

# 2017 Ends Report

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*by Ed Fox, General Manager*

## **Introduction**

If you've ever studied literature, you've no doubt practiced an analytical technique called "close reading." Close reading is the thoughtful, meticulous, careful analysis of a text, focusing on deeper meanings, underlying patterns, subtle nuances in style and form, and so on. It's a very rewarding practice, and is applicable across many disciplines. In effect, rather than being on the outside looking in, the reader becomes more engaged with the material—more of a collaborative partner. The end result is well worth the effort, consisting of deeper insights and greater understanding.

The document you are reading now—our yearly Ends Report—is a close reading of our organization. Our methodology is to collect metrics and data from throughout the year, then share that data with you.

I hope you find this report meaningful, informative, transparent, and easy to understand. These are our goals. We are all collaborative partners here, operating this business together.

## 2017 At A Glance

### *Earnings and Discounts*

I'm pleased to report that our Co-op ended the year posting a gain of \$172,224 *after taxes*. That said, it's important to understand the Co-op posted a loss of \$42,317 *before taxes*. What does this mean for members?

First and foremost, it means our Co-op ended the year in the black, which puts us in a great position for the year ahead. It also means that, despite our earnings, the Co-op will not be able to offer a Patronage Refund, since Patronage Refunds are calculated partially before taxes.

As you will see in this report, a Patronage Refund is not the only way to provide economic value to members. Our Co-op also offered members significant discounts in 2017 through Member Appreciation Days. These discounts, offered only to members, provide much greater economic value than the single yearly Patronage Refunds that have been offered in the past.

In summary, in a tough market, our employees found collaborative, creative ways to manage expenses, cut costs, make gains, and extend great value and benefit to our members, all the while delivering the highest quality of customer service.

### *Eliminating At-Will Language*

Beginning early in 2017, a team of board members and employees collaborated to phase out the at-will employment language in our employee handbook. By the fall of 2017, the team had replaced it with language much more in line with our Co-op policies, values, and principles.

### *Vision*

Board members and employees also collaborated to create a new vision statement for our Co-op, one that summarizes the broad goals we aim to achieve: "a well-nourished community cultivated through cooperation." Our new vision, which we summarize as "nourish, cultivate, cooperate," is designed to provide our Co-op with a clear roadmap for decision-making.

### *Investing in Our Business*

In 2017, our employees, members, and board members worked together to fundamentally change our business, setting ourselves up to be leaders in our industry, locally, regionally, and nationally. Our implementation of new customer-

focused technology places us way ahead of anyone in the retail grocery industry, including large national chain stores. Our Co-op Kitchen is on its way to being utilized more fully and efficiently. And our member- and customer-relationship system, first conceived in 2017, will be light years beyond anyone in the cooperative world.

### *The Triple Bottom Line*

Cooperatives adhere to a triple bottom line of financial, social, and environmental responsibility. As you will see in this report, our triple bottom line in 2017 was as strong as ever. We finished the year making huge strides in terms of education and outreach efforts, sustainability initiatives, local sales, and charitable giving.

### **Conclusion**

If the past year has taught us anything—as a culture, as a society, as a people—it is that our world continues to thirst for that which is positive, edifying, and unifying. For cooperators, this means there is great opportunity to effect positive change by living out our cooperative vision.

For our cooperative in particular, that vision is to nourish our community, cultivate the common good, and above all, further cooperation. As you browse through this

report, know that through your Co-op, you continue to make a profound impact in the communities we serve, both locally and around the world.

Please read on and learn more about your work in 2017. And if you have questions or comments, don't hesitate to reach out to me. My door is always open to you.

—Ed Fox

**NOURISH. CULTIVATE. COOPERATE.**

# The Co-op Ends

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Every spring, members elect candidates to the Co-op's Board of Directors—a group of visionaries charged with setting goals and providing guidance for the organization.

Years ago, our Board developed the Co-op "Ends"—a long-range plan that can be summarized as the end results the Co-op strives to create in the world. The Ends are organized into two parts: A Global Ends statement, or overriding concept, and a subsequent Ends policy, which breaks that concept down into seven practical outcomes.

