

# NORTHWIND NEWS

Since 1977

Northwind Natural Foods Cooperative

June, 1993

## What's Wrong With This Picture?

**Economic Report:** Oct 1, '92 thru March 31, '93 (first six months of our fiscal year)

Gross Sales	\$37,500.00
Less member discounts	<u>1,500.00</u>
Total Income	36,000.00
Less Cost of Goods	<u>24,400.00</u>
Gross Profit	11,600.00
Less Expenses	<u>14,000.00</u>
Net LOSS	\$(2,400.00)

At this rate we could have record losses of \$5000.00 this year.

Signs of absorbing ongoing losses include a shrinking inventory, no capital to invest in new products, fewer services and products available to members and other shoppers, rising stress levels for management, employees and Board members with burnout becoming a constant threat to all involved.

What can you do to help? Shop. Bring your friends. Encourage them to shop. Voluntarily forego your discount once in a while, more often if you're able. Donate your time, talent or treasure. But mainly shop and spread

the word. Be a pest. Tell everyone you know about us. We've been here 16 years and we need to let people know we exist. Don't keep us a secret. We need your help in this area.

What will the Board of Directors do? We have examined our expenses and cut the only area possible; the clerk's paid time in the store. Most of our expenses are fixed and quite low and therefore do not allow for much adjusting.

We will be analyzing the discount system and most likely reducing the percentages. One of the problems with any discount system is that while it is a nice draw for bringing in members, it is also a drain on the co-op's useable income. It can be a sly way of "giving away the store." Example: We have 143 members who have paid \$5.00 to join. That's \$715.00 paid in dues to the co-op. In return for that \$715.00 we have given back \$1500.00 in discounts in the first six months. If we project to the end of the fiscal year, that would be a \$3000.00 return on a \$715.00 investment. Not a bad return on your money but looking at the larger picture of the co-op as a whole, and our desire to survive,

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## Manager's Report

As any minister can tell you, few things are so futile, or frustrating, as preaching to the converted. But since much of this issue of the newsletter is devoted to sounding the alarm on the very serious problems facing the co-op, perhaps a few facts and figures from the manager's perspective may illustrate just how important it is that you support the co-op with your shopping dollars.

On an average business day in May of this year, the co-op had a total of 31 customers -- about four an hour, or only one every 15 minutes. Of these 31 customers, only six were co-op members! That's one co-op member coming through the door every hour & 15 minutes!

The hard, cold fact is that non-member shoppers outnumber member shoppers 5 to 1. Obviously, at this rate the co-op could not survive a week if it had to rely totally on its members to support it.

We assume you joined the co-op not just for the member discount, but because you recognize the important role the co-op plays in offering health-oriented products simply not available anywhere else in the area. You understand that we can't compete with the supermarkets on price, which is why we carry so few items the larger stores carry, but that we can't be surpassed when it comes to quality, or to our genuine interest in promoting good health.

We've been doing our best to make your co-op (and it is your co-

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### STORE HOURS

Monday thru Friday : 9:00 to 5:30

Saturday: 10:00 to 4:00

Sunday: closed

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op) an appealing, friendly and comfortable place to shop, and to provide you with an expanding range of products at a fair price relative to their cost to us. This isn't easy since, as a non-profit organization, every penny goes to paying bills necessary to stay open.

As an owner of the co-op, it is in your own best interest to help protect your investment -- and to assure that you and your family will continue to have a convenient, nearby source of good health products.

You have a devoted, enthusiastic Board of Directors who give generously of their time & energy to make the co-op work. You have a store manager sincerely devoted to the growth and prosperity of the store, and to working closely with the Board (and with you) to realize the store's potential.

What we don't have is enough customers, or enough member buying support, to achieve the co-op's goals. Our future is in your hands.

*-Roger Margason, Store Manager*

## From The President . . .

### BOARD VACANCY FILLED:

Last February the board of directors set out to fill a vacancy on the board. Since the board did everything it could to receive nominations for this position but only received one, we elected to accept that nomination. And so the new member of the board of directors is Irene Hewitt. Thank you, Irene, for your interest in the co-op and your willingness to give of your time and energy for the benefit of the co-op.

**ANNUAL MEETING:** The next annual meeting of the general membership (GMM) of the co-op is being planned for September. We have many important issues to present to the membership and many important decisions to make. Please remember it and make time in your personal schedules to attend and take part. Your input is important and it will make a difference. Some of the things we will address are:

**REWRITTEN BYLAWS:** Our bylaws committee has spent a great deal of time and energy completely rewriting our bylaws. The membership will receive copies of the newly proposed bylaws prior to the

GMM and will vote to accept or reject them at the meeting. This is how you can be involved.

**FINANCIAL SITUATION:** The co-op has been steadily losing money over the past year. Come to the GMM and learn why and what the board is doing about it, and what you can do to help.

