

Who is Beanchain?

1. Core Purpose and Mission

Beanchain Miro Board:

https://miro.com/app/board/uXjVKEHnYIY=/?share_link_id=251929206391

Beanchain's mission is to:

- Build fair, worker-directed coffee shops that serve their communities.
- Create a model(Worker Directed) that transitions gradually from traditional ownership to fully democratic, worker-owned cooperative structures. If we can build a bridge towards being a worker-owned cooperative that's easier to implement than other governance models, many more businesses will decide to move towards worker-ownership.
- Fight poverty, promote solidarity, and empower workers to co-create their workplace.
- Create cultural change, education, and tools that will help move everyone towards considering worker-owner models like worker cooperatives.

Values driving Beanchain:

- **Good Faith:** Assuming positive intent, communicating transparently.
- **Understanding:** Building relationships, supporting coworkers and the community.
- **Fairness:** Treating everyone equitably and sharing economic value.

Beanchain's Philosophy

The Beanchain is the first step in our mission to end poverty in America by encouraging and supporting a change in our business community towards worker ownership and cooperative principles. We plan to build a coalition of cooperatives, worker-owned businesses, and other similar organizations that can help produce a much fairer and equitable economy in the United States and beyond.

Worker Direction

Worker Direction is our approach to building a workplace culture that prioritizes democracy, participation, and mutual respect. It draws on the **7 Principles of Cooperatives** and aims to give workers genuine influence over decisions that affect their work and their community. The

Beanchain is Worker Directed, and what that means is that we're building systems/tools that allow for greater worker input, an environment of good faith, and prioritizing a living wage. Things like casual voting, forums for proposing and debating ideas, and teams that can allow people to get more money for doing more work. Worker Direction also allows us to make the cultural change and provide the education needed to prepare workers for becoming owners in a worker cooperative.

We're testing things out, experimenting, to determine the best tools for a worker-directed business while building a smooth path towards a cooperative.

The Beanchain Network

As we perfect the model, we'll make more Beanchains and have them connected by a non-profit network that can share all the services that coffee shops would need. IT, Legal, Marketing, and more! That way, the majority of the profit and power can stay at the shops in the communities they support. This network will serve as an alternative to becoming a big corporation, keeping all the benefits, but also allowing for local worker ownership.

The Cooperate Network

Then we want to scale that up and invite other businesses to become some kind of worker-directed business and benefit from the shared services we can offer member companies. Essentially, offering the same economic benefits that corporations get, but for all these small businesses that care about their workers. This larger coalition will be called the Cooperate Network.

While we're building towards the Cooperate Network, the Beanchain will serve as an incubator for cooperatives in order to start building the services we'll need in the larger network. Our internal marketing work team is planning to eventually be its own worker cooperative serving the Beanchain and outside organizations. The Solution Seeking Company is something we're building to help develop and maintain the tools needed to facilitate good leadership, communication, and system development within organizations. This will also be an independent worker cooperative that is serving the larger community we're building and others outside of that network.

We want to build self-sufficient Cooperatives to provide all the services needed by the Beanchain Network and the larger Cooperate Network. This way the network can be much more sturdy and cellular in nature. Like a human body that has cells performing functions to serve the whole while also living their own life cycles, we can also maintain local autonomy while networking together in a way that allows all of those in the larger community to thrive.

On Shareholders

We must never lose sight of the idea that all these structures we build should be serving the people in them. Not just a few at the top.

On Growth

A system shouldn't seek growth or advancement purely for the sake of it, but instead to serve those within it. If growth doesn't serve them, then perhaps that's not what should be pursued. There may come a time when we should seek homeostasis or even shrink to serve the workers, communities, and nature that we're a part of.

Cooperative Principles

The **Seven Cooperative Principles** are:

1. Voluntary and Open Membership

Cooperatives are open to all people who want to join and are willing to accept the responsibilities of membership, without discrimination of any kind.

You can't be turned away because of who you are.

2. Democratic Member Control

Co-ops are controlled by their members, who actively participate in setting policies and making decisions. Each member typically gets one vote, regardless of how much they've invested.

Everyone has a voice, not just the biggest investors.

3. Member Economic Participation

Members contribute to and democratically control the capital of the co-op. Profits are usually reinvested in the co-op or returned to members based on their participation, not their investment.

You share in what you help create.

4. Autonomy and Independence

Cooperatives are self-governing and independent. Even when they partner with outside organizations or take on funding, they retain control over their own operations.

The people in the co-op make the final decisions.

5. Education, Training, and Information

Co-ops provide education and training to members so they can contribute effectively. They also inform the public about the nature and benefits of cooperatives.

Learning is part of the model, not a luxury.

6. Cooperation Among Cooperatives

Co-ops work together through local, national, and international networks to strengthen the movement and better serve their members.