## **Global Ends Statement**

The Hanover Consumer Cooperative Society exists to create a well-nourished community cultivated through cooperation.

## **Ends Policy**

Because of the Hanover Consumer Cooperative Society:

1. The Upper Valley will have a retail source of food that is affordable, healthy, grown and/or processed locally to the fullest extent possible.

2. There will be economic value returned to the community via charitable contributions, outreach projects, patronage refunds to member and other avenues.
3. Customers will be better educated about food issues and, as a result, make healthier choices than those who shop elsewhere.
4. There will be vibrant cooperative sector in the economy, both nationally and regionally, and a local community educated in the value of cooperative principles and enterprises.
5. The cooperative's bioregion will have a vibrant local agricultural community and that community will, in turn, have a reliable retail market for its products.
6. There will be a major source of employment in the community that provides personal satisfaction to employees, livable wages and financial security for employees and their families.
7. There will be a thriving business organization that protects and restores the environment.

In the report that follows, we have chosen and organized select metrics from 2017 and listed the metrics under their corresponding Ends.

# 2017 Co-op Ends Data

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**End One:** *The Upper Valley will have a retail source of food that is affordable, healthy, grown and/or processed locally to the fullest extent possible.*

## *Co+op Basics*

If you shop our stores regularly, you probably notice the “Co+op Basics”—small, eye catching labels that identify a wide variety of products throughout our stores. The Co+op Basics program is a selection of staple foods and household goods—including natural and organic products—that are priced below the suggested retail. The Co-op is able to offer this program not by paying less to employees or farmers, but instead, by working with a network of other cooperatively owned food stores across the country to negotiate lower prices on healthy, organic, and natural products.

*Total of Co+op Basics products sold: \$1,114,060.61*

## *Healthy*

In this day and age, “healthy” can be difficult to define. To guide our Co-op, we turn to the U.S. Department of Agriculture.



Below are the products we sold in 2017 that fit with USDA guidelines for a nutritious, healthy diet. The **bold and underlined** items below are product categories specifically recommended by the USDA. Most of these products meet more than one of our Ends. Products include:

- 19 varieties of organic and natural bulk dried **beans and lentils** sold in 2017—14,000 lbs. total.
- 9,800 boxes of Cascadian Farm organic cereals, made with **whole grains** as a first ingredient. Cascadian Farm regularly supports organic and conservation projects and supports Co-ops with promotional/marketing opportunities.
- 24,800 lbs., representing \$312,400 in sales, of organic bulk **nuts & seeds** purchased from Tierra Farm. Tierra Farm is a rural New York-based processor and distributor of organic bulk and packaged products. The company is dedicated to environmental sustainability through its facility, packaging, and products.
- 85,900 dozen **eggs** from: Organic Valley, an organic cooperative; Pete & Gerry's/Nellie's Nest, a regional, organic, and certified humane company; and McNamara Dairy, an Upper Valley farm.
- 34,000 lbs. of fresh and frozen **salmon**, including more than 300 lbs. sold during our annual CaseLot sale in October. This was the first time we offered this product during the CaseLot sale and found it to be a great success.

- \$26,800 in sales, representing 7,400 units sold, of regionally or USA-grown **frozen fruits & vegetables**. Brands include “Northeast Grown,” which is distributed by the Neighboring Food Co-op Association, and Stahlbush Island Farms, a certified sustainable grower and processor in Oregon.
- As noted elsewhere in the report, we sell **fresh fruits & vegetables** year-round from scores of local and regional growers.

### *New Refrigeration Monitoring System*

Our commitment to healthy food includes ensuring food safety is paramount. To that end, in 2017, we invested in a new refrigeration monitoring system from Electronic Technologies Corp. (ETC). The ETC system records case temperature every three minutes and maintains files for three years. If the Co-op were to have a food-safety question regarding food temperature, we can now provide the specific case temperature for any given day and time with a simple, fast report.

