



# FOOD CO-OP INITIATIVE

New co-ops start here.

## 2021 Impacts Report





## Letter from the Board Chair

Chair: Richard Dines  
Richard Dines, Senior Director,  
Credit Union Awareness, LLC

The Food Co-op Initiative continues to support startup food co-op projects as they are challenged by the ongoing pandemic, an extremely competitive grocery industry, and an unfavorable economic environment. FCI provides vital support to communities striving to open a store that they own and that will meet their needs. FCI staff offers expert technical assistance, peer networking, and proven resources to improve the chances that these projects will succeed.

The FCI Board is committed to ensuring that justice, diversity, equity, and inclusion remain a central focus of our work. As an organization dedicated to providing critical resources to communities forming democratically owned and controlled institutions that supply nutrition and basic needs, as well as developing local food systems, we strive to ensure that every community has access.

We are sad to say farewell to our longtime Executive Director, Stuart Reid, who is leaving his position at the end of 2022. We wish Stuart well as he moves on to new endeavors. Stuart has been a visionary leader for FCI from its beginning in 2010 and has always been fiercely dedicated to helping startup co-ops. To honor Stuart's legacy, we have established the Cooperative Futures Fund and we are grateful to all the donors who have contributed to the Fund to enable the long-term financial stability of FCI.

In cooperation,  
Richard Dines



## Letter from the Executive Director

**Change.** Co-ops face dramatic marketplace change and survive on margins of small change. Maybe that is not new, but the pace and upheaval of recent changes has been dramatic. And yet, current changes in grocery retailing provide food co-ops with unprecedented opportunities to stand out from the crowd and serve their communities in ways that other stores cannot.

Working in collaboration with our national network of cooperative developers and the Rural Grocery Initiative, FCI has helped promote cooperative conversion opportunities for rural towns where owners are retiring or would otherwise close their stores. When the stores have already closed, co-ops are often a viable option to regain access to healthy food and an important anchor business. New models for smaller stores with lower startup costs and more conventional product mixes are showing great promise. Co-ops provide healthier choices and a neighborly setting. Dollar stores? Not so much.

Black- and Brown-led startup efforts are becoming a big part of the movement. Although FCI lacks the racial diversity we endorse within our own staff, we have established strong partnerships with Black and Brown cooperative developers and community leaders to teach us and enhance our work. When mainstream grocers abandon "out of profile" neighborhoods, the residents are increasingly turning to the cooperative model to take power back and control their food sovereignty. New models are evolving to source capital, provide for local needs, and to provide communities not just with food access, but economic and social wealth. Many of

these co-ops are in major cities, but Indigenous peoples are also exploring cooperative food stores to ensure healthy food access and preservation of traditional foodways. FCI is partnering with Tribal development organizations and regional development centers to build our resources and support systems to meet the diverse needs of Indigenous communities.

Food co-ops are implementing their own on-line markets and many startups are testing virtual stores as they prepare to open brick and mortar sites. We all have a lot to learn in this rapidly growing and changing sector, and while there is no reason that we must cede this part of the market to the multinationals, food co-ops can provide a personal, engaging experience for shoppers that on-line markets cannot.

FCI continues to evolve, learn, and expand our ability to serve all communities that want to start their own co-op. Part of our own change this year will be the search for a new executive director. After seventeen wonderful years leading FCI, I will be retiring at year-end. The board has begun a national search and a thorough strategic planning process to ensure a smooth transition and continued success.

*continued on page 8*

## 2022 Board of Directors



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Professor of Sociology,  
Director of the Center for  
Cooperatives and CED,  
Southern NH University



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amaha sellassie  
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Retail Grocery Specialist  
and Organizational  
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### Our Vision

#### Strengthening Communities through Cooperation

*Food Co-op Initiative paves the way for new food co-op excellence, leading to better fed, healthier communities with local control and connections.*

### Our Mission

FCI aims to increase the number, success, and sustainability of new food cooperatives delivering access to healthy food in diverse communities across this country. It provides information, training, and technical assistance, as well as seed capital, and engages in research, to blaze, maintain and improve the development path for new food co-ops.

