from **Southampton to Sunderland and Great Yarmouth to Gloucester**.

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