

Case Study: Commown

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Purpose: Transforming the electronics sector into a sustainable and responsible sector, by changing the structure from a sales model to a cooperative-based rental model enabling a 2–3 times longer life of the devices.

Design Trait: Network

Innovative Practice: Cooperative Network Design

Key Facts

Commown is a cooperative for sustainable electronics offering fair and sustainable modular smartphones, headphones, laptops and computers in the form of a rental model for their members.

Established: 2018

Location: Straßburg, France

Founder: Élie Assémat

Ownership: Not-for-profit Cooperative in France

Legal Form: Société coopérative d'intérêt collectif (not-for-profit cooperative), Société anonyme (public limited company with variable capital)¹

Employees: 15 full-time, 15 apprentices (2025)

Members: ~1000

Webpage: <https://commown.coop/de/>

1 This legal form is specific to the French legal system and does not have a direct equivalent in other jurisdictions; therefore, the original French terms are maintained. Throughout the interview with *Commown*, emphasis was consistently placed on the cooperative aspect, which serves as the central point of reference for the entire case study.

Purpose, Business Model & Objectives

Commown has set itself the goal of transforming the electronics sector into a sustainable and responsible sector, by changing the structure from a sales model to a cooperative-based rental model, enabling a 2–3 times longer life of the devices.

Today's electrical industry is characterised by poor working conditions in mines and production facilities, a highly negative environmental impact and inadequate recycling of old appliances. These challenges underline the need for changing how we produce, consume, and recycle electronic devices. To tackle these problems and challenges, *Commown* was founded in France in 2018 to make the electronic industry more sustainable. In addition to France, the main sales market is Germany, where a branch was opened in Berlin in 2021. *Commown* is unique in the electronic industry as the only co-operative dedicated to sustainable electronics.

Commown's business model consists of renting out electronic devices such as smartphones, laptops, and headphones instead of selling them, as conventional companies do. To this end, sustainable products that are repairable and more durable are selected, such as *Fairphone* or the computer brand *Why*. While the business models of other electronic device manufacturers often aim to ensure a new device is purchased as quickly as possible, *Commown's* approach is entirely different. It is built on a rental model that incentivises all parts of the network to maximise the longevity of the devices. While other companies profit from replacing their products as quickly as possible, *Commown* is focused on keeping the equipment in operation for as long as possible. This leads to a shift in the focus within the business model of *Commown*. Robin Angelé², an employee at *Commown*, who was interviewed for this case study, emphasises the following:

“And what we are trying to do with *Commown* is to show that with a different business model, namely with rental, the interest is completely different. It's the other way round, because we only rent out the appliances and then we have an interest in ensuring that those who use the appliances remain in operation for as long as possible.”

Commown offers a comprehensive service for hardware and software in order to ensure the longevity and durability of the devices, and to ensure their software remains updated. With this approach, the company is challenging the electronic industry's

2 At the time of the interview, Robin Angelé was employed at *Commown*; however, he is no longer with the company.

status quo and aims to prove that positive contributions to society and the environment can be aligned with commercial success, benefiting companies, customers, and the planet alike.

Insights into the Cooperative Network Design

Instead of a traditional hierarchical corporate structure, that prevails in the technology and electronics industry, *Commown* relies on a cooperative network design which brings together a wide array of participants, going beyond typical customer-manufacturer relationships. It allows not only customers but also the manufacturers of the products, marketing partners, and even public institutions, such as cities, to become members, fostering a comprehensive and inclusive approach to sustainability and shared goals.

Shift from Customers to Members

The cooperative network design is characterised by a shift from traditional customers as end-users to customers as members and participants. This network structure incentivises members as well as the company itself to work together to maximise the lifespan of products.

Commown pursues an alternative business model compared to many other companies that use their approach to marketing, software, and hardware to encourage consumers to buy new products more quickly, which is known as planned obsolescence.

In terms of software, at *Commown* this means working with alternative operating systems that allow older devices to continue to be used safely and efficiently. In this way, new functions and security updates can be provided without replacing the hardware. In terms of hardware, this means working exclusively with modular devices that are characterised by durability and easy repairability. The modular design allows *Commown* to repair or replace individual components of the devices instead of selling products that become unusable after a short time and require the entire device to be replaced. This system makes a circular economy feasible. The appliances can be repaired, and spare parts can also be used to repair other appliances, which minimises resources and thus protects the environment. *Commown* also takes an innovative approach to pricing, which differs significantly from the strategy of other companies. It uses an innovative pricing model that encourages customers/members to keep the devices for as long as possible by decreasing prices with an ongoing rental period. Instead of incentivising their customers/members to make frequent new purchases, *Commown's* customers are rewarded for long-term use of the products.

