



2 U From Your Board . . .

Dear Co-op Members,

I (Jennifer) would like to update you on very big possibilities for our Co-op. As many of you heard at the General Membership Meeting, the Lifequest building (907 Pope St.), downtown Silver City, became available for purchase. The Lifequest organization made it clear to the Silver City Food Co-op that they would love for the Co-op to be the one who inherited their location and space. We evaluated our cash position, our revenue and sales projections for this year, both of which have been strong for more than six months and have hit all-time highs for the history of the store, as well as our current equity in two buildings that we presently own. We determined that we are in a solid position to make this purchase and we can handle the mortgage payments within our current budget, as we renovate the new space. At the time this article is published, we will not have closed the deal yet, so of course, if inspections, appraisals, or environmental studies come back with serious concerns, we will not purchase the building, or we will re-negotiate the price.

Questions you may have:

Do we really need to move?

Yes. Our business is booming and has been for a number of years. We have squeezed all the people and product we can into 2000 square feet of retail space. In the surveys we did with you all in 2014 regarding expansion (already 4 years ago!), many of the needs for space, parking, more open hours, were noted then. The interest in and desire for organic, local, healthy, minimally packaged, sustainably sourced products just keeps growing. It does not seem to be a “yuppie” trend that will go away. We are concerned that many customers and future members are unable to shop at the Co-op, or shop as much as they would like to, due to inconvenience and crowding, which is why our strategic plan has made expansion a top priority.

Are we pursuing a construction loan to renovate the building?

Not right away. We have a business plan and first draft of architectural and design plans (which help us determine costs of renovation) at the time of this publication. We need both those documents finished and evaluated before we can share them with you and then determine if we should seek member-owner loans or traditional bank loans, or both, for construction and renovation.

Will lessons learned from our 614 Bullard St./Market Café be applied to this project?

Yes! We know that members like and support organic, vegetarian, prepared, or take-away meals to the tune of \$100,000 annually, but we also know that overhead for these additional services must be fairly seamlessly worked into the total overhead and staffing of the store. We also know how challenging it is to build a new business piecemeal, month to month, without a pre-determined, clear plan and long-range goal.

Will we just move the store as is, with no additional products, expansion of departments, registers, or additional services into the new space, so we can have breathing room and parking? Or, will we add all that we need to become a one-stop shopping experience that fully competes with the other three grocery stores in town?

This, my fellow co-op members, is where we could use feedback from you. We will be answering this very important question as a board, in the next few months. What do you want? What will you support? We conducted a dot survey about a year ago regarding where members spend most of their grocery/home product dollars. By self-report, between 40%-50% of you said you spend less than half your dollars at the Co-op. Actually, we know exactly how much is spent per household annually, and less than 10% of us (200 out of ~2200 members) spend \$300 or more per month at the Co-op. I know I cannot feed my family of three and supply toilet paper, cleaning products, cat food, etc. on \$300 per month, so even saying that 10% of us spend all our grocery dollars at the Co-op is probably a stretch. Nationally, the data on member spending at Co-ops indicates that only 15% spend almost all of their grocery dollars at a Co-op. Another 70% spend half their grocery dollars at a Co-op. Interestingly, the number one suggestion you mentioned in the dot survey to increase sales was to get more members to spend most or all of their grocery dollars at the Co-op. We agree!

So, what is preventing all of you from doing all your shopping at the Co-op? Is it prices?

We are fairly certain we are competitive with all other grocers in town on pricing (overall; not on some individual products). But, if that is the impression you have—that it is too expensive, please let us know. Could you be going elsewhere because we do not carry all that you need? Could it be that our lines are too long or we feel too crowded? Could it be that you cannot have your kids and a big shopping cart with you at the same time? Could it be an impression that you cannot easily find parking? Could it be our hours are not convenient enough for you? Could it be hard to easily find products due to small shelves or lack of signage? Hopefully it is not our customer service, because we tend to think we have the best in town. Do let us know which of these is keeping you away...when we host the next member survey (coming soon).



by Jennifer Johnston

Will we hire consultants or a project management firm to assist in assessing financial feasibility of scenario A or B above, conduct market studies, and manage construction, or will we attempt to do all of this ourselves, between management, board, and volunteers?

We are fairly certain we cannot complete all that needs to be done, or manage it well, on our own. However, we are carefully evaluating the costs of hiring outside help and tempering that with the scale and scope of our project. We will be able to present more information on this in the next Garbanzo Gazette issue. Be assured that we will keep you in the loop with every decision made in this process.

I recently attended the Consumer Cooperative Management Association annual convention and training for co-op leaders in Portland. It is open to all co-ops, but most who attend are food co-ops. Hundreds of board members, general managers, NCG and CDS consultants, and vendors who work with co-ops gather to exchange information, support each other, and network. The timing could not have been better, given what our co-op is working on. I attended every expansion-related workshop and met individually with board members who have had successful expansions and one whose expansion failed. I also met with the National Cooperative Bank to find how more about their lending options. The information I gained was invaluable, and I have shared my notes on it with the board, but I wanted to give members a little summary as well.

