

Belfast Co-op Store General Managers' 2006 Annual Report

Changes in Personnel

- 2006 was a year marked by many personnel changes in the management structure of the Belfast Co-op. April ushered in an new interim management team upon the departure of our Finance Manager John van Inwagen and our Facilities Manager Vernon Lecount. Our staff, wanting more leadership that represented more of the individuals involved in the stores main functions—providing wholesome foods, delivering excellent customer service, and maintaining our physical plant—selected two new interim GM's, Pepper Bush as a representative of the buyer's, and Erica Buswell as a representative of the front end staff, to be part of keeping the store functioning while the Board looked for a new General Manager. Goldy Goldstein remained a part of the management team, taking over as the representative for Store operations.
- In August, the Board called off its search for a new GM, catapulting the interim team into full-time General Managers. Goldy continues to function as our Operations manager, overseeing the Deli, Meat and Cheese, and HABA departments, as well as IT and facilities. Pepper now functions as our Merchandising Manager, overseeing our Dairy, Beer and Wine, Grocery, Frozen, General Merchandise, and Produce departments as well as finances. Erica now functions as our Staffing Manager, overseeing our Front End staff, scheduling, HR, education and outreach, as well as membership services.
- In July, our Deli Manager Joshua Gamage left us in order to pursue his catering business full-time. In his wake, we hired one of our cooks, Chuck Smith, to be our new deli leader. In January, favoring the team approach, the deli crew elevated assistant manager Carly Paradis to the position of deli Co-manager.
- In July we also selected Mike Jacobs to take over the open position of Dairy/Frozen Manager and officially sanctioned Finn Moulton to be the Bulk Assistant Manager. Finn is now the full manager of the Bulk Department.
- In October, we found ourselves searching for a new Produce Manager. The torch was passed from long-time Produce Manager Pati Toy on to our then assistant manager Julie Wight. Julie currently manages the Produce department along with assistant managers Holly Pender and Genevieve Morgan.

Changes in Staffing Operations

- We've been spending a lot of time evaluating our current training procedures and brainstorming means of making them more efficient and relevant to our Co-operative identity. A welcome packet was created for new employees that includes an introduction to co-op philosophy, and an orientation to whole foods, special dietary needs, and the difference between organic and natural.
- We created and introduced a new employment application that will hopefully help us draw new employees from the pool of customers who shop here.
- We introduced a customer service training module for new employees in order to help us increase our abilities to serve our members and build community.
- Our HR manager, Kimalee, created a Rewards and Recognitions program for staff meant to recognize and reward individuals who go above and beyond the call of cooperative duty.
- Staff morale did a 360 degree turnaround with the change in the General Management structure, and customers report to us that they feel a very positive spirit hovering in the store.
- We have recently added an Employee Assistance Program to our benefits package which continues to be one of the best benefits packages in the City of Belfast.
- We feel that these changes have benefited us with a more educated staff, a more efficient staff, and more staff that appreciates the opportunity to work in our unique community-oriented environment.

Store Operations

- From an operational viewpoint, our co-op continues to function and age. Our physical plant is in need of constant upgrading and repair. With the completion of our new addition in April, we were able to move into our new office space in May. We love the sunny southern exposure and warm wood paneling of our new offices, and the fact that many of our department heads now have desks to call their very own. The new offices have had a huge positive impact on our workplace environment.
- We began a second addition off the back of the receiving room in December, and now we are working more comfortably in this space as well, with expanded area for receiving products, a new forklift garage, and a new compressor room for our aging refrigeration units. Plans are underway currently for the construction of new employee bathrooms and the new walk-in dairy and produce coolers.
- We've spent a lot of time and energy devoted to planning, keeping ahead of contractors and cleaning up after them. A particular challenge was adapting to the almost daily changes in the conditions of the compressor rooms, both old and new, as summer heat rendered our cheese coolers in-operational multiple times, and the combination of new construction and bitter cold winter nights left us wondering if we would wake up to cooler problems in the morning.
- In our spare time, we tried our best to address the day to day problems and maintenance projects that crop up in our quirky store. The new year finds us settling into our new spaces, contemplating the construction of our new walk-in coolers while catching up with numerous store projects and maintaining the cleanliness and functionality of the store on a daily basis.
- The unusual occurrence of a power outages within the store also left us scratching our heads about how to continue to provide services to our community in the face of emergencies. We are slowly working on getting an emergency plan in place to allow for these challenging situations.
- The GM team is working closely with out BOD, dept managers, members, and customers to ensure that requests, complaints, and general store functioning is exceptional. We will continue to use all avenues available, be it surveys, member comment books, talking with customers, etc. to ensure that communication is ongoing.

