



menomonie
MARKET
FOOD CO-OP

Menomonie Market Food Co-op 2016-17 Annual Report



MARKET

EVERYONE WELCOME

Our triple bottom line

Crystal Halvorson, General Manager

Businesses recognize it takes more than just straight profitability to be successful; customers want more than just a good product or service for a fair price. They care about the ethics and business practices they support with their purchases. Here at MMFC we were concerned with this idea before the term “triple bottom line” became a household word. Since 1973, we have been thinking about how to care for the people and greater community that we connect with through our work, the natural resources that we use in the process, and the sustainability of our business for the future. These past 12 months have been no exception, and this beautiful new annual report format highlights the ways we find success with our triple bottom line.

We have completed our first “almost normal” year since the giant disruption that was our move to Main and 9th in 2015. Our amazing staff has worked hard to present you with the best possible experience when you visit us, while keeping the experience good for our staff, vendors, lenders, and business partners in the community. We have brought on new vendors, looked hard at our pricing strategy, increased our average paid wage, and provided new educational opportunities in our classroom. We held our

largest fundraiser yet for Stepping Stones, and participated in several community events. Financially, we continue to adjust to “life after expansion”. After nine straight years of profitability and patronage dividends before our move, we are now in the middle of expected negative income. We have done a great job of managing our working capital and cash flow, and I feel confident that we will continue to grow our way into our bigger store.

The year ahead will be a fun one-- we will continue to invest in education and training for our staff, which will translate into more fun and satisfaction for you when shopping. We are exploring now some new ways in which we can support our community, specifically in the areas of food access, cooking education, and hunger. And we keep dreaming up even more amazing things we can do in our area when we generate income again. Do you know how MMFC can be more central to this beautiful place we call home? Come bend my ear!

A great place to work

For our staff, employment at Menomonie Market is more than just a job at a grocery store and deli. Starting on day one, we ask our staff for input about how we can better fulfill our role as the center of a thriving healthy community. If they have an idea for how to improve our cooperative, we want to hear it! Throughout employment, we invest in training and professional development. Last year, our staff learned about everything from giving great customer service to being an effective manager, from retail math to building a gorgeous display. Our practice is to promote from within, providing a path to leadership and management positions for any staff member who shows interest and initiative. Perhaps most importantly, staff have a welcoming, fun, safe, and supportive work environment here at the co-op. We often hear how much staff value their community, and love their interactions with co-workers and customers alike. You might even catch us giving out high fives or having a dance party!

I'm a big fan of sincerity, and this is the most sincere group of people working together that I've ever met. They know the products they're selling. They know the farmers who grow them from seeds, they know the drivers who deliver them, and they know the owners who end up putting them in their shopping carts. That kind of sincerity is entirely irresistible, and it's what makes me look forward to working at MMFC every day.

—Mike, Produce Department



of full-time staff
(30+ hours/week)

28

of part-time staff
(<30 hours/week)

9

total staff

37



earn livable wages



eligible for health benefits

We own it! Rick Remington, President MMFC Board of Directors

When I think about the 2016-2017 fiscal year for our co-op several words come to mind: stability, resilience, creativity and pride. When we opened our doors to our new space in 2015 we knew the next several years would be critical to paying down our debt and returning our enterprise to profitability. To that end, while owners will not receive a patronage dividend this year, we are on the right path and it's important to maintain a stable course moving forward. We are fortunate to have stability in our general manager, many long-time staff members, and a well-functioning board of directors.

The grocery industry, however, is anything but stable. National and regional changes see retailers fighting for their share of the grocery market and this trend will continue. Our location in a small community, the patronage of our almost 2,300 owners, and our skilled staff contribute to the resilience and strength of the co-op. The board will work to strengthen our resilience even more by advocating for our co-op and our Ends - to be central to a thriving healthy community.

Since our doors opened in 1973 and true to form today, the staff of Menomonie Market remain the most creative bunch of people I know. They bring their art, skills, and passion to work every day to make our store the most inviting and comfortable shopping experience in the area. Because of the atmosphere they have created, we are in a strong position to advocate for and share the vision we have for our community. From our classroom offerings to our community outreach, we continue to bring our Ends to life.

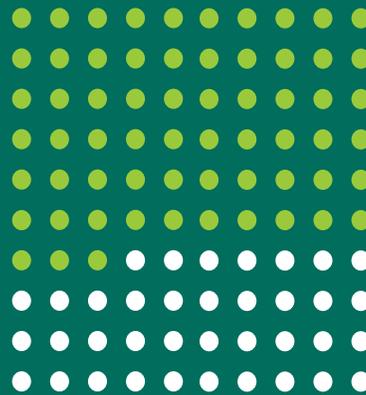
Highlighted Board Initiatives

- Continued advocacy for the 'co-op difference' by broadening our message to a wider audience.
- Cultivating owner participation. We all should feel proud of what we have built together. Owners are invited to connect with the board, attend a meeting, advocate for your co-op when and where you can.
- Identifying avenues for MMFC to invest in ventures that will help build a more healthy community.



Our board of directors would like to extend a *thank you* to more than 2,260 members and *welcome* the 233 new members who joined in 2016-17.

L to R: Rick Remington, Mariann Holm, Steve Hanson, Gary Johnson, Logan Mather, Patrick Pesek-Herriges, Laura Oliver



63%
of sales come from
owners

37%
of sales come from
other shoppers

owner days
discounts

\$7,400

\$10,450

total owner
discounts

Expanding our circle

An important part of the work we do is to bring MMFC and the values of cooperatives outward into our community. We are proud to know and work with many local organizations whose collective work enhances the health, livability, and appeal of Menomonie and the greater Chippewa Valley. Whether we are welcoming one of our many new customers or connecting with one of our founders or vendors around our passion for locally grown foods and supporting small farmers; the work we do is to create a space in the store for people to connect with what will help them become their best and healthiest selves.