# points of pride

## UP & COMING food co-op conference

**266** attendees (**161** first-time)  
**62** co-ops from **32** states + BC  
**56** workshops in **7** tracks  
**51** speakers

First time for Black Led Day:  
**National Black Food & Justice Alliance (NBFJA) partnership**

The Up & Coming conference co-hosted the **Black-led Co-op Day** for 60+ black-led cooperators. This was a crucial move towards honoring safety while their co-ops grow and resist systems of racism. "We are not just building a co-op, we're building a movement" Malik Yakini, Executive Director Detroit Black Community Food Security Network.

"THANK YOU! This was such an amazing experience and I can't wait to come back next year."

"This was one of the most positive and upbeat conferences I have ever attended. It felt so supportive, regardless of what one's position in the co-op world is."

"Love the emphasis and opportunities for learning about what Black-led co-ops are doing. This is where the most consequential work is happening within the co-op movement."



## FCI Cooperates with the Rural Grocery Initiative

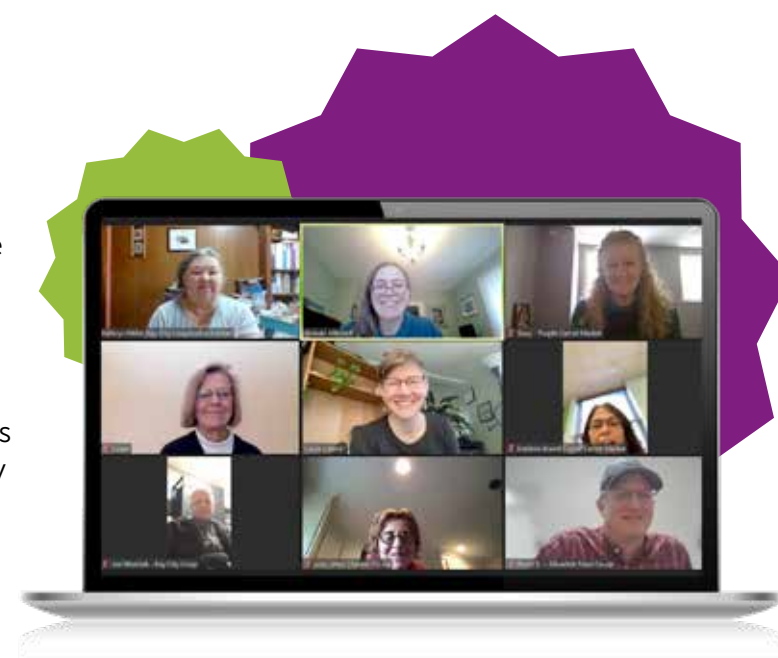
One of the best ways to start new food co-ops is by cooperating with our development peers. For years FCI has been sharing information, contacts, and training with Kansas State's Rural Grocery Initiative. We have attended and presented at their conferences, and they have done the same at Up & Coming. In 2021 that collaboration included helping to plan and present an eight-part webinar series on *Keeping Groceries Alive: Successful Ownership Transitions for Rural Grocery Stores*. Our work with the Rural Grocery Initiative has been mutually beneficial and has helped us to better serve the many smaller rural communities that are coming to us for support.

## Peer Groups

FCI peer learning cohorts are groupings of 4–6 startup food co-ops that meet via Zoom once a month to share updates on their progress, learn from one another, and have trainings or conversations on startup food co-op topics that are selected *by them* to meet their co-op's current needs. This program is the beating heart of the support FCI offers to the startup movement — it connects the groups to learn from each other in a way that rapidly improves the organizing of *all* startup food co-ops across the country.

2021 was FCI's first full year of offering the peer learning cohorts nationwide after debuting them on a limited, regional basis in 2019 and 2020. They were based on the peer learning call format innovated by the Neighboring Food Co-op Association, which expanded the program to its highest level of participation yet.

*By offering these peer groups nationally, FCI was able begin grouping the startups by stage of development rather than region, which has given a powerful boost to the effectiveness of the calls.*



**58 startups** participating nationally  
(22% increase over 2020)

**12 peer groups** (27% increase over 2020)



**"FCI Live is meeting this moment of unprecedented co-op development, providing immense value to startup co-ops and the cooperative support industry alike."**

— Heather Lazickas,  
seven roots group

FCI Live is a two-week series of LIVE video events where startup cooperators get to interact with some of the newest ideas and top experts in the startup food co-op community at no cost. The series emerged from our COvideo series that was created in April 2020 at the beginning of the pandemic and has become a key tool for nourishing emerging conversation in the movement and distributing information rapidly about startup innovations and new trends in startup success, helping the movement adapt and improve. The series is offered twice a year, in early February and late September, and showcases new information and tools from experts as well as peer presentations. All sessions are recorded and made freely available on our FCI YouTube channel. 2021 was our second year of offering the series.