Departmentally Speaking

With over 6,000 sq. ft of retail space, one would think the store is large enough for this neck of the woods, yet the store is filled to capacity. When we look at the numbers, it becomes obvious why. Over the course of one year we sold almost 13,000 different items. The grocery department alone stocked about 3800 different items, followed closely by the HABA dept. with 3,200 items.

Beer and Wine

- Our wine selection is certainly one of the best around. Last year the wine department sold 1,257 different wines. We also sold 758 different kinds of beer.
- Wine tastings have merged into a cross-merchandising extravaganza of wine and food, often times featuring cheeses, chocolate, and products from Ducktrap.

General Merchandise

- General Merchandise grew over the past year, acquiring Pet Food from the grocery dept.
- There has been significant growth in the number of people who take their pets to holistic vets. Our local holistic vet has been sending people to the Co-op for many products he recommends, and as a result we created a no-grain pet food section, and the new line of Innova pet foods are doing well.
- We were able to achieve one of our main goals for the year, which was to remove all pet supplies that contained animal by-products, as well as any products that are tested on animals.

General Merchandise (cont.)

- We are trying to focus on carrying Fair-Trade products in our gift section, and are excited to have picked up Basket Africa's Market Baskets, as well as products made by other Co-ops such as Andes gifts alpaca items and the Asian Tibetan collection.
- We've also added a new line of earth-friendly kitchen gadgets located on Aisle 4 next to the juices.

Bulk

- The Bulk department carries over 900 different products.
- If you placed every grain of rice we sell end to end you would have a line of rice that stretched from here to eternity.
- Bulk sales comprise 11.1% of total store sales.
- The expansion to the back room gave us much more room for re-packing as well as storing backstock. It is a much more comfortable place to work.
- Maintaining adequate inventory has been a constant challenge as there is no predicting when someone will purchase most of what is currently on hand of a given item, leaving us with a shortage until the next delivery.

Produce

- Produce comprises a total of 14.01% of store sales.
- We've been working hard at improving efficiency since October, as well as tighter ordering and more timely data entry. The end goal is to be able to lower our prices.
- Genevieve is planning a trip to the Brattleboro Co-op in VT to glean some ideas from their highly experienced Co-op team.

Grocery / Dairy / Frozen

- Our year has been marked by changes and growth in all 3 departments. We have been striving to expand the amount of locally made products we carry, and to increase the amount of co-operatively made products wherever we can. We now carry dozens of brands of co-operatively produced merchandise in these departments.
- New local products include Maine-made salsas and chocolates to all-natural cleaning products. We are pleased to be able to new and local companies find a market for their new businesses.
- The Dairy dept. welcomed many new local vendors as well, including Caldwell Farm's milk, Dixson's Butter and 4 locally produced yogurts this year. We also now carry eggs from 4 local farms.
- The most noticeable change in the Dairy dept. was our choice to replace Oakhurst with Garelick Farms products. Happily, this choice has been well received by our members and customers and still supports our desire to remain a retailer of Maine produced milk.
- The frozen dept. was pleased to create space for Zoe's Bakery; their locally made scones and ready to bake cookie dough has found quite a following. The tempeh that is locally produced from Weeping Duck Farm filled our niche for locally produced soy-products as well.
- Pricing and maintaining margins has been top priority all year for all departments. Happily, the Grocery dept. was able to lower almost as many prices this year as we had to raise.
- These departments together accounted for 27.7% of the total net sales for the store.

Deli

- The deli was closed for three days of DEEP cleaning and organization with the changeover in management, including the walk-in, dry-storage, over-head shelving, hoods, fans, reach-ins and walk-ins.
- We created a new musical venue in our cafe with the Empty Mug series, featuring the performance of a different local artist each month.

Deli (cont.)

- Departmental communication improves with the introduction of a kitchen logbook.
- We acquired a new tabletop steamer for soups.
- NEW ingredient cards for case items were introduced, designed and created by our Grocery Manager, Caryn Knudsen.
- Daily lunch specials are re-introduced, much to the delight of our cafe regulars.
- The Deli closed for a period of 3 days in order to refinish our cafe floor. Who knew there were three different kinds of wood in its design?
- New spring menu items are being developed.
- A new Deli committee has been formed via the BOD to discuss flow patterns, inventory control and equipment needs in our deli/cafe area.