(Pictured: Outreach & Education Coordinator, Becca Kleist at a Kamp Kenwood presentation about co-ops in 2017.)

*“Our co-op welcomes everyone.
We are here to help you become
your best, most healthy self.”*

— Beth Martin, Marketing Manager



126

Total number of donations in 2016-17

\$20,000

Value of donations to local
community organizations

Sharing knowledge

Cooperative Principle 5 is Education, Information & Training, and the foundation on which our education program at Menomonie Market was built. A thriving healthy community begins with its people having the knowledge and skills they need to live their best life. Health, wellness, food, and creativity are topics that you, as owners, expressed a desire to learn more about through in-store information and classes.

Our first full year of classes in our beautiful classroom saw over 500 people expand their knowledge, learn a new skill, begin a healthy habit, or simply relax. With the help of owners and staff sharing their trades, intelligence, and skills, we were able to present topics like meditation, food preservation, essential oils, cooking, and much, much more. We strive to provide a safe space for learning and growing our community's values for many years to come. Your participation and attendance in these classes is appreciated!

Have an idea for a class you'd like to teach or would like us to offer? Please connect with our Outreach and Education Coordinator, Becca Kleist.

(Pictured: MMFC 2017 Farm Tour, tour guests at Deutsch Family Farm in Osseo, WI)



561

people participated in

59

co-op classes and events in 2016-17

Supporting our local economy

We know that cooperatives build strong local economies and for every \$1,000 spent at a local food co-op, over \$1,600 is generated in the local economy. We also know the broader impact of purchasing locally grown foods extends well beyond flavor. While the delicious tastes of freshly grown produce or the unbeatable flavor and succulent texture of a pastured pork roast can be life changing, the impact of purchasing local connects us to the health of our land, our community, and our wellbeing. When we purchase from local growers and producers we support the viability of small farms who in turn, are stewarding the land and building ecological diversity. When we buy local we enable small farms and cottage industries to thrive in an ever-tightening competitive marketplace.

New businesses often get their start at the co-op. We have served as the first retail location for a number of small vendors and farms. Much learning occurs during those first years selling your product at the retail level and the co-op often acts as a sort of incubator for these enterprises; whether it is learning how to invoice, design and create a package, or learning the benefits of sampling your product

for customers, the co-op is proud to have helped many businesses beyond their first years.

Our support of local extends beyond our food vendors and farms. We work with local companies first whenever we are in need of professional services like accounting, commercial printing, or janitorial. Our community giving supports the good work of many other local organizations.

(Pictured: upper right, the Mast Family of Painted Outlaw Ranch, growers of grass-fed beef and lower left, Erin Link of EB Ranch, producer of goat's milk soaps and steward of endangered San Clemente Island goats.)

Definition of Local
Menomonie Market defines local as any product produced or grown within the five state area of Wisconsin, Minnesota, Iowa, Illinois and Michigan. We believe expanding our definition from the more traditional 100 mile radius allows us to work with more companies that produce value-added products like sauces, jams, and yogurts, for example.

Sales from local products:

\$1.4
million dollars in revenue

37%
of total sales



Local Giving **> \$20,000**

Food Donated **> 12,000 lbs**

Beans Collected **> 13,600**

Minimizing environmental impact

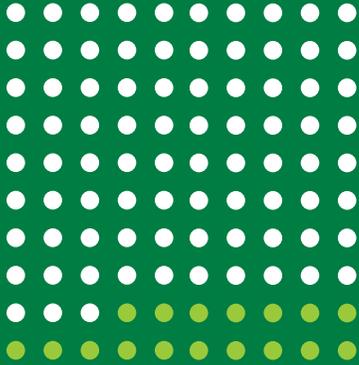
We are community leaders when it comes to recycling and composting. Years ago we responded to our owners' requests for options to recycle #5 plastics and became the first business in Dunn County to do it. Dunn County has improved their services immensely over the years and options for recycling and composting continue to evolve and grow.

This past year we again heard the voices of our owners requesting options to recycle the #1 plastic clamshells that many of our bulk products are packaged in. Due to the excellent project management of our Facilities Coordinator, Mali Mattson, we are proud to have begun a partnership with Dunn County that resulted in MMFC becoming the first business in our community to participate in the #1 plastic recycling pilot program.

We have evolved to the point where we recycle almost everything we produce. and have partnered with Advanced Disposal of Eau Claire to compost nearly 100% of our food waste as well.

Our Greatest Impact

Building our new store was perhaps the biggest way we have minimized our environmental impact. From recycling 97% of the building we tore down, to choosing the smartest options for materials and equipment. We made choices that will have a positive impact for many years to come.



83%
of discards are
recycled and
diverted from our
landfills. That's
23 tons!



pounds of compost
diverted from the landfill

7,800



47.9%

Percent reduction
in fuel used per
square foot by
moving to Main and
9th

Growing the co-op economy

Menomonie Market is proud to support cooperatives near and far. We are a member of the National Cooperative Grocers (NCG), which allows us to share resources with food co-ops across the nation. When many smaller cooperatives band together, our impact on sustainability is greatly increased. We also carry products from local cooperatives, such as Co-op Partners and the Wisconsin Sheep Dairy Cooperative, as well as supporting international co-ops such as Equal Exchange and La Riojana. Our growing sales mean that more of our community than ever is investing in this cooperative economy.



annual sales
in millions





To our owners, board, staff
and partners – thank you
for making it a great year.
We are stronger together!