Stronger together—co-ops help co-ops.

7. Concern for Community

Co-ops care about more than just profit. They support the sustainable development of their communities through thoughtful business practices and partnerships.

People and place come before profit.

How we align with the Principles

Beanchain's model was **designed specifically to embody the Seven Cooperative Principles**:

1. **Voluntary and Open Membership:** Any worker can apply to become an apprentice and, over time, a member. They will be voted in by the existing membership once their Apprenticeship is over.
2. **Democratic Member Control:** Members have an equal vote, with founders retaining a veto until they sell to the workers and become a full cooperative. The model we're pursuing is meant to help all standard businesses transition smoothly towards becoming a full worker cooperative. We're hoping to define the best practices for this approach in a way that makes it easy. First, we need to try it out ourselves.
3. **Member Economic Participation:** Members and Founders share profits, take part in financial decisions, contribute equitably, and share in the financial burdens of running the business. We won't be asking a financial contribution from new members, but instead we'll be asking for sweat equity to be contributed during the Apprentice phase.
4. **Autonomy and Independence:** The business is locally controlled and will be independent of the larger Beanchain Network. Each cooperative group in the Beanchain Network will retain its own identity, rules, and practices. They will have to agree to a common set of commitments that all Beanchains must adhere to.
5. **Education, Training, and Information:** Beanchain develops extensive resources and training regarding our practices, tools, philosophies, and more! We develop education meant for internal and external use. We see internal education as another way to distribute power and prevent any one person from becoming too important. We see education for our community as a duty that we must uphold if we want to build a better world.
6. **Cooperation among Cooperatives:** Beanchain incubates other co-ops and plans to form the Beanchain Network and Cooperate Network. We hope to see a thriving ecosystem of Cooperatives spring forth from our efforts here. If we are to be successful

in our mission to end poverty in America, we'll need to build quite a few Cooperatives.

7. **Concern for Community:** Initiatives like Pay It Forward meals, Unhoused Help pamphlets, and community events directly serve the public. We're always searching for more ways we can make a positive impact on our community. We want to push back on the cultural sterilization that we've seen from corporate America in recent decades. Our goal is to help create an authentic culture that centers around helping people live with dignity and feel connected to one another.

2. What is Beanchain

Beanchain is:

- A **worker-directed coffee** shop in Mesa, Arizona.
- A **prototype** for converting a conventional business into a worker-owned cooperative.
- An **educational laboratory** developing and refining tools (like the Solution Seeking System) to help other businesses transition to cooperative ownership.
- A **community hub** with resources, events, and mutual aid programs.
- An **incubator for future cooperatives** in other sectors

Beanchain is not just a café—it is a real-world testbed and proof-of-concept for a different economic model.

3. Organizational Structure and Lifecycle

Worker-Directed Model (Current State)

Beanchain has a transitional governance model combining:

- **Founder Authority:** Founders retain certain powers, including a veto, to protect the early stability of the business.
- **Democratic Practices:** Workers have access to forums, casual voting, and team-based incentives.
- **Gradual Transition:** Over time, founders are repaid, and workers transition to membership, ultimately becoming fully democratic.

Defined Roles

1. Founder

- Early contributors of time, money, and risk.
- Expectations:
 - Perfect communication.
 - Supporting all areas of the business.
 - Shared administrative responsibilities.
- Perks:
 - Veto vote (used sparingly).
 - Profit sharing during active involvement.
 - Permanent profit share until shares are sold to members.
 - Founder repayment (compensation for investments and deferred wages).
 - Right to eventually sell shares to members.

2. Member

- A worker who has completed the apprenticeship.
- Must be unanimously approved by all founders and existing members.
- Expectations:
 - Same as founders (communication, participation).
- Perks:
 - Voting rights.
 - Profit sharing.
 - Retirement package (to be defined).
 - Wage postponement option during hardship, with 5% yearly interest.

3. Apprentice

- A worker in training for membership.
- Bound to a specific Founder or Member as a mentor.
- Process:
 - Voluntary initiation.
 - Pre-assessment interview.
 - Minimum one-year apprenticeship.
 - Final unanimous vote.

4. Worker

- The foundational role: baristas and general staff.
- Responsibilities:
 - Adhering to the Co-Worker Mutual Agreement.
- Perks:
 - Healthcare assistance (50% of premiums)
 - Education Subsidy
 - 0 Cost Paycheck Advances
 - Living wage commitment.
 - Pathway to apprenticeship and membership.

4. Co-Worker Mutual Agreement

This is the foundational document all Beanchain workers sign. It is both a code of conduct and a set of mutual promises designed to build trust and fairness.

Core Commitments:

- Operate in good faith.

- Communicate clearly and early.
- Perform duties to the best of one's abilities.
- Be on time or early for shifts.
- Be kind and attentive to customers and coworkers.
- Avoid gossip.
- Remain non-violent and compassionate, even under stress.

