# **CO-OP MARKET**

# REPORT

October 2016



# Delayed Food Barges Highlight Cooperative Strength



Plenty of Local Beef and Pork at Co-op Market

All of Alaska took notice when grocery shelves began emptying out this January.

The breakdown of a cargo vessel at the port of Tacoma disrupted food deliveries to Alaska. But when other stores were running out of meat, we were stocking our case with local beef and pork. While we did run low on fruits and veggies for a few days, we took the opportunity to deep clean our shelves.

We thought it was important to share information about the shipping delays with our customers. We broke the news on our Facebook page, and the media soon started calling.

Many people asked why we were willing to talk to the media when the other stores wouldn't or couldn't. It's simple: Our Owners are our friends and neighbors, not faceless shareholders who live far away. We are a part of this community, and we feel that it is important to share information with the community.

#### Addressing Alaska's Food Security

You've probably heard that 95% of our food must be barged and trucked in from Outside. It's estimated that we have a 7-day supply of food in the state. How can we Alaskans be more food secure and self-sufficient?

Here are some ideas.

- Grow your own garden, or buy a share in a CSA.
- Support your local farmers. When you buy locally grown food, our farmers grow more of it, and we all benefit.
- Learn to preserve food when it is abundant, whether by freezing, canning or pickling it. The UAF Cooperative Extension Service is a great resource.
- Keep a good supply of long-lasting staples on hand, such as rice, dried beans, powdered milk, canned goods.
- Learn about where, when and how your food is grown and how it gets to you, so that you can make conscious, informed decisions about the things you buy.

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## A Year of Healthy Growth

If current trends continue, we're on track to achieve \$3.7 million in sales in 2016!

For the current year, our sales have hit \$2.755 million. Last year at this time, we were at \$2.4 million.

At 13% sales growth, we're well ahead of the 8% projected for this year.
September was a door-buster: Sales were up 18.6% over last September.

Our average sale this year is \$33.68, about 3% more than last year's \$32.65. But the number of transactions per day has risen by 12%, from 231 sales to 258.

At press time, we had 3298 Owners, 8% more than last year's 3045. And approximately 60% of our sales are to Owners.

We provide jobs for 28 people.

Thank you for your support and encouragement. Together we're building a strong, vibrant, cooperative grocery store.

Mary Christensen General Manager

# Annual Membership Meeting Board of Directors Election

6:30 p.m. October 20

Birch Hill Recreation Area
Board election results will be

annouced during the meeting.

Doors open at 5:30 p.m. for a soup supper and social hour.

Please attend this important meeting.

# Dear fellow Co-op Market Owners,

The secret is out – Co-op Market is a great place to shop! Of course it was never a secret, but it seems that the community has embraced the co-op for its grocery needs. We are busier than ever and seeing profitable months. This is great news for us as shoppers and owners, for whom the co-op has proven to be a great investment.



You aren't just a shopper; every dollar that you choose to spend at the co-op is an investment in your community. The return on that investment can be measured in more ways than just dollars. We now have a vibrant, thriving store that is responsive to the local market, builds the local economy, supports local vendors, gives back to community groups, and makes environmentally and socially conscious choices that have positive impacts locally and globally. Your choice to shop here is an ethical one, and I thank you for joining me in supporting the co-op. What an easy and delicious way to effect change!

There is another way to invest in our store. As you know, starting a business costs money. An Owner-owned co-op doesn't have the backing of large investors, so we built our capital from Owner loans and traditional loans. Many of those are coming due in the coming year. That's why the board has undertaken a campaign to bring in (or renew) Owner loans of \$1,000 or more. The idea is to pay off traditional loans that have high interest and large payments. If you want to invest in your community, please contact Mary Christensen, our general manager, at (907) 347-4463.

Yet another way to invest is with your time. The simplest is to vote in the upcoming election for your board members. You can attend the annual meeting; it's the best time to ask your questions about products, policies, and the future of the co-op. In the coming months the board and staff will be working on ways to get involved. In the future, you may consider running for a seat on the board of directors.

Whether you're a shopper, a lender, or a volunteer, I thank you for your investment in Co-op Market.

In cooperation,

Anduin McElroy Chair, Board of Directors

# Business Accounts: Another Way to Cooperate

Do you own a small business?

If you're a Co-op Market Owner, we can help you source high quality organic and natural products for use in your business. We can offer bulk bags or cases of products at our cost, including shipping, plus 20%.

This offer is only extended to licensed businesses that use the products for resale. It cannot be used for family groceries: Those must be purchased at our regular prices using your personal Owner number.

Eligible businesses include small restaurants, bed & breakfasts, inns and tour operators – any small business that purchases groceries for large groups of people.

