

Belfast Co-op Store

General Management Report March 21, 2010

It is our pleasure to bring you this year's version of the General Manager's Report. As you all may know, as of October 1, 2009, a new GM Team took over the helm of running the store. Joe Jordan, Chris Grigsby, and Mylisa Vowles assumed responsibility for the day to day operations that was previously handled by Erica Buswell and Goldy Goldstein. We would like to take this opportunity to thank Erica and Goldy and Pepper Bush for their commitment to the Co-op and for their tireless work in making an easy and smooth transition for everyone. It was due in large part to their accomplishments that the Co-op has a solid foundation both financially and in building a solid and consistent workforce. We would not be the viable Cooperative we are today without their leadership. Thankfully they both are still with us, with Erica Floor Managing and coordinating the Newsletter and Goldy taking on the titles of Grocery Perishable Buyer and Special Projects Coordinator.

The Belfast Co-op strives to reach out into it's community, helping out in a variety of ways and for a variety of solid purposes. We finished FY 2009 having donated \$2,603.52 to over 50 different organizations in the area. This figure excludes money that we raise through different events and what is collected at the registers. We have also been very busy with dozens of education and outreach events that we sponsor and put together, including the Eat Local Challenge, movies at Belfast Library, talks and lectures in our cafe, cooking classes at local schools, supporting and purchasing from the Troy Howard Middle School Garden Project, and many more. In addition, we were also very involved in Belfast's first Climate Action Day on October 24th, 2009, helping to raise awareness of our carbon footprint and where we need to be to sustain a healthy planet.

Since March 2009 we have been tracking your local food dollars spent and through mid March 2010 we have sold over \$500,000 in locally produced items. These purchases go directly into the local economy and will have a greater chance of staying in our region than if these items were purchased at a larger national or international chain. We are consistently seeing more and more local products available and are committed to doing what we can to support this growing section of the health food industry.

Fiscal year 2009 saw a number of changes and additions to the store and staff. Among the changes was the removal of the children's area castle and the installation of a customer service area that also added an additional register to the front end. This proves to be instrumental in helping to move the flow of customers through the lines on particularly busy days. New bread shelving and a children's area were also installed at this time, enabling us to begin to expand our bread offerings to include some new and up and coming local bakers. We are now offering three all-Maine grown breads from Borealis as well as Gluten-free breads from Hootin' Gluten Free Breads in Waldoboro. A new and upgraded phone system was installed in house, giving us the opportunity to have consistency throughout the store with regard to our internal paging system as well as additional lines. Our new General Merchandise Area was completed and allowed us to increase the amount of space dedicated to fair trade and local gifts and products. This area was particularly busy around the holidays. Under the guidance of our Grocery Department Manager Caryn Knudsen, we unveiled the newest version of the Co-op Cookbook. This is

the second cookbook offered in the Co-op's history and it is chock full of recipes, 200 to be exact. The recipes were compiled from both staff and membership, and it encompasses all types of diets and tastes.

In an effort to minimize the amount of bags we use and to try and get customers and members behind the "bring your own bag" philosophy, we took a couple of steps to guide shoppers toward this new mindset. First, we had a reusable bag made for sale in our store. This bag is made of recycled plastic and has the Co-op logo and original artwork by a former Co-op employee. These are available for purchase in many areas of the store and they seem to be pretty popular. Second, we implemented a .25 cent charge for anyone wishing to use a large size paper bag. The idea behind this being to show the true environmental cost of using paper bags and to encourage folks to use boxes provided or to get their own reusable bag.

We once again held a very successful Customer Appreciation Day in August that drew hundreds of customers and members to the store for a day filled with food, music, a book sale for charity, loads of free samples, chair massages, healthy lifestyle discussions, raffle giveaways, and puppets. It was a super hot, community building, most excellent day! Hot on the heels of Customer Appreciation Day was Belfast's first annual Downtown Block Party, which coincidentally was held literally in front of the Co-op. It was estimated that a thousand people attended, some of which were heard saying "I've lived here my whole life and I've never been in the Co-op. This store is great!"

Toward the end of September, we decided to try our year end physical inventory count with an outside company, something that had been tried in the past and deemed unsuccessful. This time it was very successful and decreased our overall costs significantly. Aside from a couple of staff members staying late, the majority of the count went smoothly and we were happy with the results. We are lined up with the same company to complete our six month inventory at the end of March.

The Co-op enjoyed a solid year of little turnover, with most management positions remaining in tact. The General Management Team approved the position of Maintenance Co-manager and the position was given to Stan Belch, who brings lots of safety experience and general know-how in the areas of carpentry, plumbing, and equipment. We are hoping to conduct a lot of our preventative maintenance and minor repair work on equipment in house with the help of Stan's expertise. He was recently named Safety Officer for the store and has begun the process of implementing a safety training manual as well as a lockout/tagout system for our equipment.

Speaking of equipment, we have purchased some much needed items with the annual membership dues from 2009. These items include a new cold line sandwich case for the Deli, replacing a very old and inefficient one. We have replaced the chairs in the cafe with more durable, metal framed, wooden seating. This increases the number of chairs available as well as a uniform look. We are continuing the upgrading of our grocery shelving which allows for shelving to be adjustable.

In conclusion, fiscal year 2009 was very successful, and despite a slight decrease in sales from the previous year, we feel that we were able to avoid the worst of what the recession had to offer. We did not have to lay anyone off and the Department Managers did a wonderful job of decreasing our Cost of Goods and tightened our inventory levels to keep our cash flow strong. Most importantly was the commitment of our membership and customers to keep shopping at the Co-op. We recently surpassed the 3000 active member number and new members are added daily. With this strong community support and an ever growing commitment of people to return to healthy lifestyle choices, we are poised to continue to grow and serve our membership in the years to come.

As we approach the midway point of fiscal year 2010, we have continued to see increases in most departments. Many storewide improvements have already taken place and more are planned for the future. Last November saw us recycle three and a half tons of metal from our basement that had been collected over the years, and the hope is to open that space up for better uses of storage and an increased recycling area. We have implemented a new monthly sales flyer program which is open to both members and non-members. We have recently purchased a security camera system to deal with the issue of theft in our store and to ensure member investments are not “walking out the door”. With an eye towards increasing our customer service, the General Management Team recently streamlined our previous return policy to encompass a more friendly and easy approach for customers. The hope is that it will be easier for both customers and staff to conduct returns in a quicker fashion and to keep the flow at the front end running smoothly.

We are very excited about the future of the Belfast Co-op and the positive effect we can have on our community. Thank you for being a part of this wonderful, independent, member-owned Cooperative. It's because of you that we are here.