Special Policies:

- **Shift Coverage:** Clear expectations on how to request coverage and communicate absence.
- **Dealing with Disruptive Guests:** Guidelines for compassionate, safe responses.
- **Zero Tolerance for Violence and Bigotry:** Grounds for immediate termination.
- **Gossip:** Only two solution-seeking sessions before termination is an option.

5. The Solution Seeking System

Philosophy

At Beanchain, discipline isn't punitive—it's **a path to mutual understanding and improvement**. Understanding is the fundamental principle that supports all others in the Solution Seeking System. This system is built on the essential presupposition that **everyone is genuinely capable of understanding one another when approached with sufficient patience, bravery, vulnerability, and compassion**. This belief forms the foundation upon which the entire process is constructed.

The Solution Seeking System is a general-purpose problem-solving workflow that can be flexible and thorough enough to help people solve communication problems and any disagreements with others in their lives. It's focused on helping people understand themselves first and then allowing them to understand and be understood by others. This mutual understanding leads to a process of finding executable solutions to the problems.

The Solution Seeking System is meant to be applied over any leadership philosophy/style and to empower that System to be more useful and bespoke to its participants. It doesn't replace the

current leadership model, only assists. The Communication Protocol can be used with existing Leadership Tools to produce Solutions that can be implemented in a System to improve it and make it a Living System

This is the system we use to handle most disputes and issues in the workplace. The Leadership tools we use at the Beanchain primarily are feedback, One on Ones, Targeted conversations, and formal solution seeking sessions. These all use this Solution Seeking System to generate solutions and improve our interpersonal and organizational systems.

Any leadership tool can be used with the Solution Seeking System. It just needs to employ the core communication protocol to create solutions that can be used to improve the system that it is a part of.

Terminology

System: Any group of people interacting with one another in an organized way. This could be a relationship between two people, a club with many members, a business, or any other kind of human organization.

Solution: An actionable and measurable plan/pattern/tool that can be used to improve a System.

Communication Protocol / Solution Seeking Protocol: The 3-Step communication pattern that is used to create understanding and output solutions. This tool is the foundation of the solution seeking system. The three steps are Introspection, Finding mutual Understanding, and then Solution Seeking. These three steps are expanded upon in the Miro board for the Solution Seeking System: https://miro.com/app/board/uXjVLANpEGk=/?share_link_id=319102071456

Living System: A system that is being actively built and improved on using solutions output through the Solution Seeking Protocol.

Wisdom Principles: Concepts that are used in the Solution Seeking Philosophy. These are ideas that will need to be well understood for the Communication Protocol to be properly used.

Leadership tools: Tools that use the Communication Protocol to help generate solutions. These tools are key to the improvement and maintenance of a System

Leader(Servant): An individual interested in the service, maintenance, and development of the system in which they are participating. A person entrusted with authority with the goal of guardianship over the system.

A brief description of the Solution Seeking System

The Solution Seeking System assists **systems**(any group of people) by identifying **solutions** that improve communication, connection, wisdom, leadership, or any other aspect of those

systems. It creates a smooth cycle of growth and change that **creates living systems** that can better serve their participants.

Within the Beanchain, we use the Solution Seeking System in combination with other leadership tools to build a seamless cycle of growth that rewards its participants for bravely communicating and understanding one another.

Communication Protocol

The core method of all leadership tools:

1. **Introspection:** Reflect on feelings, motivations, and goals before engaging.
2. **Mutual Understanding:** Engage in non-judgmental listening and clarifying questions.
3. **Solution Seeking:** Create actionable, measurable solutions together.

Leadership Tools We Use

Feedback

- For minor corrections, teaching, and trust building.
- Often informal but rooted in introspection and clarity.

Targeted Conversations

- Used when feedback doesn't resolve an issue.
- Private, structured discussions to reach understanding.

Solution Seeking Sessions

- Formal process for repeated or serious issues.
- Documented outcomes.
- Refusal to participate still counts as an attempt.

One-on-Ones

- Regular check-ins (ideally monthly).
- Designed for relationship-building and early detection of issues.

Performance Reviews

- Occur every ~2 months.
- Evaluate adherence to core promises.
- Provide clear ratings (Satisfactory, Needs Improvement, Unsatisfactory).

Escalation and Special Cases:

- After five unsuccessful solution-seeking attempts, termination becomes an option.
- For certain serious misconduct (violence, repeated no-call/no-shows, teaching incorrect procedures), fewer attempts are allowed before termination.

6. Day-to-Day Practices

- Daily checklists (opening, closing, shift changes).
- Team communication is primarily via Discord and Miro.
- Emphasis on clarity in all operations.
- Workers are encouraged to engage in voting and forums.