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**End Two:** *There will be economic value returned to the community via charitable contributions, outreach projects, patronage refunds to members, and other avenues.*

### *Pennies for Change*

Pennies for Change is a charitable-giving program founded on an innovative approach to collecting money at the registers. When shoppers at the registers check out, they have the option to round up their grocery bill to the next dollar. The Co-op then donates the difference to community nonprofits. Of the funds collected each month, 60 percent goes to our food access partners, LISTEN Community Services, Upper Valley Haven, and Willing Hands. The remaining 40 percent is split between two other community partners, which change on a monthly basis. Community partners are assigned as a 30-percent or 10-percent partner based on annual revenue, number of employees, and ratio of funds used for administrative purposes.

<b>Pennies for Change</b>	
<b>Month</b>	<b>Donation Total</b>
January	\$18,862.86
February	\$18,984.12
March	\$24,466.24
April	\$19,433.52
May	\$20,559.62
June	\$24,500.28
July	\$19,709.79
August	\$20,236.61

September	\$23,937.61
October	\$18,617.45
November	\$18,087.23
December	\$22,578.48
<b>Total</b>	<b>\$249,973.81</b>

<b>Food Access Recipients</b>			
Month	Listen	Haven	Willing Hands
January	\$3,772.57	\$3,772.57	\$3,772.57
February	\$3,796.82	\$3,796.82	\$3,796.82
March	\$4,893.25	\$4,893.25	\$4,893.25
April	\$3,886.70	\$3,886.70	\$3,886.70
May	\$4,111.92	\$4,111.92	\$4,111.92
June	\$4,900.06	\$4,900.06	\$4,900.06
July	\$3,941.96	\$3,941.96	\$3,941.96
August	\$4,047.32	\$4,047.32	\$4,047.32
September	\$4,787.52	\$4,787.52	\$4,787.52
October	\$3,723.49	\$3,723.49	\$3,723.49
November	\$3,617.45	\$3,617.45	\$3,617.45

December	\$4,515.70	\$4,515.70	\$4,515.70
<b>Total</b>	<b>\$49,994.76</b>	<b>\$49,994.76</b>	<b>\$49,994.76</b>

## WORDS OF THANKS

We cannot thank you enough for your continued support of LISTEN Community Services. These monthly donations are beyond generous and continue to go a long way in ensuring that families in the Upper Valley stay fed, warm, and housed.

In 2017, we were able to provide 30,980 community dinner guests with warm, three-course meals, 909 families with groceries, 348 households with fuel assistance, 118 families with rental assistance, and send 269 children to a summer camp of their family's choice. This would not have been possible without *Pennies for Change*.

—LISTEN Community Services

### 2017 Community Partners

<b>Month</b>	<b>30% Organization</b>	<b>Total donated</b>	<b>10% Organization</b>	<b>Total donated</b>
January	Good Beginnings of the UV	\$5,658.86	Friends of Veterans	\$1,886.29
February	COVER	\$5,695.24	Stepping Stone Mascoma River	\$1,898.41
March	Mascoma Cooperative Preschool	\$7,339.87	Greenway Windsor County	\$2,446.62
April	Upper Valley Land Trust Hartford Community Restorative	\$5,830.06	Partners	\$1,943.35
May	Justice Center	\$6,167.89	Northern Stage Rusty Berrings	\$2,055.96
June	Ledyard Public Charter School	\$7,350.08	Skate Park League of NH	\$2,450.02
July	Friends of Mascoma Foundation	\$5,912.94	Arts and Crafts	\$1,970.98
August	Upper Valley Trails Alliance	\$6,070.98	Vital Communities	\$2,023.66

	Grafton County Senior Citizens		Hartford Dismas	
September	Council	\$7,181.28	House	\$2,393.76
	Upper Valley Habitat for		Carter Community	
October	Humanity	\$5,585.24	Building	\$1,861.75
	DHMC Women's Health Resource		Take A Bite Out of	
November	Center	\$5,426.17	Hunger	\$1,808.72
			Twin Pines	
December	Headrest	\$6,773.54	Housing Trust	\$2,257.85
<b>Total</b>		<b>\$74,992.15</b>		<b>\$24,997.37</b>

*Community Service*

Volunteerism and community service has long been a part of our cooperative culture. Below is a breakdown of our employee's community-service work in 2017.