**200 attendees** for the Feb 2021 series

**220 attendees** for the Sept 2021 series

*Our next FCI Live series will be happening September 20–29, 2022.*

As one industry professional stated, "we've seen the real time impact of FCI Live sessions as co-op organizers across the country pile into Zoom rooms to learn from professionals and each other. Thoughtfully chosen topics, well organized execution and a conversational format enable collaboration and sharing often reserved for in-person conferences — available at the click of a button, for free. Archived online, the content lives on for cooperators of the future."

River Valley pays it forward

# A long tradition of supporting FCI

By Rochelle Prunty, General Manager

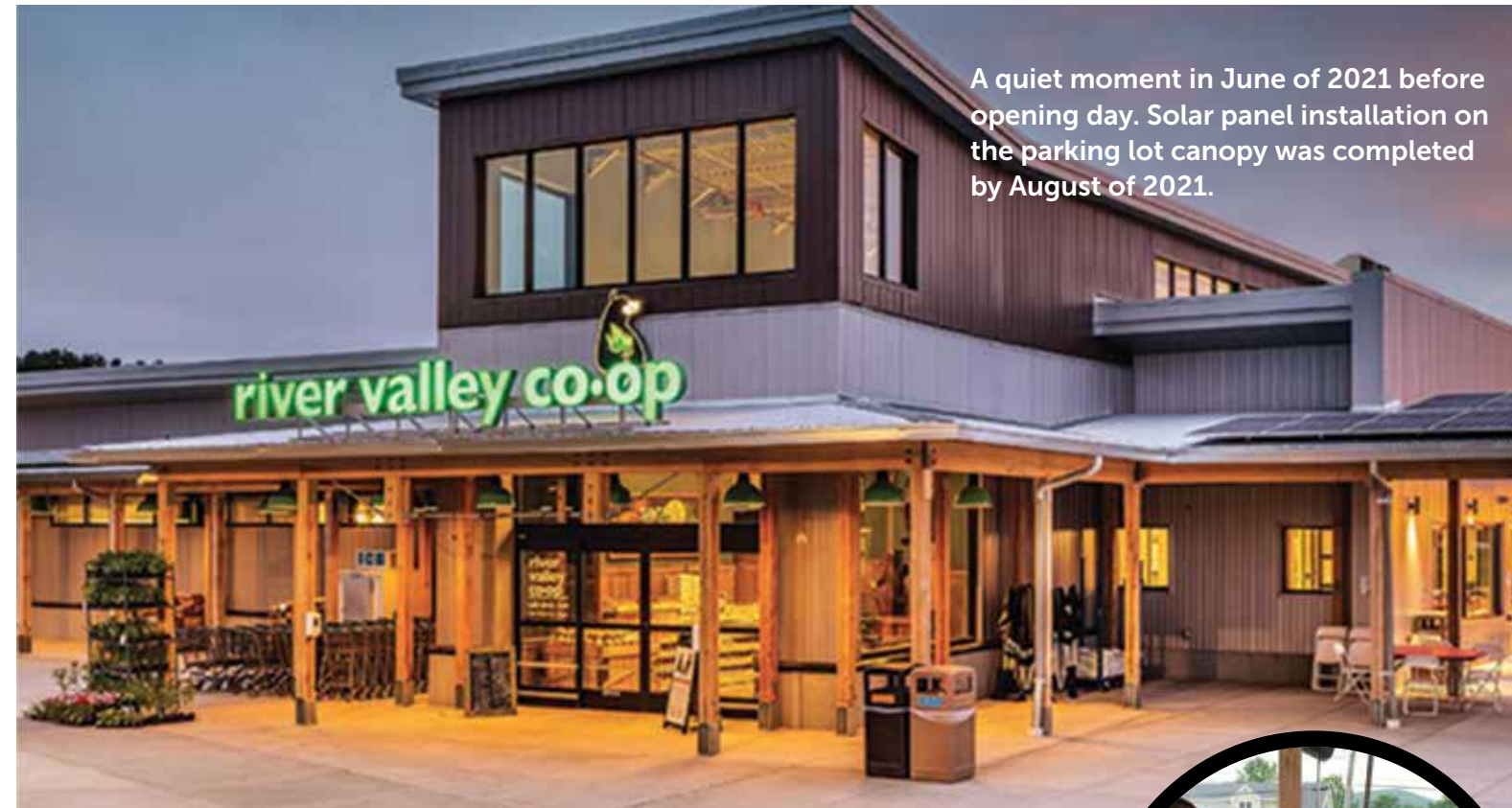
River Valley Co-op began its startup journey in 1999 when the Northampton Massachusetts group of food co-op organizers decided to move forward with incorporation of the food co-op they envisioned launching to support the community in their goals for the development of the local food system. I joined the effort as the startup's general manager in 2001 and talking to Stuart Reid of The Food Co-op 500 (the predecessor to Food Co-op Initiative) was one of the first calls I made in my new job. His patient support and encouragement over the next seven years as we worked to secure a site and open our startup provided a constant North Star through the darkest setbacks we encountered on our journey.