We work with several local businesses, including Pita Place, Go Wild Juicery, Brazen Bistro and Black Bear Coffeehouse. We appreciate these partnerships and hope soon to begin some co-marketing projects, including window signs and website cross-links.

For more information, please contact General Manager Mary Christensen at gm@coopmarket.org.



Co-op Market Grocery & Deli is a memberowned full-service grocery store. We are committed to offering organic, Fair Trade and sustainably produced food and products when available.

#### Co-op Market Grocery & Deli

526 Gaffney Road Fairbanks, Alaska 99701 (907) 457-1023

www.coopmarket.org

#### **Board of Directors**

Anduin McElroy, Chair Chase Nelson, Vice Chair Richard Seifert, Treasurer Angela Matz, Secretary Maria Berger Annmarie Billingsley Hans Geier Robert Leach Tracy Pitts

General Manager: Mary Christensen

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# Our 4th Year: Growth, Improvement, Opportunities

With the tremendous amount of growth we've experienced in our 4th year – more than 13% so far – it can seem like we're just scrambling to keep up. We've got about 45 more customers coming through our checkout lines every day, and we're working hard to place our orders, stock our shelves and practice superlative customer service.

So looking back at the past year in preparation for this newsletter, we were surprised at just how many new things – products, services, improvements – we've adopted.

Here's a partial run-down, in no particular order.

- Flash Sales: When we get a great deal on a product, we like to pass it on to you. Flash sales are exciting because they offer extremely deep discounts and only last for a very limited time.
- Co+op Basics Expansion: We've expanded our everyday low price program to include more than 100 organic staple items throughout the store. With Basics, eating clean is easy and affordable.
- New Owner Boxes: We've put together goodie boxes to say "Welcome to YOUR store." They're filled with samples, coupons, a Co-op shopping tote and a new Owner handbook explaining Ownership benefits and responsibilities. (New Owners always received an item like a mug or a bag to say thank you. The difference is in presentation and information organization.)
- Eat & Greet with the Board: Our Board of Directors wants to hear from our shoppers and Owners, so they've begun hosting informal receptions. These happen five times per year during our Owner Appreciation Days.

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## 7 Cooperative Principles

- 1. **Voluntary, Open Membership** Open to all without gender, social, racial, political or religious discrimination.
- 2. **Democratic Member Control** One member, one vote.
- 3. Member Economic Participation Members contribute equitably to, and democratically control, the capital of the cooperative. The economic benefits of a cooperative operation are returned to the members, reinvested in the co-op, or used to provide member services.
- 4. **Autonomy and Independence** Cooperatives are autonomous, self-help organizations controlled by their members.
- 5. Education, Training and Information Cooperatives provide education and training for members so they can contribute effectively to the development of their cooperatives. They inform the general public about the nature and benefits of cooperation.
- 6. Cooperation Among Cooperatives Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, regional, national and international structures.
- 7. **Concern for the Community** While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.









# It's Complicated!

# How We Choose What Goes on the Shelf

We get dozens of comment cards every month – probably 98% product requests. We're always happy to hear about a new product, and we want to be your onestop shop for all of your grocery, health and beauty needs. But we can't bring in every request, so we thought we'd explain the complicated factors that go into our buyers' purchasing decisions.

First, do we already have the item on the shelf? That happens sometimes. If so, we let you know where to find it and make sure staff know, too.

For items we don't already have, Danielle Schlobohm, our Wellness buyer, explained her process.

"I take a look at the expense, how much space I have on the shelf, how many similar products I stock," she said. "If there's room to add another, I consider how 'clean' it is. Is it organic? Fair Trade? Does the company go above and beyond conventional standards for purity?"

And there are even more questions."Do other stores in the area carry it, and if so, how well does it sell? What's our price point? Will shipping to Alaska make it too expensive? Does my distributor carry it? Or will I have to work with another account? That makes things complicated: Will they be able to fill orders when we need them? Also, would it compete with products from local vendors?"

Danielle is in the process of overhauling the Wellness aisle. She has brought in several new lines this year, including Veriditas essential oils, Herb Pharm tinctures and Everyday Minerals makeup. She's planning to get Booda Organics - we'll be the first account in Alaska. Look for Ancient Nutrition Bone Broth Protein soon.

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fruits & veggies · meat & seafood · groceries & wellness

# Now you can

# Shop & Share

with neighbors who need a little help.



## How does it work?

It's as easy as 1-2-3.

- 1. Shop Choose an item from the menu at the cash register.
- Pay Purchase the item along with your own groceries.
- Share We'll create a voucher to share with a family in the AHFC Jumpstart program.

A fresh approach to food security in Fairbanks.

