

CONCORD FOOD COOPERATIVE

BOARD OF DIRECTORS

BOARD MEETING MINUTES

Wednesday, March 15, 2017, 5:30 PM, New England College, Concord, NH



Cathy Menard, President, called the meeting of the Concord Food Cooperative Board of Directors to order at 5:33 PM. A quorum was present.

Attending: Cathy Menard, Derek Owen, Tracie Sponenberg, Jim McConaha, Tedd Evans, David Marshall, Krista Helmboldt, Finis Williams (6:03pm) and Charlie Cole (6:04pm). Staff: Chris Gilbert (General Manager), Nick Schneider (Director of Operations), Greg Lessard (Director of Marketing), Stacey Cooper (Farm Manager) and Melanie Waldvogel (Board Administrator).

Guests: Philip Hitchcock and Ann Davis (6:56pm)

The minutes will henceforth include mention of the reason for executive session, where appropriate. Please update the Board calendars with the dates of October 20th-21st for Board retreat.

- **BOARD VOTE: Approve the February 22nd, 2017 minutes as amended.**
(Motion by Jim McConaha, seconded by David Marshall; approved unanimously).

FARM MANAGER REPORT

Handouts: Produce Distribution Graph, Crops and Quantities Grown, and Crop Rotation. Slideshow of farm pictures shown throughout presentation.

Stacey Cooper addressed the Board on the Co-op's managed farmland at Canterbury Shaker Village. The farm has provided organic crops for the Co-op, the Co-op's kitchen, the NH food bank and local vendors (such as Micro Mama's). The educational space saw 14 workshops on wellness education around farming and gardening. Stacey works in the produce section of the co-op during the winter. The Food Safety Modernization Act (FSMA) and compliance is forefront in discussions with local farmers.

2016 Benchmarks included:

- A reclaimed hoop house on site (repairs and heating system installed)
- Repaired and set up drip irrigation
- Website and blog tracking the farm's progress
- Garden plots expanded
- Hosted the Canterbury Shaker Village plant sale
- Deer fencing installed
- Raised bed system implemented
- Perennial crops on horizon: strawberries, rhubarb and garlic
- 35% increase in yields

Looking ahead, Stacey sees calendar 2017 as bringing the first strawberry harvest, expanding the irrigation system, utilizing 100% of seedlings and enhancing education programs. The farm continues to find ways to be more efficient. Financially, operations were essentially breakeven for calendar 2016. Consideration of higher value crops and perennial crops and measurement of waste were also discussed.

MARKETING REPORT

Handout: Boosting Sales

Greg Lessard walked the Board through a calendar year of the marketing cycle, noting that the period March to October provides the best chance for messaging opportunities. In November and December, marketing is highly focused on the holidays. A breakdown of the FY18 advertising budget was provided.

Launching the Co-op's e-Shop is the biggest event on the horizon for the marketing department. Other areas of focus include:

- Annual Celebration in October to be located at the Co-op with a keynote speaker
- Convenience for members and shoppers such as the ability to sign up for membership online
- Maximizing publicity through nonprofit partnership events such as SouperFest and Spring Into Healthy Giving. Greg discussed the power of social media.
- A customer survey is planned for July, allowing the Co-op to test customer response to price reductions in the store and the rollout of online shopping.

REVISED REPORTING FOR EMPLOYEE CONCERNS RESOLUTION

Handout: Revised Reporting for Employee Concerns Resolution

Tracie Sponenberg recommended that the Employee Concerns policy be brief and precise, and funnel any concerns up the chain of command of the managers to the General Manager. In-store resolution is the most desirable.

The Board is respectful of its Policy Governance, namely B6:1b.ii, which recommends a third party be involved if a concern is related to GM actions or decisions. Chris will obtain input from Beverly LaPage, Co-op HR Manager, and bring a proposal forward to the Board with recommendations for sourcing (potential) third party assistance. (We hope this will never be needed).

NATIONAL COOPERATIVE GROCERS PRESENTATION

The Board and guests watched the video presentation: Courageous Leadership Today, Stronger Co-ops Tomorrow by David Olson of National Cooperative Grocers (NCG). NCG reports a declining trend in sales growth over the past decade: flattening from historic sales growth of 20% to a much reduced 4-5% sales growth (year over year) by 2016. Another trend is significant turnover in General Manager positions nationwide.

NCG identified three major ideas for change to respond to increased competition:

1. Productivity – increased productivity as a way to succeed in a low margin environment
2. Pricing – improving pricing flexibility with variable margin programs and creative promotions
3. Accessibility of products is one end of the spectrum with product purity on the opposite end – offering lower price points to the range, where possible, (such as organic Field Day products) in addition to premium products

In response to the video, the Board discussed outreach to new and existing customers.

Physical store size creates limitations on the product range and number of price points that we can offer.

Chris was asked to consider whether the areas identified by NCG are appropriate for the General Manager's ENDS report which he is in the process of developing.

CO-OP MEMBER DISCUSSION

Members Philip Hitchcock and Ann Davis addressed the Board about patronage refunds, pricing and organic product selection. The Board heard and acknowledged these member concerns.

BOARD MEMBERS THANKED

Finis Williams and David Marshall were thanked for their extraordinary leadership and service to the Co-op as each of them filled the role of Board president in recent years. The Board acknowledged Finis and David with a round of applause and hearty thanks.

ADJOURNMENT

□ **BOARD VOTE: Motion to Adjourn at 8:14pm.**

(Motion by Derek Owen, seconded by Finis Williams; approved unanimously).

The meeting adjourned at 8:14pm. The next meeting is scheduled for Wednesday, April 19th, 2017, 5:30pm at New England College in Concord.