At that time, startup food co-ops were few, but Stuart had taken on the challenge of changing all that with his leadership. He began first by managing the successful start up of a new food co-op. Next, he dedicated his work to helping others do the same. Even back then, Stuart was a wealth of wisdom on the unique challenges

of starting new food co-ops. Under his leadership, The Food Co-op Initiative has supported over 167 communities to launch their startups by providing them with key support best practices tools from the early organizing stage free of charge, including River Valley Co-op, which opened its doors in 2008 and opened a second location in 2021.

The critical startup support FCI provides is both practical and aspirational. As Stuart's work gained traction and the startup movement grew, Stuart increased the staffing resources and expertise to meet the growing needs across the country for new food co-op support. I'm very grateful for Stuart's leadership and vision that has been so essential for growth of the food co-op movement over more than two decades. *Thank you Stuart, you've built an amazing legacy!*

Once our co-op was on its feet financially, we were able to help pay it forward, in gratitude for all the support we received from the cooperative network to get started. One key tradition we



A quiet moment in June of 2021 before opening day. Solar panel installation on the parking lot canopy was completed by August of 2021.

began was calling on our co-op owners to join us in donating their patronage dividend rebates to FCI. This not only supports the expertise and resources needed to effectively organize new food co-ops to keep our movement growing, it engages our co-op owners in supporting the cooperative movement. This is just one way to provide support to FCI, but for us it is an important tradition and it has resulted in \$82,000 of support to FCI to date. There isn't anyone that cares as much about the food co-op movement as other food co-ops — we consider it critical to make a practice of funding not just our own co-op's

growth and development, but also the development of the broader movement. I hope many other food co-ops join us in supporting the Food Co-op Initiative. Let's keep the momentum going to make our cooperative movement ever stronger. *Community empowerment through cooperatives is more important than ever in these challenging times!*

"Flatbush Food Co-op supports the Food Co-op Initiative's mission to foster the growth and sustainability of food co-ops around the country. We share their conviction in the cooperative principles and the power of cooperatives to support access to healthy foods and ethical production worldwide."

Ongoing financial support to FCI, like River Valley and Flatbush Food Co-op provide, is vital to our work. Please donate to FCI's year-end campaign now!

## FCI's fundraising campaigns are underway!

Your contribution directly funds our work!

There are as many reasons to support FCI as there are startup food co-ops! Those organizers are working tirelessly to improve their communities. Startups need FCI. And FCI needs YOU!

### Key Dates:

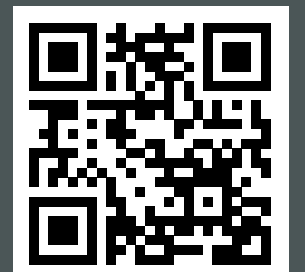
2022 Full Circle Campaign  
Kick-off: Monday, Sept. 15  
Campaign goal: \$100,000

Year-End Campaign  
Running now through  
December 31!  
Campaign goal: \$10,000

*Why wait? Make a donation or pledge your support now!*

### FCI.coop/donate

YES, your co-op can pledge now, be invoiced later! Email us at [info@fci.coop](mailto:info@fci.coop) and we'll take care of the rest!



"We consider it critical to make a practice of funding not just our own co-op's growth and development, but also the development of the broader movement.

I hope many other food co-ops join us in supporting Food Co-op Initiative."

