



FOOD CO-OP INITIATIVE

New co-ops start here.

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News from the world of startup food co-ops & those who support them.



Oshkosh Opens Its Doors

On July 22nd, 2021, the Oshkosh Food Co-op (OFC) in Oshkosh, WI opened its doors to the public offering an array of “clean conventional”, local, and organic products. The 6,300 square foot store, with 4,800 square feet of retail space, is the anchor tenant of a brand new development with retail on the first floor and four levels of apartment housing above. In addition to a full line of grocery departments, the store offers “The Kitchen”, an in-house deli serving many items made from scratch, along with both indoor and outdoor community seating. The OFC community first started talking about the possibility of a food co-op in 2011 and made the leap to incorporate and start selling ownership shares in 2013.

Every startup food co-op goes through the same stages of development to get open, but many bring new approaches and specific



continued on p. 4

Is something exciting happening at your co-op? We could feature it in our next issue! Email us at info@fci.coop

A message from Stuart



Another year is coming to a close and we are still caught up in a whirlwind of pandemic concerns, political fanaticism and an unpredictable

future. So, what is the good news? Co-ops continue to address the real needs of communities and offer hope for a more equitable economy. In spite of rising startup costs, equipment shortages and mainstream competition, community-owned food co-ops are succeeding in changing the landscape. When the news sounds bleak, remember that cooperation is a solution and do what you can to support your local co-op and those of us who provide professional guidance.

On another note, the “World Headquarters” (my home office) of Food Co-op Initiative has moved! We are now based in Montgomery, Minnesota, a small rural community south of Minneapolis. If you need to contact us through the postal service, the new address is:

Food Co-op Initiative
208 Inner Drive
Montgomery, MN 56069

Phone numbers and email addresses will not change!

Happy Holidays, and here’s to a cooperative New Year!

—Stuart Reid
FCI Executive Director
Stuart@FCI.coop

Co-ops in the News

The **North Flint Food Market** has reached their capital goals and broken ground! Find out more about NFM in this webinar conversation with their General Manager, Arlene Wilborn: youtu.be/SkCThUqAXhw



After 5 years of active development and 21 lease negotiations, LBGC has reached an agreement to place **Long Beach Grocery Cooperative** on the ground floor of The Beacon, a brand-new mixed use low income housing development for Seniors, Veterans and formerly homeless Veterans.

The proposed full-service grocery store is an easily accessible 6700 square foot space with 23 dedicated parking spaces and a bike valet adjacent to the Anaheim Blue Line stop at 1235 Long Beach Blvd.



The **Food Shed Co-op** board of directors announced that it raised over \$1 million dollars in just 8 weeks and is extending its capital campaign through November 30, 2021. The goal of the campaign commonly referred to as the **Community Investment Campaign (CIC)** is to raise \$1.75 million.

The CIC was designed to partially fund a \$4.3 million project to build, equip and staff a community-owned grocery store. The \$1 million in investments raised were primarily dividend-paying preferred share purchases and interest-bearing loans to the co-op. A small amount of the funding also came from direct donations to the co-op. *Food Shed is also searching for a GM—spread the word!*

They broke ground, they got a grant for \$100,000 and now the **Dorchester Food Co-op** is seeking to hire a General Manager with the experience and leadership to open a member-owned cooperative grocery store in a mixed income and racially diverse neighborhood. If you are interested, please send your cover letter and resume to info@dorchesterfoodcoop.com.



On November 20, **Assabet Co-op Market** reached its capital campaign goal of \$2 million.

Watch for their 2022 opening!

SunCoast announced a big win for food access and community health in Imperial Beach! The City and Council members have allocated \$500,000 in American Rescue Plan Act funding to support the development costs for their store. They were supported and inspired by many community members who vocalized their desires for better food access!



Remembering Chuck Snyder

Charles (Chuck) Snyder was a key early and continuing champion of Food Co-op 500, the pilot project that became Food Co-op Initiative. In 2004, he convened a group of national food co-op organizations to strategize on better ways to open viable stores, avoiding the delays and mistakes that were all too common. As CEO of the National Cooperative Bank, he devoted staff and financial resources to launch the Food Co-op 500 and then Food Co-op Initiative. Over the years, Chuck remained a strong supporter of FCI and our work. Chuck was a Cooperative Hall of Fame member, a loving husband and father, a passionate advocate of cooperatives and true believer of people helping people. He passed away unexpectedly Nov. 6, 2021.