Figure 1: Designed for Repair: Extending Product Lifespan Through Repairability



Source: Commown 2024a.

Shift from Manufacturer to Members

Manufacturers are a key stakeholder group within *Commown's* cooperative network. *Commown* collaborates with manufacturers who share the vision of a more sustainable electronics industry. These partners, as members of their network, are carefully selected for their commitment to sustainability, modularity, and high social standards within their operations. This cooperation emphasises choosing partners that prioritise longevity, reparability, and resource conservation at the centre of their product development. Robin Angelé explains:

“Our role is really to work with the manufacturers that already exist on the market and that are sustainable and modular and that offer the best social conditions for employees.”

Commown attaches great importance to developing long-term partnerships with its manufacturers which result in collaborations that are characterised by trust and transparency and are based on shared values and goals. By working closely with companies that are actively committed to fair and sustainable electronics, *Commown* creates a stable network that promotes the durability and reparability of products. The mutual exchange of expertise and values creates the basis for jointly advancing innovative solutions for a regenerative electronics industry. With reliable, like-

mindful manufacturers as network members, new ideas for the design of modular, repairable and durable electronic products can be developed and implemented.

Collaboration with Other Organisations

Commown's network extends beyond customers and manufacturers and includes a large number of organisational partnerships with like-minded actors that share a common purpose. The role within these networks depends on the organisation and its objectives. In some organisations, *Commown* acts as a co-founder and actively participates in the development of campaigns. In other organisations, the company acts only as a member and concentrates on supporting specific relevant projects.

For example, *Commown* is currently collaborating with *WEtell*, a sustainable telecommunications provider. Their joint campaign offers customers a discount on their monthly tariff when they rent a smartphone from *Commown* after purchasing a plan from *WEtell*. This partnership not only promotes the rental model but also enhances awareness of sustainability within the telecommunications sector. *Commown* also collaborates with *SEND*, the social entrepreneurship network in Germany that engages in various programs aimed at fostering social impact. At the Impact Fair in Frankfurt, they had a shared booth with *SEND* and other social enterprises to raise awareness about their innovative rental model. Furthermore, organisations like Cradle-to-Cradle host exhibitions in Berlin, where *Commown* participates by having a showroom for discussions about sustainability and innovation.

By collaborating with different organisations and engaging in various events, *Commown* contributes not only to the dissemination of their rental model approach but also contributes to a growing movement toward sustainability that encompasses the broader electronic sector.

How the Cooperative Network Design Enables Regenerative and Distributive Dynamics

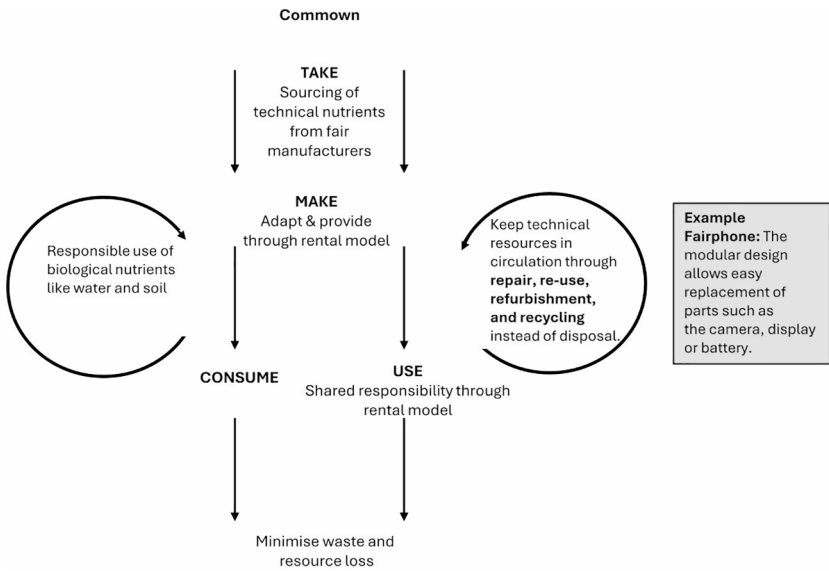
Commown's cooperative network design generates multiple opportunities for achieving their ecologically regenerative and socially distributive purpose:

Mutually Beneficial Cooperative Network

The cooperative network and *Commown's* clear rejection of planned obsolescence create a model that is beneficial for both *Commown* and its customers. As revenue is not based on frequent new purchases but on the long-term use of the devices, there is a common goal: to keep the devices in working order for as long as possible. Customers benefit from ongoing support, including a comprehensive service and re-

pair package to ensure long-term, trouble-free operation. Customers can be sure that their equipment will always remain operational. To achieve this goal, *Commown* is committed to the regenerative use of resources: defective parts can simply be replaced and reused in other appliances, promoting an environmentally friendly circular economy. This approach reflects Raworth's concept of a regenerative economy, illustrated in Figure 1. This model, which is also known as the Butterfly Economy, consists of two interrelated cycles: a biological cycle that ensures resources regenerate naturally and a technical cycle that focuses on restoring and reusing materials rather than discarding them.

Figure 2: The Butterfly Economy: Regeneration by Design – the Example of Commown



Source: Own representation based on Raworth 2017: 220.

Community Based on Mutual Trust

The eye-to-eye relationship creates a strong sense of community and deep trust among customers. A significant contribution to this is that *Commown* calls each of its new customers personally to provide detailed information about the business model and answer any questions. This direct contact not only promotes customer confidence but reinforces that they are part of a community. As Robin Angelé points out, this sense of community and trust is reflected in the behaviour of customers

who, for example, “advertise for us on social networks, even though we sometimes don’t ask for it. That comes from the sense of community the network creates.”

Beyond personal relationships, *Commown’s* cooperative structure ensures that trust is embedded in its decision-making processes. Customers, who are also members of the cooperation, can actively participate in shaping the company’s direction. At the General Assembly, members vote on important decisions and must approve the budget, which also includes possible price increases. In cases where prices could rise sharply, members therefore can use their vote and, if necessary, vote against such adjustments.

The trust-based network extends beyond customers to include manufacturers, who also influence the cooperative’s direction through their involvement in the supervisory and executive board. Manufacturers can actively contribute their know-how and expertise and thus directly influence strategic decisions such as product range design and product development. This collaborative structure strengthens the relationship with stakeholders, as their expertise and concerns can flow directly into decision-making processes.

A prime example of this collaborative approach is *Fairphone*, a key member of the cooperative. By being elected to the executive board by the General Assembly, *Fairphone* exemplifies how direct involvement in ownership and decision-making structures facilitates mutual trust-based cooperation through a simplified exchange of information and direct feedback. Actions and activities can be better harmonised from both the operational and strategic levels, which increases the efficiency and effectiveness of the company in reaching its purpose. The cooperation also enables the targeted and coordinated implementation of joint projects, for example in marketing, which further strengthens brand perception and customer loyalty.

Moreover, by bringing all stakeholders together, *Commown* receives valuable, direct feedback from its members through the General Assemblies. In an industry dominated by large companies, the network structure of this cooperative model allows *Commown* to adapt its strategy and product range based on members’ insights. At the same time, it turns members into advocates and ambassadors, building trust and support.

Dissemination of the Rental Model

A major advantage of the well-developed network structures is the extensive opportunity to actively integrate partner companies into the sustainable rental model and thus make the electronics industry more sustainable. An illustrative example of this is the cooperation with *Fairphone*. Originally, *Fairphone* sold its devices directly to *Commown*, which then rented them out to customers. However, this model has evolved over the years: *Fairphone* is now more involved in the system by renting devices directly to *Commown* instead of selling them. As a result, *Fairphone* receives a

commission for each month in which the devices are rented. This close collaboration promotes a sustainable business model, as both *Fairphone* and *Commown* are strongly committed to keeping the devices as durable and functional as possible. Moreover, this partnership aligns with a regenerative purpose, as the sustainable practices adopted by *Commown* and *Fairphone* can be passed on through their cooperative network, potentially inspiring their partners to implement similar initiatives. By actively involving partners, *Commown* becomes a role model for sustainability, inspiring other sectors beyond the electronics industry to adopt and implement comparable sustainable practices.