# Impacts: co-ops that opened amid Covid

In spite of all obstacles, new food co-ops have been opening even during the pandemic. With FCI's help and incredible local support, even a nasty virus couldn't stop them!



## Fredericksburg Food Co-op

Fredericksburg, VA, Opened April 2021

The Fredericksburg Food Co-op opened on 4/1/21 (April Fools Day), but their first year in business was no joke. FFC spent their inaugural year establishing themselves as the only natural foods grocer in Fredericksburg, VA while getting to work on their four core values; social, environmental, local and financial. To those ends, they hosted or participated in over 100 events, added 864 new owners, distributed thousands of their patented "t-shirt bags", bought from over 200 local companies/brands and beat their bottom line budget projections. But if you ask the co-op what they're most proud of in their first year, they'd say, helping to give out more than \$70,000 in FREE produce to EBT users via the Virginia Fresh Match program. We look forward to seeing more success and good work from FFC in 2022!

## Gem City

Dayton, OH, Opened May 2021

Gem City Market celebrated its one year anniversary with a block party including live music, bounce houses and vendors, with hundreds of neighbors participating. In the first year, the Market's new staff worked tirelessly to find its footing and weather many covid-related and economic challenges, including high out-of-stocks, staff turnover and weak sales. In January, GCM hired Dennis Hanley, a Columinate consultant, to be an interim turnaround manager and to help create a new strategy for success. Since then, they've seen an incredible 40% sales growth and 30% productivity growth, and have completely rebuilt the proforma for a new path forward. The Market's incredible staff is sharpening its skills, learning how to be a co-op and becoming more cohesive, and the Board is working to secure new capital to replace the cash burn the market experienced during the first year. GCM is most proud of serving an average of 400 customers per day, with the vast majority coming from the immediate neighborhood.

## Oshkosh

Oshkosh, WI, Opened July 2021

The Oshkosh Food Co-op celebrated its first year with a birthday bash that included a benefit dinner for a local program providing meals for people in need, ice cream social, music on the patio, birthday cake, in-store games and more. Following a strong opening in July 2021, sales softened. Firebrand Cooperative provided Interim General Manager services, aiding the Co-op in rebuilding its pro forma, product mix and sales growth strategy. General Manager JD Gildemeister joined the Co-op in May 2022. Currently, the Co-op is working to grow sales by 30%, raise additional capital, strengthen member engagement and develop partnerships responsive to community needs.

# shovels in the ground

Co-op	Stats	Store Updates / Details
	<b>Woodstock, IL</b> Opening Summer 2023 1475 owners	<ul style="list-style-type: none"> <li>• Raised over \$1.2M in owner investments over 3 months</li> <li>• Hired General Manager, Peter Waldmann</li> <li>• Space: 8734 sq. ft. (6834 sq. ft. retail)</li> </ul> 
	<b>Detroit MI</b> Opening Summer 2023 1616 owners	<ul style="list-style-type: none"> <li>• Anchor tenant of the Detroit Food Commons</li> <li>• Space: 17,000 sq. ft. (12,000 sq. ft. retail)</li> </ul> 
	<b>Dorchester, MA</b> Broke ground July 2022 1374 owners	<ul style="list-style-type: none"> <li>• General Manager search underway</li> <li>• Space: 6000 sq. ft. (4200 sq. ft. retail)</li> </ul> 
	<b>Bethlehem, PA</b> Opening Summer 2023 1161 owners	<ul style="list-style-type: none"> <li>• \$2.9M grant recipient</li> <li>• Hired a General Manager search team</li> <li>• Space: Signed 10-yr lease for a north downtown location</li> </ul> 
	<b>Winston-Salem, NC</b> Opening August 2022 500 Owners	<ul style="list-style-type: none"> <li>• Hired General Manager, Marc Litt</li> <li>• Space: 8700 sq. ft. (6500 sq. ft. retail)</li> </ul> 
	<b>Maynard, MA</b> Opening January 2023 2000 owners	<ul style="list-style-type: none"> <li>• Hired General Manager, Sam McCormick</li> <li>• Space: 6,000 sq. ft. with a 64-ft. rear deck overlooking the Assabet River</li> </ul> 
	<b>Flint, Michigan</b> Opening Spring 2023	<ul style="list-style-type: none"> <li>• Hired General Manager, Arlene Wilborn</li> <li>• Space: Construction 70% completed</li> </ul> 

# startup highlights

Every year we like to highlight a few of the many startup groups we think are doing exceptional work. From early organizing to site commitment, these three co-ops are a source of inspiration to us all.