We are stronger together

NCG helps unify food co-ops to better optimize operational and marketing resources, strengthen purchasing power, and offer more value to food co-op owners and shoppers everywhere. Together, we are strengthening the cooperative economy.

www.ncg.coop

Oshkosh Opening, *continued*

areas of strength to the intense and multi-layered work of organizing their food co-op. OFC became a stand out in multiple areas of organizing during their 10 years of building their food co-op, but the one they are possibly best known for is their ability to build powerful partnerships in both their local community and the national food co-op community, creating connections they have built their success on.

"The Oshkosh Food Co-op purposefully located in our central city, a USDA-designated food desert," shares OFC board president, Brenda Haines. "The more we talked with healthcare organizations and philanthropic individuals and organizations, faith communities, businesses and social services agencies, the more we realized we had a common vision — to strengthen our local economy, promote health and build community. We knew that together we could take meaningful steps toward achieving that vision through the creation of this food co-op." OFC's efforts to bring many partners to the table paid off: over a dozen community organizations supported the building of OFC through donations, loans and in-kind support.



OFC's organizing has stood out in more ways than one. They were awarded the Up and Coming Startup Innovator award in 2018 for developing the "Co-op Grow-op" one day event model, which allows startup up food co-ops to grow their ownership by the dozens in one evening, an ownership growth technique that has now been used by startups across the country. Always looking for creative solutions to community needs, OFC opened with the first ever "chatty checkout" in an effort to address loneliness in their

community. The chatty checkout is a dedicated checkout lane where owners and customers alike know they can take their time and spend as much time as they like enjoying the human connection of conversation with the staff. And, in 2021, OFC was awarded the Up and Coming "Best of the Best" award for excellence in utilizing the four cornerstones in three stages food co-op development model.

Never content to rest on what they've already accomplished, OFC is still looking to the future. According to Haines, "opening the doors was an important first step — now, the real work begins to deliver on our vision of building a stronger community."



Store at a Glance:

- 4,800 square feet retail space, ~1,500 sq ft of shipping/receiving/back office
- Located in a USDA-designated food desert
- 20% local products (within 100 miles, or the state of Wisconsin)
- Prepared foods/grab 'n go deli
- Indoor seating area
- Outdoor patio area
- 2,000 sq ft of tenant space/future growth space
- First-in-the-nation (we believe!) Chatty Checkout

"Opening the doors was an important first step — now, the real work begins to deliver on our vision of building a stronger community."
 — Brenda Haines, Oshkosh Food Co-op board president




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This year has been a year full of FIRSTS for FCI. For the first time in many years, we are closer to hitting our fundraising goals. For the first time, **we had 12 food co-ops make their first donation** to our Full Circle campaign and for the first time **our sustaining donors either met or significantly increased** their previous year's donation. We are excited to say, for the first time we are in a position to grow our mission and increase our startup support... because of YOU!

December kicks off our year-end giving campaign with the goal of raising \$12,000 from friends of FCI, co-op advocates, and startup partners. Good news! Supporters have heard our "WHY FCI" and responded by donating early! Now with just days left until the end of the year, we are only \$6,000 away from closing out 2021 in celebratory fashion!

WHY what we do matters



Richard Larochelle
Retired Senior Vice President, National Rural Utilities Cooperative Finance Corporation, FCI Board Member

"FCI is an essential organization for startup food co-ops. There's no other organization besides FCI that has the singular focus on nurturing startup food co-ops so they'll be successful. I'm a sustaining donor because I believe more communities need food co-ops and FCI can help make that happen. Please join me in donating."



Darnell Adams
Firebrand Cooperative, FCI Board Member

"I believe so much in the mission of what FCI does, from their free resources to the fact that they are the connectors in the food co-op community. I'm a FCI donor; I donate to FCI so they can support the communities organizing to create a food co-op. If this reflects your experience with FCI — please take the time to donate. Pay it forward!"