Visibility – Raising Awareness

Collaboration with like-minded organisations in the electronics industry is a key element of *Commown*'s strategic development. This approach helps to increase awareness of the rental model, particularly in markets where *Commown* is not yet strongly represented. Through its diverse partnerships, *Commown* gains access to a larger audience and reaches numerous organisations to present the rental model and promote its dissemination. In this way, the cooperation helps to create a broader awareness of sustainable consumption alternatives and to publicise the advantages of the rental model in various electronic sectors. Furthermore, by bringing together the resources and expertise of various parties, common goals can be achieved, enabling the exchange of best practices and discussion of new industry developments. This enables *Commown* to stay one step ahead of others and to adapt its business model to the changing market requirements.

Challenges Arising from Designing Network around a Cooperative

Unfamiliarity of the Cooperative-based Rental Model

A major challenge for the company in achieving its purpose is that many people are unfamiliar with the rental-based business model. They are also unfamiliar with the way *Commown* has been designed to integrate various stakeholders into its enterprise design. According to Robin Angelé, "People are not so used to this model. So, you have to explain it."

People have questions about the rental conditions, the cooperative model and the aspect of sustainability. Regarding the rental model, customers are often unsure as to whether they can buy the appliances afterwards or must return them. The cooperative model also raises questions, partly because the rules and the handling differ from cooperative to cooperative. *Commown*'s task is to explain what exactly is so interesting about the model and how exactly it works with cooperative shares.

It is often necessary to explain the relationship between the rental and cooperative models. Many people do not realise that they can remain a member of the cooperative without renting an electrical appliance. Moreover, the *Commown* team needs to educate people about why this model is sustainable and what advantages it offers over other models.

Limited Choice of Suitable Manufacturers

One of the challenges that *Commown* faces is finding manufacturers on the market with whom they can work and who support the idea of the rental business model and the circular principles. As Robin Angelé emphasises, “Of course, we are limited in terms of the manufacturers that already exist.”

Commown only rents out electronic products that are manufactured sustainably and fairly, such as *Fairphone*, Gerrard Street headphones or the Shiftphone. Although sustainability is also playing an increasingly important role in the electronics industry, the number of sustainable manufacturers is limited, partly due to the strong and dominant competition that focuses on mass production and fast exchanges of its products. This makes it difficult for *Commown* to expand and extend its range. The limited number of manufacturers prevents the company from expanding its product portfolio and thus attracting more customers.

Time and Value – Coherency Effort for Finding Suitable Partners

Further to the challenge of finding suitable partners, *Commown* attaches great importance to long-term partnerships with its manufacturers that are based on trust and reciprocal support. However, establishing and maintaining these partnerships can take a lot of time. Before the cooperation can even begin, *Commown* must already dedicate a great amount of time to see whether the values and standards match and whether a partnership is a good fit. Only if this is the case, can other aspects, such as different parts of working together or contract negotiations, be concluded. While these long-lasting partnerships are, of course, valuable, the lengthy process of establishing them slows *Commown* down in expanding its manufacturer network.

Interactions with Other Design Traits

Ownership Design

One of the greatest opportunities arising from the company’s network structures lies in the cooperative’s ownership structure. A cooperative exists for its members and anyone who wishes to become a member – whether as a customer, manufac-

turer or in another role – has the opportunity to acquire shares in the cooperative. This membership provides the right to participate in the general meeting of *Commown* and to have a say in decisions. Critically, regardless of the number of shares someone or an organisation owns, each member only has one vote. This means that the usual principle that the person who invests more also has more influence is deliberately not applied. Robin Angelé summarises the Ownership Design as follows:

“What is different with us is that we are a cooperative. This means that customers can also become members by simply buying a share in a cooperative. They can even do this at the same time as renting a unit. And they have a say in the election at the general meeting, where important decisions are made.”

Governance Design

Decision-making power is also carefully balanced in the general meeting. The voting rights are divided into four categories: 50% of the votes go to the executive board and employees, 20% are allocated to customers and communications partners, 15% to investors, and another 15% to manufacturers. Additionally, an advisory supervisory board provides insights and suggestions, stepping in when there are differing views on certain decisions. This cooperative model enables different stakeholders – from customers and partners to manufacturers – as well as their expertise and their opinions to be brought together to work together on the development of sustainable and profitable electronics. The direct involvement of customers and manufacturers in the ownership and decision-making structure improves the exchange of information and feedback. As Robin Angelé points out:

“Our goal is actually to bring all these different stakeholders under the same table and see how we can make these electronics more sustainable for everyone.”