# Shop & Share

# A Simple Act of Anonymous Generosity

After more than a year of planning and preparation, Shop & Share is up and running. The program allows Co-op Market shoppers to perform a simple act of anonymous generosity: Buy an extra carton of eggs or other staple item for a family struggling to make ends meet.

We've chosen a menu of seven healthy, versatile staple foods, including a pound of organic rolled oats, a pound of ground turkey, a dozen organic eggs, 24 ounces of plain organic yogurt, frozen bags of organic broccoli and blueberries, and a serving of hot soup from the Deli.

Co-op shoppers purchased 20 menu items – including 8 pounds of ground turkey during the first three days of the program, which started October 1.

### How does Shop & Share work?

It's simple. First, shop for your own groceries. When you get to the cash register, pick a Shop & Share item from the menu on display. Pay for it along with your own groceries. Every two weeks, we'll create vouchers for the items you've purchased for families who lack access to good, nutritious food.

We'll give the vouchers to the Alaska Housing Finance Corporation, and their staff will distribute them to families who have children and participate in the rental assistance program. Those families will redeem the vouchers at the co-op and we hope they'll benefit from our everyday low prices on Co+op Basics, too.

Like our register round-up program, Lend a Hand, Shop & Share is entirely voluntary. Cashiers won't prompt you to participate.

Shop & Share is modeled on the Suspended Groceries program pioneered by Wild Oats Market, a sister co-op in Williamsburg, MA, in partnership with students at Williams College. We started planning for the program last year when a Williams College student who had been involved with the development of Wild Oats' program approached us about adapting it to fit Fairbanks.

For more information on Shop & Share, visit www.coopmarket.org.





# Spare Change Creates Big Change with Lend a Hand

Co-op Market shoppers are incredibly generous.

In just three years, you've donated nearly \$30,000 to 19 local nonprofits by rounding up your change at the register and donating the difference.

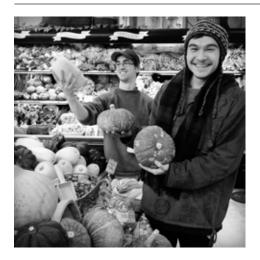
Your spare change has helped create big change for homeless youth, children and adults learning to read, animals at the borough shelter, hungry people at Stone Soup Cafe and many other important groups.

Applications for the 2017 Lenda-Hand program will be available on-line and in the store on November 1. Our Owners will vote to select recipients in December.

For information on selection criteria and to see previous donation recipients and amounts, visit www.coopmarket.org.

You as a food buyer have the distinct privilege of shaping the world your children will inherit.

- Joel Salatin



You're nuts about nuts (and fruit)! You bought 992 pounds of raw organic cashews from our Bulk bins this year, and 787 pounds of organic Thompson raisins. Oh, and 913 pounds of organic rolled oats. Sounds like breakfast!

## One (Almost) Down...

Since our meeting last year, we've received six Owner loans totaling \$67,000. This is outstanding! Our goal is to raise another \$30,000 in new loans by the end of 2016.

With this money, we'll be able to pay off one of our original loans, from the Local Economic Assistance Fund.

#### Thank you!

LEAF lends to organizations (like co-ops) starting businesses that will create jobs for local people. It's a great place to invest. Visit leaffund.org to learn more.

Our customers practice sustainability by shopping with reusable, recycled bags. This year, we've given \$975 in 5¢ bag refunds. That's a 20% increase and means you kept 19,700 trees out of the landfill.

# Our 4th Year: Growth, Improvements, Opportunities

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- Outside Improvements: The outside of the building is looking much spiffier these days. No more crumbling curbs, a new welcome banner, the return of our stolen sandwich board and, best of all, brand new giant carrot bike racks designed, welded and installed by Owner Tom Schleicher. Up soon: new parking lot signs.
- Chip Reader: We were the first co-op that uses our point-of-sale system to get the new chip card readers. At the same time, we got some important updates and fixes for the system. These aren't visible to our customers, but they benefit you by making our jobs easier.
- Store Resets: With our new Housewares department, bread endcap, snack meat stand and reorganized Wellness and Grocery departments, the store looks very different than it did a year ago. And these changes allowed us

- to bring in lots of new products, many by your request.
- In-store Signage: We've been focused on streamlining and simplifying our in-store signage so that it communicates the information you need to know. We've designed new signage for the Produce department. Meats & Cheese, Deli and Bulk signs are up next. And we've implemented our new color scheme: green for Co+op Deals sales, purple for everyday low prices on Co+op Basics and orange for Owner Only Deals.
- Lend a Hand: At your request, we increased our register round-up program from six to 12 months per year. Now we're able to help twice as many nonprofits as before.