<b>Community Service 2017</b>		<b>Participation &amp; Hours</b>		
<b>Year-End Report</b>		Cumulative to the end of December		
<b>Goals</b>				
<b>800 hours of Service</b>	<b>100 % Staff Participation</b>	<b># Staff: Participation by Location</b>	<b>Community Service Hours</b>	Yearly Hour Goal
		<b>Store/Location</b>		

		Admin Buck Road	21	315.5	
		Community Market	0	0	
		Co-op Kitchen	3	34	
		Hanover	3	6.5	
		Lebanon	9	106	
		Service Center	0	0	
		WRJ	8	233.5	
			Staff	Hours	
		<b>Totals for Year:</b>	<b>44</b>	<b>695.5</b>	800
Total Cumulative Hours	% Staff Participation*				
<b>695.5</b>	<b>11.80%</b>				
Hours Surpassing Goal	* based on 373 employees				
<b>-104.5</b>					
% Goal Hours Completed					
<b>86.94%</b>					
		Hour totals by type			
		<b>Co-op Driven:</b>	<b>Other:</b>		
		<b>335</b>	<b>360.5</b>		

*Member Appreciation Days*

Our popular Member Appreciation Days continue to offer great savings to our members. In 2017, we held Member Appreciation Days monthly, offering 10 percent off purchases, for a total savings to members of **\$444,882**. The Co-op also held a special discount event to honor the Lebanon store's 20<sup>th</sup> anniversary celebration in



October. The event featured 20 percent off purchases, for a savings to our members and shoppers of **\$70,395**.

### *Flash Sales*

Flash Sales were a new concept for us in 2017—a one-day sale on a single product, offered at the best possible price. These sales caught on quickly and proved to be very popular. The program helped grow our social-media following and drive additional sales in the stores.

Flash Sales offer extremely low and competitive prices on products already popular with Co-op shoppers. We choose products that customers can stock up on, thus helping them save money on some of their favorite items.

The Co-op offered 12 Flash Sales in 2017. Products included ice cream, coffee, sausage, hot dogs, chips, frozen berries, chocolate peanut butter cups, local cider, orange juice, and cheddar cheese. Our best seller was Cabot 8oz Cheese. We sold 2,706 bars in one day! Other popular items included: Ben & Jerry's pints, 1,762 sold; Al Fresco sausage, 1,292 sold; and Justin's Organic Peanut Butter Cups, 1,235 sold.

### *CaseLot*

CaseLot is one of our most popular sales of the year. Honoring our Co-op's origins, when a handful of Upper Valley families ordered staple foods by the case, our yearly CaseLot sales offer tremendous discounts on a wide variety of popular products.

In 2017, we sold **\$257,336.75** worth of CaseLot products. Customers saved **\$152,973.67**.

### *Big Deals*

In the Co-op Big Deals program, we offer one sale price to shoppers, and a better sale price to members. In 2017, the Co-op sold \$289,482.09 worth of Big Deals products to our members, offering members significant savings.

### *Food Drives*

In 2017, the Co-op offered two Shred Event Food Drives, an opportunity for Co-op shoppers to shred unwanted paper in exchange for three non-perishable items donated to area food banks. In June, 70 people attended the event, **donating 298 pounds of food**. In September, 108 people attended the event, **donating 662 pounds of food**. In all, **4,800 lbs.** of paper was shredded.

## *The Hanover Cooperative Community Fund*

The Hanover Cooperative Community Fund (HCCF) was established by the Co-op's Board of Directors in 2001. The HCCF helps fund co-op development nationally and non-profits locally with help from our friends at the Twin Pines Cooperative Foundation.

The HCCF supports two projects:

### **The Gerstenberger Scholarship Fund**

Named in honor of the Co-op's long-serving General Managers, Harry and Arthur Gerstenberger, and first Education Director Sally Gerstenberger, this scholarship helps members deepen their understanding of the cooperative movement and sharpens their skills as directors or employees. It's open to members of the Hanover Co-op as well as members of cooperatives and credit unions in the Upper Valley.

### **Community Project Grants**

The Gerstenbergers were also staunch advocates of sustainable, organic farming and gardening. This theme is echoed by the HCCF's second project: providing targeted, small-scale grants (\$500 - \$2,500) to Upper Valley non-profits.