## Wild Onion

Chicago, IL (pop. 8,901,000)  
Stage 3A

Next milestone: Site demolition, site design, construction, secure additional funding

In the last 18 months, they have more than doubled their ownership, completed their feasibility work, and secured the perfect site in the heart of Rogers Park, one of the most diverse communities in Chicago. They recently wrapped up their capital campaign raising over a half a million dollars.

## North End Co-op Market

Waterbury, CT (pop. 107,841)  
Stage 1A

Next milestone: Ownership drive

Located in an historically Black neighborhood that has been without a grocery store for over a decade, North End launched their steering committee fall 2021 and will offer their first owner shares this fall. They attend two FCI peer groups monthly, FCI training sessions, and their first Up & Coming Food Conference in 2022.

## Free Range Food Co-op

Grand Rapids, MN (pop. 11,218)  
Stage 2B

Next milestone: GM search, secure site, Capital Campaign

Free Range has been working to open a co-op since 2015 and now have over 954 owners. They have begun working with consultants to launch their Capital Campaign and draft their pro forma, and their site selection has progressed through collaboration with local contractors on possible store sites.

## Letter from Stuart Reid (cont. from p.1)

We are incredibly grateful for our fine board of directors who volunteer their time and expertise to guide FCI. A special thanks to Richard Dines for his excellent leadership. And of course, we could not do any of this without our amazing sponsors and donors. A significant portion of our budget is funded through the USDA's Rural Cooperative Development Grants, and many other cooperative organizations have been regular funders since we began our work in 2005. We thank them for their deep loyalty and commitment to new food co-ops. And to all the many food co-ops and individuals that contribute what they can—your help matters. In recognition of this leadership

transition, FCI is establishing a Cooperative Futures Fund to create a deep reserve fund to protect us in lean years. Please contribute if you can and show your support for new food co-op development. *Every gift feels like a personal thank you and it tells us we are doing something right. Thank you all.*

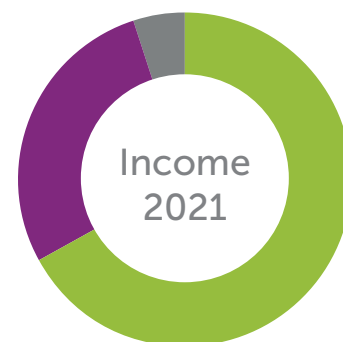
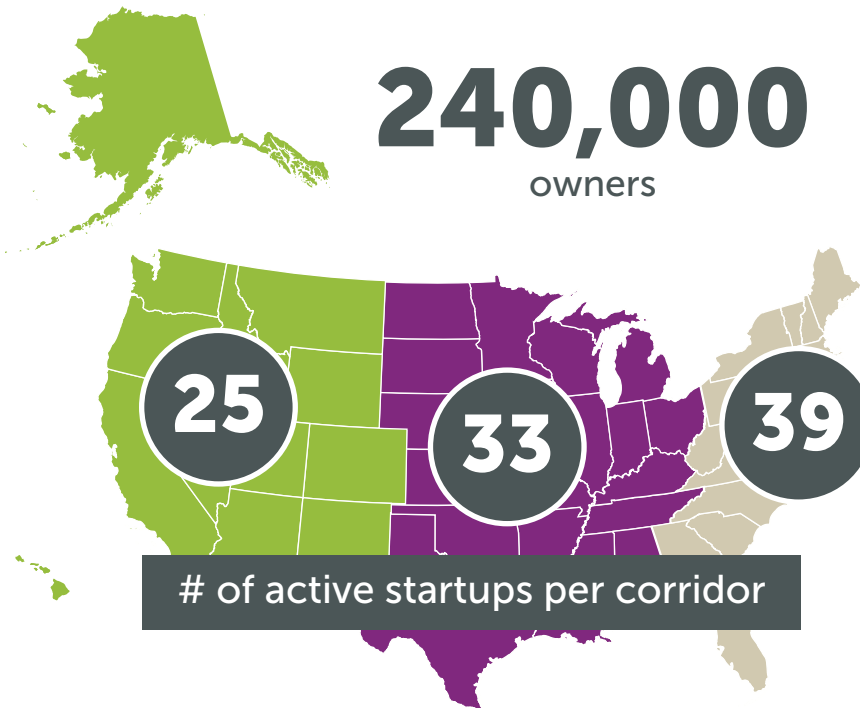
This may be my last annual report letter, but I'll still be around supporting food co-ops, and FCI will be here to help you start a successful food co-op, wherever and wherever you may be.