Finance Design

Financially, the cooperative structure enables independence for *Commown*, as ownership remains within the cooperative, limiting the influence of external investors and shareholders compared to a traditional “one share, one vote” model. For instance, the legal framework of cooperative law in France mandates that at least 57.5% of *Commown*'s profits be reinvested into the cooperative. Moreover, dividend payouts are capped based at the average rate of obligations over the past three years plus two percentage points. These structures ensure that most profits are reinvested, and that long-term strategies and sustainable growth are prioritised over short-term profit maximisation. For start-ups that rely on traditional financing models and external investors, the pressure to maximise profits can grow rapidly,

which can often lead to price increases or inadequate pay for employees. Even if it is more challenging for *Commown* to raise capital for the cooperative model, the company remains independent. The right to have a say within the cooperative means that internal pressure remains low, and decisions can be made in the interests of all members.

Recommendations for Adopting a Cooperative Network Design

Some success factors of *Commown* have already been mentioned throughout the case study. However, several additional factors are essential for the success of *Commown*:

Build Mutual Trust and Support

Building cooperative relationships at *Commown* is based on a strong relationship of trust within the network. By renting out electrical devices with the clear aim of maximising their lifespan, *Commown* puts care and sustainability at the heart of its business. This approach creates a foundation of trust that is essential for long-lasting partnerships. When challenges arise, *Commown's* collaborative spirit supports all stakeholders and fosters a culture of cooperation that goes beyond individual transactions and contributes to the common goal of a sustainable, responsible society.

Develop Personal Relationship

At the beginning of every customer relationship, *Commown* attaches particular importance to close and personal contact. This intensive contact is important to create trust and a stable foundation for collaboration. Once the basis of the relationship has been established, the frequency of contact can be reduced without jeopardising the quality of the partnership. This approach creates a long-term connection based on mutual understanding and trust, offering flexibility and reliability to both sides.

Ensuring Manufacturer Availability

To ensure *Commown's* long-term success, it is important to ensure that there are enough manufacturers and partners who share the company's values and ideas. Strengthening collaborations with like-minded producers is crucial, as a lack of suitable partners could limit the availability of sustainable devices and hinder the growth of the rental model. With a wider range of cooperation partners and a stronger presence on the market, customers' awareness and understanding grows – and with it the cooperative basis on which *Commown* is built.

Inspiring Redesign Beyond the Business

Commown is part of a bigger movement to transform the electronics industry towards sustainability. Through its cooperative network-based rental model that focuses on renting rather than selling electronic devices, the company is making a major contribution to transforming the economy and changing the way consumer goods are used and perceived.

The rental approach and the repair of the devices not only extend the life of the products but also reduce the consumption of resources as it takes away the necessity to constantly produce and dispose of electronic devices. This leads to a lower negative environmental impact and promotes awareness of 'non-consumption' by showing customers that the value of a product lies not in its ownership, but rather in its use and functionality. This perspective motivates consumers to appreciate the advantages of long-term use of a device instead of constantly upgrading to the newest model. The model also challenges the throwaway mentality. With the rental model, consumers realise that it is possible to own electronic devices for a long period of time. Consumers no longer need to buy a new device to keep up with the latest technology; regular updates and repairs keep devices state-of-the-art even after many years. By changing consumer habits in this way, *Commown* is making a significant contribution to more sustainable consumption.

Furthermore, *Commown* can be a role model for others in the industry. The company shows that even in a highly competitive industry, it is possible to pursue alternative business models, in their case, the circular economy that considers both regenerative and distributive aspects. This model not only promotes the fair distribution of resources and the regeneration of ecological systems but also allows *Commown* to operate in a financially profitable manner. *Commown* redefines how electronic devices are consumed and valued, encouraging a conscious use of technology. Through reuse, repair and recycling, the company actively contributes to avoiding waste and conserving natural resources. In this way, *Commown* inspires people and companies to rethink their responsibility for a sustainable future. As Robin Angelé summarises:

“Our aim is really to show that it is possible to offer a business model that is profitable for companies, more sustainable and also interesting for customers.”

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Interview

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