Pam Mehnert
General Manager at Outpost Food Co-op

"Every town deserves a co-op, but starting one is a huge undertaking. With FCI at your side it's like winning the lottery! I always recommend the experience and sound advice that comes with FCI's involvement."



amaha sellassie
Assoc. Prof. of Sociology, Dir. of the Center for Applied Social Issues, Sinclair Community College, Gem City Food Co-op President, FCI Board Member

"FCI has been extremely meaningful for emerging food co-ops, providing expertise and experience during all phases and the various levels of food co-ops including operations and board development. The ability to emerge local capacity is invaluable during the early phases of coop development when the learning curve is steep."



Olivia Rebanal
Chief Impact Officer, Ecotrust, FCI Board Member

"The journey to starting a food cooperative can be long and confusing. FCI has a longstanding reputation for providing guidance from beginning to end of this journey, and for all points in between. I believe in the work that FCI does to bring that opportunity to fruition."

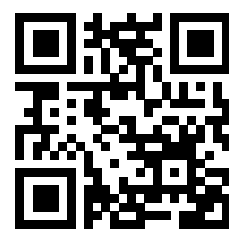


Butte Food Co-op
Butte, MT

"If the Butte food co-op had a dollar for every time we reached out to ask FCI a question ("can you explain a development timeline again?")

We would have funded our store by now. FCI is always there to answer our questions. They are the experts in the food co-op field and they willingly share that knowledge and expertise with some of us that need a little (or a lot of help) getting off the ground."

Do you believe in the future of startup food co-ops? We do and we need your help to make it happen!



100% of your donation funds our work, so don't wait — make your donation now!

FCI.coop/donate



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Co-op Advocate
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Startup Partner
- \$1000
FCI Champion
- \$2500
Startup Hero

power of the patronage!

As **Flatbush Food Co-op** celebrates their 45th Anniversary and **River Valley Co-op** celebrates the opening of their second store in Easthampton, we would like to take this opportunity to personally thank both general managers, Barry Smith and Rochelle Prunty for their continued support and dedication to FCI. **Over the last three years, these two co-ops have contributed over \$125,000 through their owner patronage programs.**

"The donated patronage from these co-ops is a sign of the broad support that their owners share with the co-op managers. Donating their patronage to ensure other communities have food co-ops is a real act of cooperation."

— Stuart Reid,
Executive Director



Flatbush Food Co-op, c. 1976



River Valley Co-op

If you have benefitted from our free services, or simply love your own co-op and want to see more of them open, **donate now at FCI.coop/donate!**

Top-Shelf Advice

by seven roots

Apparently, somewhere in the ocean there's a conga line of cargo ships. We can't see them ourselves, of course, but we're noticing it at the grocery store when, for example, half of the chip aisle is empty. Car prices and wait times are making headlines, and it's even hitting holiday essentials like artificial Christmas trees and wine. It all seems to roll back to the labor shifts that are defining the American economy in 2021.

All of this is impacting retail development in dramatic ways. Prices are higher, demand is higher, and it's harder to get the things we need. From raw steel to toilets, everything takes longer and costs more to get in the doors. This is especially true of equipment, a critical part of the infrastructure of our stores. One of the most important categories of equipment is one of the most basic: shelving.

Here's a quick primer on the food retail shelving scene:

Gondola shelving

This is classic retail shelving in the US, used in most grocery stores and big box stores. Solid metal shelves that hook into a backer that creates the aisles.

Lozier and Madix are the two most popular shelving manufacturers in the US and are the most versatile on the market. Both use universal specifications so pieces can use the pieces interchangeably between the two

Kent, Streeter, U-line, and a few others also produce Gondola-style shelving. The risk with these is that their systems are NOT interchangeable with others. You can't use a Lozier upright with a Kent shelf, for example.

Fun fact: Black and tan are the two most-used shelf colors by co-ops.