# real world impacts of FCI's work

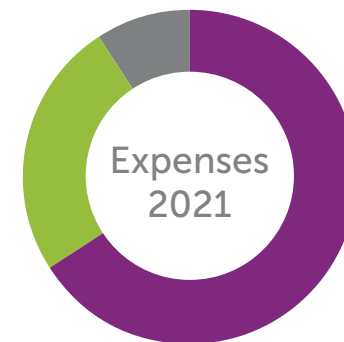
**\$320 million**  
in annual sales

**\$113 million**  
in local food purchased at startups

**240,000**  
owners



- Grants 67%
- Contributions 5%
- Other income 28%



- Programming 66%
- Mgmt & General 25%
- Fundraising 9%

Years FCI has supported co-ops:  
**18**

**167**

co-ops opened since 2006  
(FCI provided resources and support to almost all of them)  
**106 still open**

**2000+**

new jobs (FTE) created at startups through 2021

**98**

startups being served by FCI

# that are BIPOC-led

**17**

**45**

new inquiries in 2021



# FOOD CO-OP INITIATIVE

New co-ops start here.

208 Inner Drive  
Montgomery, MN 56069

844-324-2667

[www.FCI.coop](http://www.FCI.coop)

## Legacy Donors



## Sustaining Donors

**Flatbush Food Co-op, Brooklyn, NY**  
**River Valley Co-op, Northampton, MA**

*Combined, these two co-ops have contributed over \$170,000 through their owner patronage programs.*

Ashland Food Co-op, Ashland, OR  
Astoria Co+op, Astoria, OR  
Basics Cooperative Natural Foods, Janesville, WI  
Belfast Co-op, Belfast, ME  
Blue Hill Co-op, Blue Hill, ME  
Boise Co-op, Boise, ID  
Brattleboro Food Co-op, Brattleboro, VT  
BriarPatch Food Co-op, Grass Valley, CA  
Common Ground Food Co-op, Urbana, IL  
Community Mercantile, Inc., Lawrence, KS  
Cook County Whole Foods Co-op, Grand Marais, MN  
Fiddleheads Co-op, New London, CN  
Fredericksburg Food Co-op, Fredericksburg, VA

Friendly City Food Co-op, Harrisonburg, VA  
Grain Train Natural Foods Market, Petoskey, MI  
GreenTree Cooperative Grocery, Mt. Pleasant, MI  
Hunger Mountain Co-op, Montpelier, VT  
Just Food Co-op, Northfield, MN  
Just Local Food Cooperative, Eau Claire, WI  
Lexington Cooperative Market, Buffalo, NY  
Littleton Food Co-op, Littleton, NH  
Menomonie Market Food Co-op, Menomonie, WI  
Middlebury Natural Foods Co-op, Middlebury, VT  
Mississippi Market, St. Paul, MN  
Monadnock Food Co-op, Keene, NH  
Moon Co-op Community Market, Oxford, OH  
Open Harvest Cooperative Grocery, Lincoln, NE  
Oryana Community Co-op, Traverse City, MI  
Outpost Natural Foods Co-op, Milwaukee, WI  
Ozark Natural Foods, Fayetteville, AR  
Roanoke Co+op, Roanoke, VA

Seward Community Co-op, Minneapolis, MN  
Sioux Falls Food Co+op, Sioux Falls, SD  
Sitka Food Co-op, Sitka, AK  
Skagit Valley Food Co-op, Mount Vernon, WA  
Spiral Food Co-op, Hastings, MN  
The Food Co-op, Port Townsend, WA  
The Merc Co+op, Lawrence, KS  
Valley Natural Foods, Burnsville, MN  
Viroqua Food Co+op, Viroqua, WI  
Whole Earth Co-op, River Falls, WI  
Willimantic Food Co-op, Willimantic, CN  
Willy Street Co-op, Madison, WI  
Ypsilanti Food Co-op, Ypsilanti, MI

## Special Thanks

*...to the many donors who continue to show their belief in FCI by supporting our work!*