In 2017, the HCCF awarded the following grants:

- Hartford Coalition's Take-A-Bite-Out-of-Hunger project (\$1,800), to increase daily servings of protein and fresh produce by delivering these foods weekly.
- D'Acres and Canaan Elementary School (\$1,500), for experiential education that cultivates student relationships with plants, animals, and the great outdoors.
- COVER Ramps & Roof Campaign (\$1,500), to help fund materials costs for one of COVER'S popular remodeling projects: access ramps or new roofs.
- Upper Valley Wood Bank in Woodstock, VT (\$1,500), to supply and deliver split, dry firewood on an emergency basis and supply fresh fruit and vegetables to local Vermont food banks.
- Green Mountain Children's Center's "Healthy Eating Supports Healthy Learning" (\$1,200), to help serve healthy snacks to 350 children.
- Upper Valley Haven's Caruso Café Food Safety Project (\$1,000), to help provide ongoing and reliable access to nourishing food for anyone on the Haven campus.
- NH Community Loan Fund and NH Resident-Owned Communities (\$2,500 awarded each year, 2017 and 2018), for co-op training to connect manufactured housing co-ops to other cooperatives in the area and to the cooperative movement. These two organizations are the first recipients of the Gerstenberger Scholarship for Co-op Education.

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**End Three:** *Customers will be better educated about food issues and, as a result, make healthier choices than those who shop elsewhere.*

The Co-op launched the Co-op Learning Center several years ago, building a beautiful kitchen and learning space behind the Co-op Cafe in our Lebanon Store. Our CLC is a place to educate the public on food, cooperatives, and social-justice issues. We have featured film screenings, demonstrations, a wide variety of classes, and presentations from cooperative industry leaders and activists.

<b>Culinary Learning Center Participants</b>				
<b>Year</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Member	1080	721	982	1559
Non-Member	294	283	103	170
Employee	225	226	124	62
Total	1599	1239	1209	1791
Free Classes	155	123	23	18

The first year of full programming was 2014. In 2015, we adjusted costs, including instructor pay, and added baselines for holding classes. In 2016, we were without a lead instructor for several months and focused on utilizing the space as a key member benefit. In 2017, we rebranded the space and its offerings, with a more

targeted marketing approach. We also promoted it as a community space for private rentals.

In 2017, the Co-op donated our CLC space to local nonprofits 10 times, for a total **donated value of \$4,325**. The CLC hosted **342 events**, including both Co-op Classes and community events such as our Chew on This series. Area groups, students, and nonprofits also rent and utilize the space for events.

### *Other Education Initiatives*

Education has been at the forefront of our cooperative for more than 80 years. Our approach is descriptive, rather than prescriptive. We provide our members and shoppers with a wide variety of educational information about cooperatives and the products we offer, then trust them to make the choices right for themselves and their families. Below is a list of various education events and initiatives offered in 2017:

- Classes—192. Classes were held in the CLC, with 1791 participants, made up of 1,559 members, 170 non-members, and 62 employees.
- Dinner in 30—333 recipe cards were taken by customers and 645 samples were handed out over a 6-month period.
- Sunscreen Swap Event
- VT Standard Articles

- Community Wellness Fairs/Events
- Lebanon School District Wellness Fair
- White River School Kids Wellness Event
- Mt. Leb School Healthy Breakfast Event
- Bike/Walk to work day
- LISTEN Nutrition Staff Training (2 classes)

### *Education Displays*

If you shop the Co-op, no doubt you've seen the beautiful, information-rich displays near the front of our stores. Below are just a few of the topics covered in 2017:

- Pollinators
- Farmworker Welfare
- Fair Trade Avocados
- Organics and Hydroponics
- Fair Trade Bananas
- Shopping on a Budget
- Reducing Plastics
- Chew On This Discussions—featuring member discussion events on Organics & Hydroponics and Local Foods

### *FishWise*

FishWise promotes the health and recovery of ocean ecosystems by providing innovative market-based tools to the seafood industry, supporting sustainability through environmentally and socially responsible business practices. In 2017, through the FishWise program, the Co-op Seafood Departments provided customers with accurate and current information so they could make more informed choices.