Metro shelving

Metal metro racks are versatile in a variety of settings — retail, food service and residential use. Metro racks are heavy duty wire racks, usually in chrome or black, that sometimes have wheels at the base of the corners. They are commonly used in walk-in coolers, back stock and kitchen applications (to hold the pans and pantry items at a restaurant, for example), and gourmet food-centric retailers. Great for versatile and mobile uses; used sparingly in co-op retail grocery.

Custom shelving

Shelving made of wood, composites or other materials can be custom-built for retail applications, but will be more expensive than other shelving systems, and will probably be harder to work with, difficult to reset and not flexible. Custom shelves are not advised for general use in grocery stores, but can be a differentiator in the wellness or bakery areas, to change up the aesthetics.

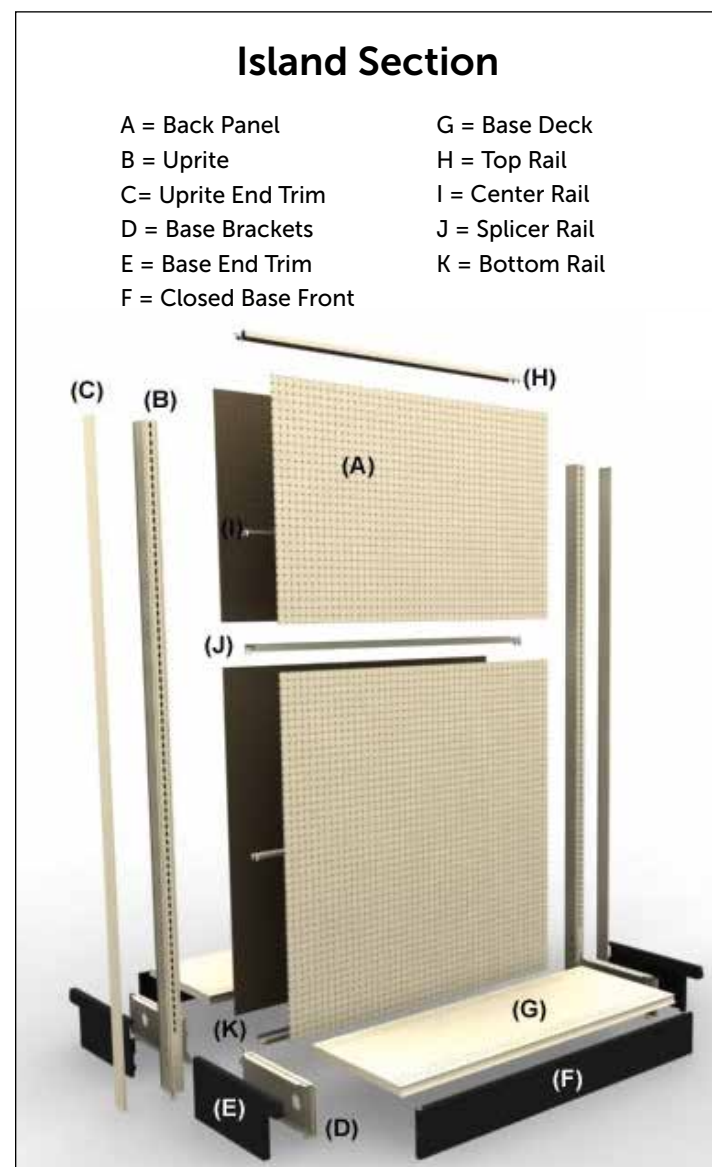


So, what's the scoop on the shelving climate right now, as we close out 2021?

Lozier's gondola shelves typically have a lead time of 8–12 weeks for basic colors and parts. This year, that timing is 8–12 months for basic colors and parts. It means that our go-to isn't the slam dunk choice it usually is. Lozier is also battling supply chain disruption and staffing shortages and they do not have a timeframe to return to pre-pandemic production/delivery times. As you consider your project timelines, it will be critical to build in time for shelving, as well as refrigeration and other equipment, to be slow to arrive. *Note: If you are closer to a warehouse or distribution center, you might get lucky and see shorter lead times and less expensive shipping.*

What about used?

While there are other manufacturers that produce high quality shelving, we still think Madix and Lozier are best for most co-ops' shelving needs. A hit-or-miss option to get around the delays could be used shelving.



STARTUP SUPPORT HOW CAN WE HELP?