One of the most inspiring moments for me was during the keynote address by Eric Holt-Gimenez, author of “Food Justice” and “Food Movements Unite: Strategies to Transform Our Food Systems,” and many others. I highly recommend these books and checking out the grass roots organization he and others founded called Food First (<https://foodfirst.org/>). Dr. Holt-Gimenez is now an international expert in agroecology, but he was first a migrant farm worker by birth. He directly calls into question the BIG AG policies of the U.S., indicating that here and all over the world, our capitalistic large-scale agriculture model has destroyed peasant agriculture models and made them dependent on fewer than five companies, on subsidies, and on trade agreements. He offers direct solutions and recommends action, which is often political and cultural, as a way forward. I was blown away, and tearful, I must admit, as I looked around the room and saw hundreds of us in leadership positions around the country, forging our own path through food production and distribution, constantly vigilant to the effects of food systems on people and on the environment.

Dr. Holt-Gimenez reminded us how large we are and how strong—at least 20 million in our ranks of co-op members. We are transforming the food landscape and we can do more. I return to Silver City knowing we are part of a much larger and important body, and I am invigorated to sell the co-op model and principles to all citizens of Grant County. For me, a co-op is never too big until it includes EVERYONE. ❄️❄️❄️



Shanti Ceane



*Jennifer Johnston
President*



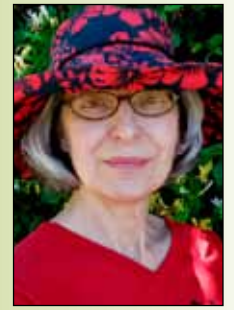
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Vice-President*



*Laurie Anderson
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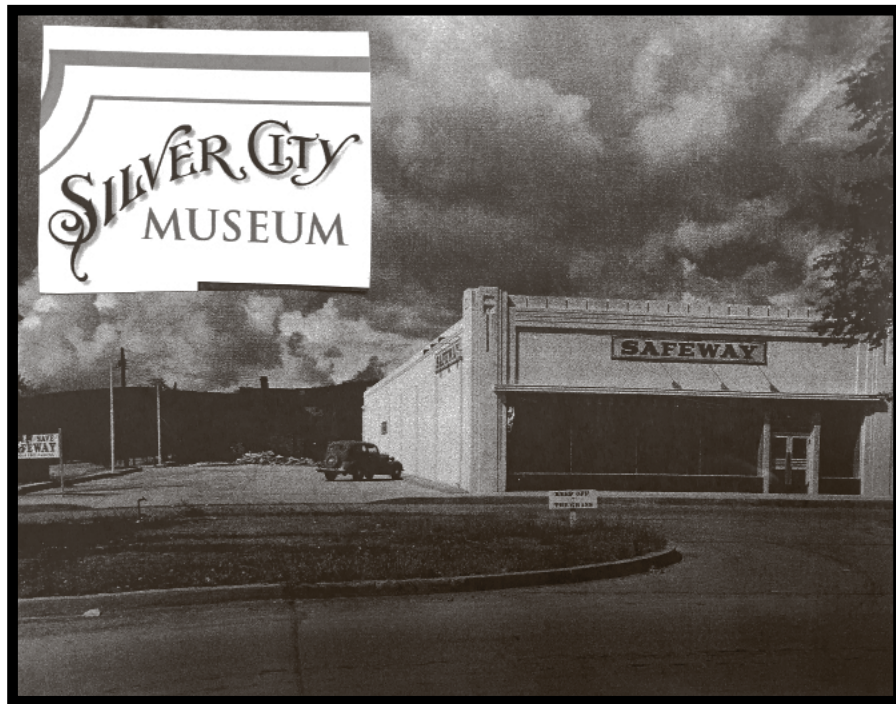


*Dan Herbison
Secretary*



Julianna Flynn

Is this building the "Next Generation" for the Co-op?



Historical photos provided by the Silver City Museum taken in 1940 of the Safeway grocery store built on the corner of College and Pope streets. In one photo if you look closely you will see a "KEEP OFF THE GRASS" sign on the median. In another one you will see a small building attached to the right which was called Joe's Café which obviously has since been torn down and a sign in the parking lot which says "DRIVE IN AND SAVE at SAFEWAY/ONE HOUR FREE PARKING". For the record there are 35 parking spaces at the present moment.



Board Meeting Schedule

The SCFC Board of Directors meets the third Wednesday of each month at the Volunteer Center on 13th Street at 4:30 pm.

Ten minutes is set aside at the beginning of every board meeting for member comments. The time will be divided evenly among those members who would like to speak. If ten minutes is insufficient, a special meeting may be called on another day. If a member wants more time, they can contact the president and ask to be added to the agenda. Please make this request at least one week before the meeting.

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Board of Directors