### *Learning and Development Training*

One of the primary ways our Co-op educates shoppers is through day-to-day interactions with highly skilled, highly trained Co-op employees. As a result, our Co-op's Human Resource Department provides extensive training to employees in a variety of areas, including, but not limited to, cooperative education, product knowledge, food safety, and ECRS, our new suite of applications dedicated to member outreach and customer service.

### **Food-Safety Training**

Total number of employees trained in food safety: 63

Food safety session onboarding: 60

Food safety for the Co-op, 4 hour: 26

ServSafe certification: 3

*Current number of ServSafe certified employees at the end of 2017: 62 with current certification*

### **Overall Training**



Number of training hours and participants:

A. Non-ECRS training\*

Training hours: 1,892.5 Hours

Participants: 520 (people attended more than one event)

Number of learning Events: 120 (not including ECRS)

B. ECRS training

Training Hours: 1,971 Hours\*\*

Participants: 255

*\* Non-ECRS training: separated by internal and external training*

*\*\* 546 of these training hours were provided internally by 50 of our Co-op Power Users*

**Total Training Hours: 3,863.5**

Training provided internally by Co-op trainers:

Training hours: 851.5

Participants: 334

Number of learning events: 55

Training provided by external trainers:

Training hours: 1,041.5

Participants: 186

Number of learning events: 65

*Percentage of employees who participated in at least one training during the year:  
67.68%*

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**End Four:** *There will be vibrant cooperative sector in the economy, both nationally and regionally, and a local community educated in the value of cooperative principles and enterprises.*

A big part of our success is our partnerships with other co-ops. These include the following:

- Retailer-owned (Associated Grocers, Frontier)
- National Cooperative Organizations (National Co+op Grocers, CDS Consulting Co-op, National Cooperative Bank)
- Worker-owned (Equal Exchange, Artisan Beverage)
- Grower/Producer-owned (La Riojana, Florida's Natural)

### **Equal Exchange**

**\$807,000 in sales in 2017**

The Co-op's partnership with our friends at Equal Exchange is a true cooperative success story. Our Co-op Organic Coffee completes a fully cooperative supply chain.

Farmer cooperatives in Mexico and other countries grow the coffee beans. Equal Exchange, a worker cooperative, buys and roasts the beans and sells them to us. The Co-op, a retail cooperative, sells the coffee. At the Co-op, 40 cents of every pound sold goes into a fund to support our sister co-op in Chiapas, Mexico.

### **La Riojana**

**\$65,700 in sales in 2017**

Exclusive to cooperative retailers, La Riojana is a progressive, grower-owned co-op offering wine and olive oil. La Riojana is one of our most popular wine brands.

### **Organic Valley**

**\$643,500 in sales in 2017**

Organic Valley is a long-time Co-op partner and an organic farmer co-op. Organic Valley provides our Co-op with cheese, milk, eggs, and butter.

### **Alaffia**

**\$35,000 in sales in 2017**

Alaffia has founded co-ops in Togo, West Africa, that provide employment, livable wages, access to education and medical care, and dignity for oppressed people.

Alaffia provides our stores with popular shea/coconut body care products, and African grass baskets, scarves, and hand bags.

## **Artisan Beverage Cooperative**

**\$36,500 in sales in 2017**

Artisan is an employee-owned, Massachusetts-based brewery co-op that provides our Co-op with bulk Katalyst kombucha. Artisan's mission is to produce high-quality beverages, while taking into account their products' social and economic impacts.

## **Frontier Natural Products Co-op**

**\$243,000 in sales in 2017**

Frontier is a retailer-owned co-op that provides our stores with natural, fair trade, and organic herbs, spices, teas, culinary products, and aromatherapy/body care goods. Frontier is known for being environmentally and socially responsible, with many products grown in impoverished rural communities across the globe. Frontier's Well Earth program has also given more than \$1 million back to farmers over the last 10 years.

In addition to working with the cooperatives listed above, our Co-op also has a close relationship with National Cooperative Grocers (NCG), a co-op owned by cooperative retailers across the country. NCG offers our Co-op sales promotions, display programs, access to new items, category management programs, natural products, and other industry resources.