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WHY FCI?

YOUR PEERS SAY IT BEST:

FCI PEER LEARNING GROUPS

FCI Peer Learning Groups Multiply in 2021

FCI's 2021-2022 Peer Learning Groups launched in October of this year with over two dozen more startups across the country participating in them than ever before.

"It's a program that we've seen powerful learning results from, year after year, for over five years now. Each year, we've offered more startup food co-op organizing groups the ability to participate, and more of them have taken us up on it," says FCI Executive Director, Stuart Reid. As of last year, FCI's program was able to offer the peer learning experience to all startup food co-op startups working toward a brick-and-mortar store, and 44 startups signed up to participate; this fall, 73 startups signed up to participate, increasing total participation of startup food co-ops by almost 40% over the previous year.

Much of this growth was caused by more startups hearing about the calls

and joining in, but some of this growth was caused by FCI creating new Peer Learning Group offerings, like a peer group for new GMs of startup food co-ops. This group was created at the request of the GMs themselves. "When I was hired as the GM of a startup food co-op, I quickly learned there is much that is unique about this role and that the co-op community is so willing to

share experiences and wisdom," says Arlene Wilborn, General Manager of the North Flint Co-op Market in Flint, MI. "I reached out to FCI to say, 'hey, I think GMs of startup food co-ops could really benefit from a peer space too where we could support one another and share resources.' I've really enjoyed the results, both being able to share from my decades of grocery industry

There are dozens of times that a new best practice has emerged on these calls, as well as the identification of new tools needed by startups. And these new best practices and tools then spread like wildfire through the peer calls, improving startup organizing nationally.

experience, and being able to learn from the experiences of other startup GMs. Our peer group provides a space for us to share our experiences, which can be beneficial in many ways, including helping us avoid extra cost for all of our co-ops!"

FCI's Peer Learning groups are made up of four to eight startup food co-ops each that are at a very similar stage of development in their organizing process. These peer groups then meet via Zoom monthly with a facilitator steeped in startup food co-op experience to share updates on their projects and learn together about a food co-op development topic of their choice.

"Being involved in the peer learning groups has far exceeded our expectations. With expert facilitators to guide us we have learned so much from our peers. Our peers have made our co-op stronger and smarter!"

—Kim Frink
Board president, Suncoast Market (stage 2B)

"Incredible learning, but also innovation, happens on these peer calls," says Hannah. "There are dozens of times that a new best practice has emerged on these calls, as well as the identification of new tools needed by startups. And these new best practices and tools then spread like wildfire through the peer calls, improving startup organizing nationally. The peer calls embody the power of the sixth cooperative principle 'cooperation among cooperatives' in action."



The model for the peer learning calls was first developed by Bonnie Hudspeth of the Neighboring Food Co-op Association, who then invited FCI to be a part of those calls. From there, word spread among the startups and soon co-ops in every region of the nation were eager to take part. "Being involved in the peer learning groups has far exceeded our expectations," shares Kim Frink, board president of Suncoast Market, a stage 2B startup in Imperial Beach, CA. "With expert facilitators to guide us we have learned so much from our peers. Our peers have made our co-op stronger and smarter!"

"When our *water heater exploded*, Dane at Kapatoes walked us through it *calmly and promptly*, turning what could've been a major crisis into an *easily handled situation*."

Krista, GM of Tidal Creek Cooperative



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Thank YOU startups

for making us part of
your team in 2021

**We're looking forward to
working with you in 2022!**

- Board retreats & board training
- Project Management
- Store Design and Operational Programming Development




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Our Mission

FCI improves the success
and sustainability of new food
cooperatives delivering healthier
food in diverse communities
across this country.

UP & COMING

food co-op conference

Dates set for 2022!

FCI, along with our partners, the Indiana Cooperative Development Center and Willy Street Co-op, are excited to announce that Up & Coming 2022 will be IN-PERSON at the Sheraton Madison in Madison, WI. **So mark your calendars for May 19-21** and join us for what is sure to be an exciting conference. We have lots of new workshops on the agenda as well as some perennial favorites. Visit upandcoming.coop for the latest info.



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