We hope you're enjoying all the new things, and we're looking forward to even more in the coming year.



# Delayed Food Barges Highlight Cooperative Strength

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Co-op Market exists, in part, to provide a viable marketplace for local agriculture, and we are doing that. Alaskans do love Alaskan products, and demand can quickly outstrip supply.

For example, we often sell out of local eggs almost as soon as we get them. We would sell more if we could get more, but many small producers can't afford to follow packaging regulations and other food safety rules. We need to find a way to build an agricultural infrastructure to make this easier and less expensive.

With the help of a USDA grant, we will soon begin work with St. Mary's University of Halifax, Nova Scotia, on a study to determine the feasibility of a mobile poultry processing facility. Such a facility would make it possible for us to sell local poultry at the co-op. Without a certified processor in Alaska, we currently cannot do this.

#### Cooperation Is One Key to Food Security

As a co-op, we believe that cooperation may hold the key to many of our food supply issues in Alaska. Local farmers could join together and create a cooperative kitchen certified for commercial use. Sharing the costs, farmers could create value-added goods, such as frozen fruits and vegetables. This would expand the market: We can't buy and sell these goods unless they're produced in a certified facility.

Seeing empty shelves in the stores was a shock. But it was also good for us. More Alaskans are aware of food security, and we're talking about it. This is how change begins.

# It's Complicated! How We Choose What Goes on the Shelf

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Shaun Sims, our Grocery buyer, says people sometimes request items we've discontinued because of poor sales. "We can have the best product in the world, produced by a wonderful company and at an attractive price. But if our customers don't buy it, we can't continue to carry it," she said. Sometimes, however, we can special order these items by the case if our distributor stocks them.

In Grocery, Shaun gives preference to items that are organic, NonGMO, Fair Trade, gluten-free or allergen free. She's happiest when we can stock items produced by other co-ops, such as Organic Valley, Alter Eco and Guayaki. "Co-ops are socially responsible. They take care of their employees and the environment. Buying from them ensures we're doing business with people who share our values."

Local meats & seafood have accounted for \$88,520 in sales so far this year. That's 35% of our total meat & seafood sales. These dollars help provide a living for six local farmers and producers.

#### Smoked Salmon Potato Salad

- 1.5 lbs local red or Yukon gold potatoes
- 1/2 bunch green onions
- 4 oz. smoked salmon
- 1/3 cup fresh shaved parmesan cheese
- 2 tsp. onion powder
- 1/2 tsp. smoked paprika
- 1/3 cup mayonnaise
- 1/4 cup dill pickle relish
- · sea salt & black pepper to taste
- Peel off any imperfections from the potato skins and cut potatoes into 1-inch dice. Boil potatoes in heavily salted water until cooked. Drain and cool 2 hours in the fridge.
- 2. Remove skin of smoked salmon and cut into guarter-inch dice. Set aside.
- 3. Slice green onions. Reserve half for garnish.
- 4. Combine all ingredients and garnish with green onions.

### Kalamata Feta Hummus

- 2 cups chickpeas, drained and rinsed
- 1/2 cup tahini
- 1/4 cup extra virgin olive oil
- · 2 cloves garlic
- · l tbsp. paprika
- 2 tbsp. lemon juice
- 1/2 cup pitted Kalamata olives
- 1/2 cup feta cheese
- 2 tbsp. chopped parsley for garnish

Combine all ingredients except the feta cheese and parsley in the food processor. Blend until completely smooth.

Place the hummus in a bowl. Top with crumbled feta cheese and fresh parsley.



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# 8<sup>TH</sup> ANNUAL CO-OP MEETING

Birch Hill Recreation Area Thursday, October 20, 2016 Doors will open at 5:30 p.m.

Light soup supper from the Deli Please join us!

Co-op Market Report

October 2016

# Holiday Meals: Let the Deli Crew Do the Work!

This Thanksgiving, spend less time in the kitchen and more time with the ones who make you thankful.

Our Deli crew has come up with a menu of side dishes guaranteed to please. Preparation is simple: Just heat the food in your oven or microwave. You'll have more time to spend with your family and guests!

Here's what we'll cook for you:

- Acorn Squash Stuffed with Wild Rice Salad
- Maple-Glazed Yams
- Vegan Mashed Potatoes
- Homestyle Poultry Gravy
- Cranberry Relish

Expect to see these items in the store very soon. We want to give you an opportunity to taste them before you put them on your holiday table – and besides, who wants to wait 'til November for these delicious, convenient dishes?

# THIS IS YOUR CO-OP.

You do not have to be an Owner.

Everyone is welcome to shop here!

Anyone can join.