Finally, our Co-op works closely with Associated Grocers of New England (AGNE), a retailer-owned co-op. AGNE offers our Co-op daily and weekly sales promotions, new products, and store support, including store resets and CaseLot assistance.

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**End Five:** *The cooperative's bioregion will have a vibrant local agricultural community and that community will, in turn, have a reliable retail market for its products.*

### *Local*

At our Co-op, we consider the local and regional foodshed as being within 100 miles from our stores. As we source, market and label the 4,000 such products we receive from that zone, our employees always strive to follow state statutes that dictate how the term "local" is to be used.

The labeling laws and farm-to-plate policies of New Hampshire and Vermont are important guidelines for all retailers, including our cooperative, to follow as we maintain transparency and respect food producers in the twin states.

New Hampshire and Vermont agriculture has roots that we can trace. Inside every barn, across furrowed fields, and within busy kitchens and food production facilities

is the story of toil, earned success, and passion for community. It is stewardship with a local address.

For our Co-op, "local food" is not a slogan, but rather a commitment that delivers **\$13 million in regional impact**. Those dollars circulate through neighboring towns and related businesses, helping to build well-nourished communities cultivated through cooperation.

As noted within the viability initiative of the New Hampshire Food Alliance: "Food is a powerful driver of economic development, public and ecosystem health, and vibrant working landscapes. When we strengthen food enterprises — the entrepreneurial backbone of the food system — everyone wins."

#### *Local Sales and Purchases*

In 2017, the Co-op spent **\$4,139,120.66** on local agricultural products. The way we define "agricultural products" is the producer must be involved in the production of the product from start to finish. Products included honey, maple syrup, meat, eggs, produce, floral, and cheese.

In 2017, sales of locally grown or produced products totaled more than **\$12,694,760**. This number represents **18.54 percent** of total food store sales.

Our Co-op works with more than **300 local growers, producers, and distributors** throughout the year.

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**End Six:** *There will be a major source of employment in the community that provides personal satisfaction to employees, livable wages and financial security for employees and their families.*

We work hard to provide our employees with diverse development opportunities. At the Co-op, employees, and prospective employees, can turn their passion for what they do into a rewarding and satisfying career. Just ask one of our many long-term employees. And starting in 2018, we will be providing focused on-the-job training and more advanced development opportunities than ever before.

Total Benefits	\$3,952,729
Total Wages	\$11,770,577
Employee Training Hours	3,863.50
% of employees	67.68%
Total spent on training	\$36,169.00

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**End Seven:** *There will be a thriving business organization that protects and restores the environment.*

Cooperatives were “green” long before green was cool, and environmental stewardship is a part of the mission of cooperatives across the country.

In 2017, the Co-op diverted tons of organic material from the landfill through our food waste reduction programs. Much of this was donated to our friends at Willing Hands, a nonprofit that distributes high-quality food to the needy in our communities.

- *Willing Hands Donations:* **171,228 lbs.**
- Food Waste Collected for Agriculture: **205,131 lbs.**
- Compost: **381,936 lbs.**
- Total: **758,295 lbs.**
- Estimated monetary value of food donations: **\$628,519 \***
- Estimated number of meals donated: **176,649 \*\***

*\* The average wholesale value of these groceries is \$1.67 per pound, according to the June 2016 Feeding America Product Valuation Study, KPMG, Audited.*



*\*\*Pounds of food are converted into meals per dollar by using the finding from USDA's "What We Eat in America" 2011-2012*

### *GreenChill*

In addition to food, the Co-op also strives to meet Ends 7 thru our continued partnership with the Environmental Protection Agency's "GreenChill" program.

In 2017, the Co-op received the "Greatest Improvement in Reduction of Emissions" award. The Co-op competes with more than 10,800 large commercial retail grocery stores across the country for this award.

To put this into perspective, the emissions rate in 2011, our first year in the EPA partnership, was 55.6 percent. The Co-op had a steady decrease to 42 percent through 2015. In 2016 we reduced our rate to 9.5 percent through careful planning and new systems.

Our rate for 2017 was reduced to **7.4 percent**. It is important to note that the average supermarket commercial emission rate is **25 percent**.