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## *Community-Based Education Program*



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### Promotional Copy

## #4139 Feasibility of the Kawartha Loon Exchange

### Project Information

A local currency can be a significant incentive for citizens to buy local and for locally owned farm enterprises and merchants to develop more local and secure supply chains, building local resilience in the process. The purpose of this project is to determine the feasibility of the Kawartha Loon Exchange (KLE) local currency model against both the market and other comparative local currencies both within and without the Transition movement. The final report will highlight success and risk factors to be identified in a business plan.

The students will be doing comparative research mostly online and by telephone interview with other communities who have already introduced local currencies, identifying success and risk factors and assessing the KLE model against them. The students will assess comparative models and make recommendations. Further, three market surveys should be developed to assess the receptivity of the KLE with local constituents. These three groups would be:

- Area farm enterprises
- Small business owners (non franchise)
- Small business franchise owners

Emphasis should be placed on finding farm enterprises and small businesses that provide essential products and services within the groups of wellness, food, water, energy, building supplies, residential and commercial built, essential clothing, waste management and local culture.

Students will also be collecting input information from potential Exchange Banks and the City and County of Peterborough currently supplying energy and water to its citizens.

The success of commercial consumer loyalty programs such as Canadian Tire money and Shopper's Drug Mart Optimum points are an indication of high public acceptance of buying incentives provided that the incentive is high enough to stimulate use, so no consumer research is being suggested for this proposal although the student is asked to assess the consumer discount of 10% adopted in this model.

### Benefit to the Host Organization and the Community

The report will be utilized by the host organization to complete the Business Plan and begin the implementation, giving weight to community development and inclusion.

A local currency can be a significant incentive for citizens to buy local and for locally owned farm enterprises and merchants to develop more local and secure supply chains, building local resilience in the process.

Strategically, a fully exchangeable local currency is a local wealth creator and local job creator.

The KLE has the additional benefit of becoming a secondary source of capital to the Peterborough and Kawartha Environmental Trust (PKET), which is itself designed for providing incentive to small and micro farm enterprises and businesses. The understanding of how PKET and the KLE interact in this model will be key in the completion of the project. Information on PKET is in the attachments to this proposal.

The transition movement, by design, integrates with Local Exchange Trading Systems (LETS) groups around the world as the host organization has consistently done for the last three years in Peterborough. There are many differentiators to position the KLE model to a much broader base of citizens, farm enterprises and businesses throughout the Kawarthas. The important differentiators are:

- Consumers will purchase Kawartha Loons at a 10% discount.
- The KLE will be available and exchangeable for Canadian dollars by Exchange Banks throughout the trading area.
- Exchange Members are farm enterprises, other businesses and municipal jurisdictions providing essential products and services required to build local resilience.
- The KLE, as part of a Charitable Trust (PKET), is designed to support the broader community.
- The host organization, by design, is uniquely linked to both business and local governments and is investing extensive time and effort in building the infrastructure and framework, laying the groundwork to receive the Kawartha Loon.

### **What Students Might Learn**

Students will be learning in economics: fundamental wealth creation, resiliency thinking - which is a whole new branch of economic/social enterprise replicating natural systems, and of course, job creation. Incorporation of the transactions between the Peterborough and Kawartha Environmental Trust and the Kawartha Loon Exchange should be beneficial on how a community can pull itself up by keeping wealth in the community.

### **Screening or Training Requirements**

- None

### **Skills or Experience Needed**

- Economic and marketing evaluations and risk assessment.

### **Resources Required for Project that will be Provided by Host**

The host organization will provide funds to make copies of the final report and market research documents of from \$50-\$100. Permission from host is necessary before making a purchase. The host supervisor is a professional marketer and is willing to help students develop research models and questionnaires.