7. Compensation and Economic Participation

- Commitment to a living wage benchmark (\$21/hr + tips in Mesa).
 - We aren't there yet, but we've already given a raise and are on the way to meeting this goal.
- Founders repayment
 - Allows founders to be repaid for any additional effort and financial support provided to the business before it transitions to a full cooperative.
 - Helps convince other owners of businesses to move towards worker-owner models like this one by assuring them that their sacrifices in building the business

will be equitably respected

- Profit sharing between Founders and Members. We should all benefit from the hard work we put into building this business.
- Sharing of economic burden between Members and Founders. If profits are shared, so should the burdens be shared.
- Option for wage postponement to support the business, with 5% interest accrual.
 - Members and Founders only
 - A tool for allowing the business to survive hard times

8. Community Programs

Beanchain Community Book

- A journal on the coffee table for writing, drawing, and sharing.
- When filled, photos are archived online and the volume is retired to the library.

Pay It Forward Board

- Customers can pre-purchase meals for anyone in need.
- Meals redeemed discreetly, one per day per person.

Unhoused Help Pamphlets

- Trifold guides listing local resources for unhoused neighbors.
- Available in-store and online: [Unhoused Help](#)

Shared Workspace

- Free shared workspace
- Lots of room and seating
- Printer, whiteboards, and other resources are available for use

- Can order from seats using QR codes

Community Art Space

We encourage local artists to put up art on our walls! We just ask that they submit it to a form we have online, and when approved, we'll do a collaborative post with them to highlight the art!

- Free space to hang art and show off to the community
- Sign up here: <https://forms.gle/Dxn4ywqVyNzybauu6>

Community Curated Library

We only take book donations if someone can tell us why they like that book. Otherwise, we don't want it. It must be something meaningful that they want to share with the community. Our goal is to build and share culture and make things feel meaningful to people again. Too much of our world is fluff and sterilized. It's depressing and reminds us how hollow our society has become. We want to fight back and put some meat on the bones of this culture.

- You can donate a book, but only if you can tell us why you liked it or value it.
- It's meaningful and community-centric. Reflective of the community it's a part of.

Local Marketplace

- Any local small business sells from our marketplace, but only locals
- We carefully vet vendors to make sure that they aren't supporting business practices that create poverty.
- People can contact David or Shannon to sign up!

9. Cooperative Incubation and Future Projects

Beanchain Network (Future Nonprofit):

- Provides services and support to multiple Beanchain locations.
- Maintains standards and shared resources while preserving local worker ownership.

Other Projects:

- **Beanchain Marketing Cooperative:**

The Beanchain's internal marketing team is an opportunity for worker direction for our workers. We intend to develop it until it's ready to serve outside organizations as well, then help it transform into its own distinct cooperative organization. An economically sustainable separate entity from the Beanchain. It would continue to serve the Beanchain and take outside clients as well as become a central service provider within the larger ecosystem of cooperatives we're developing.

- **Solution Seeking Company:**

A cooperative for training, services, and tools to share the Solution Seeking System with other organizations.

- **Beanchain Music Cooperative:**

A cooperative intended to help give new musicians a place to develop their craft, provide music to establishments that would like to host it, and help culture thrive across Mesa and beyond.

- **Baristers:**

A network of fill-ins for coffee shops and restaurants that provide high-quality coverage, taking pressure off the small business owners. It will be a cooperative, and the members will be the workers themselves.

10. Quotes and Messaging

From David Baxter:

"I've been shaped by my experiences with poverty, and no one else should have to experience what I did. The Beanchain is a reflection of that mission."

From Shannon Baxter:

"When humans experience poverty, the first to suffer are all the animals. By fighting poverty for humans, my hope is that we can end poverty for animals as well. They deserve better."

Community Testimonials:

- "I used your pay-it-forward board 3 days in a row. I just got a job, and I wanted to thank you for feeding me this week. It really helped."
- "I just moved to Arizona and I've been having a hard time finding my community, but I feel like I found it here at Beanchain."

11. Contacts and Location

- **Address:** 1110 W Southern Avenue, Mesa, AZ 85210, Suite 8
- **Contacts:**
 - David Baxter – 480-201-6965 – david.baxter@bchain.coffee
 - Shannon Baxter – 480-332-8026 – shannon.baxter@bchain.coffee

12. Next Steps

Next Milestones:

- Accept first apprentices.
- Transition first workers into membership.
- Complete living wage implementation.
- Launch the Beanchain Network nonprofit.
- Develop and distribute Solution Seeking System educational resources.

13. Why Beanchain Matters

Beanchain is:

- A practical experiment in building worker democracy.
- A local business solving real problems.
- A prototype for a more equitable economy.

Its work shows:

- Business can be fair and community-rooted.
- Workers can and should be trusted with power.
- Poverty and isolation can be met with solidarity and creativity.