Meat and Cheese

- Meat and Cheese has also been looking to expand its locally produced inventory. New local cheeses introduced this year include Painted Pepper goat cheese and Faithful farms cow's milk cheeses.
- We've experienced tremendous growth in sales of our Co-op made sausage. New flavors are currently being developed and the Turkey and Lamb flavors already introduced have met with rave reviews.
- We've undergone a change in chicken suppliers, introducing Bell and Evans, who offer us a guarantee that their birds are anti-biotic-free, contain no animal by-products, and have been fed an all-vegetable diet.
- The Meat dept. is continually researching companies that strive to meet the highest possible standards for meat and poultry production and are very excited to announce the arrival of Rosies' Organic Free Range Chicken.
- The Seafood dept. is also hoping to expand its selection in the coming year in order to offer a wider variety of the freshest available seafood on a more consistent basis.
- We hope to upgrade our coolers soon for more grab-n-go type sales. We would also like to be able to expand our cheese section to include more premium and unique offerings.

Health and Beauty Aids

- Most popular supplement categories include omega 3's from fish oil, digestive enzymes and probiotics.
- Customers are more interested in higher quality and organic supplements, as evidenced by the jump in sales and products from New Chapter out of Brattleboro, VT.
- Tom's of Maine is now Tom's of Procter and Gamble/Colgate.
- Inventory tracking gets easier with the addition of UPC codes to our popular products from Avena, Naturmost, and Mole Hollow.
- Best seller in this department was Chicken Poop lip balm. We've sold over 500 tubes of this good sh. . . stuff! Other new products include natural hair coloring from Herbatint, natural and wooden bristle hairbrushes from Bass and 5# buckets of Dead Sea salts and their pure soap.
- Most suppliers have gotten the word and removed parabens from their lines (reported to have potential links to breast cancer.) Also check out our new essential oil racks with testers, provided to us free of charge from NOW vitamins.
- There are now five women working in the HABA dept, making for a knowledgeable, caring, and hardworking crew second to none.

Information Technology

- A new staff position was created in order to oversee all things co-operatively technological. This post is being filled by Tom Clemetson.
- We conducted 5 store inventories in order to streamline and improve our inventory processes.
- A majority of our departments are now on board with using our POS system to track our inventory from truck to sale.
- We upgraded our wireless networking components in order to increase network security.
- Cleaned up the hard drives of our existing computers and reformatted some of our older machines to function with open source software.
- We were able to simplify our Point of Sale back-up service, consequently decreasing the cost we pay for this service.
- We got an old machine up and running with a secure network to be available exclusively for staff to use on their time-off.
- We are looking forward to learning about how to tailor our POS system to our unique store needs, and to further develop our IT systems in order to take more advantage of free and open source software to improve internal communications, decrease software licensing costs, and to provide a more secure networking system.

Finance

- Great year! Profitable!
- Member sales accounted for 51% of our total sales. This is one indication that our Co-op is vibrant and healthy. Thanks to our committed customer base for helping us to turn things around from last year.
- Total labor percentage was down from last year 1.5%, thanks to increased staff efficiency.
- This department completed their implementation of an invoicing system that allows us to generate a healthy influx of incoming member equity and annual fees, also contributing to the profitable turnaround.
- All three GM's have been working to increase our knowledge of Co-operative finances.

Membership and Education

- Customer Appreciation weekend was a fabulous success, in conjunction with our 30th anniversary. We signed up 8 new members on this day.
- For the 2005-2006 FY, ending in September, we signed up 402 new members, an average of 1.1 new members a day. This is another sign that our Co-op is healthy and vibrant.
- Since we started with the invoicing process, by the end of the year, we had had 23 members ask for their equity to be returned, and 46 members ask for their membership to be canceled.
- At the end of the fiscal year, we had 2,217 members in good standing.
- New educational offerings have been developed: we've formed a quarterly discussion group encouraging participants to think about the inter-relationship between Co-op and community.
- We formed a book club to focus on issues of food politics, beginning with the book The Omnivore's Dilemma, which has gotten a great and energetic response.

Looking ahead . .

- Hoping to upgrade the website to make it more informative and user-friendly.
- Implementing better processes and perhaps equipment to help us deter theft: conservative estimates suggest that up to \$100,000 walked out the door unaccounted for last year.
- We are hoping for another successful year and looking forward to continuing to be a positive force in the Belfast community.