**MEMBER LOANS:** One of the ways the board is addressing our financial situation is through a member loan program. [Currently under development, this program should be announced within the next month. -editor]

**MIFFLIN CO-OP GRANT:** On a more positive note, the co-op has received a grant of \$1000.00 to help us with outreach and community education. Larry Sands is our new Outreach Coordinator and is working up and implementing a program to improve community awareness of the co-op and what it does.

*-Doug Clark, BOD President*

### Directors' Directory

Doug Clark	932-0866
Irene Hewitt	932-5242
Jody DeCarlo	561-3831
Larry I. Sands	561-2880
Tim Feldt	



## Next time you shop . . .

Try one of our 10 varieties of delicious gourmet coffee. We carry organic whole bean coffee from Frontier Coffee Co. And we keep it frozen and tightly bagged to keep the air out and the freshness in!

Or how about a selection from our 54 varieties of boxed tea. Or 18 varieties of economical bulk tea. A hot cup of natural herb tea makes the perfect evening drink.

Did you realize we stock 102 different spices and 75 herbs? Every manner of fresh, natural seasoning for those magical kitchen creations!

**Northwind News** is published by Northwind Natural Foods Cooperative for its membership. Letters to the Editor and other contributions are encouraged. Typed copy is much appreciated. Consider submitting articles on general areas of natural foods and healthy living or specific foods, nutrients, book reviews, recipes and the like. Please include your name and telephone number. Deliver or mail submittals to the store.

Please notify us if you change your mailing address

This issue's editor: Larry Sands

## Shelf News

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it's obvious the picture needs adjusting. This won't be the first time that discounts have been adjusted to meet the challenges of economic survival.

The Board has also hired an Outreach Coordinator with some of the funds from the Mifflin Grant [see January '93 Newsletter -editor] in an effort to expand to other market areas to meet our main objective of increased sales. It's our final card -- If a paid outreach position doesn't eventually result in increased sales and the consequent increase in product variety, services, better wages, and all the good things we all want for our co-op, then maybe it's time to "change channels." Time will tell.

In the meantime, we're doing everything we know & have time for and if you do the same we cannot fail. Thanks for your support.

*-Jody DeCarlo & Tim Feldt*

## Community Outreach Program Begins

As you can read in other articles in this issue, financial red ink is rearing its ugly head once again at Northwind. Our operating overhead is trimmed about as close as can be. Our product mark-ups are kept as low as possible for reasonable shelf prices. And Roger has been doing a remarkable job at expanding our product lines and presenting goods in an attractive manner.

Our sales, however, are hovering below our break even point. Too far below for comfort and we intend to help change that through a dynamic community awareness program.

We're just beginning to setup our Education and Outreach Program which will focus on the various benefits of natural foods

and the cooperative tradition of being a part of your own food chain. Consumer education and community outreach will hopefully attract more attention to the store and the variety of healthful prod-

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**Ben & Jerry's Ice Cream** From Vermont with love comes one of the world's best ice creams. We have 8 delicious varieties.

**Diabetic's Dream** Two tasty frosted cinnamon rolls, mouth-watering donut sticks, and a sinful fudge carob walnut brownie. All with no sugar or eggs (but you'd never know it).

All natural **Perky's Nutty Rice Cereal**. Fruit sweetened, no sugar.

Can't eat wheat? Try some spelt flour pancake mix. Or maybe you'd prefer the wild rice pancake mix.

We have so many delicious, healthful foods -- come try them!

**Non-members** are always welcome to shop at the co-op but shoppers only get discounts at the cash register if they are members. Yearly membership dues are only \$5.00 which currently entitle you to 5% off the shelf price of most every thing in the store. And, if you volunteer some time as a working member you receive 10% or 15% off depending on the amount of time you can volunteer. If you can spare some time to help out with any of our many projects please talk to Roger at the store or contact Larry Sands or any board member.

**HELP WANTED** We need a few volunteers to help with the store inventory. It actually goes pretty quick when we have enough people and we even have a little fun. Circle the date on your calendar for Sunday, June 27. We'll start at 8:00 am. Call Jody DeCarlo for details.

## Members Only Coupon

Carissa's Cookies  
Lemon or Carob  
50¢ off per package

while supplies last  
no other discounts apply  
Northwind Natural Foods Co-op

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ucts we offer.

Some of our first efforts will be directed toward alerting the public to the store's existence and what we have to offer. The realist extent of our geographical area of service is outlined by the communities of Ontonagon, Watersmeet, Eagle River, Minocqua, Park Falls, Mellon, and Gurney. We hope to distribute pamphlets and posters announcing the store and its offerings throughout this service area. Additionally we will buy paid newspaper advertising in the area as funds permit.

Of course, just these initial steps in the E/O Program will require additional working member volunteer help. There

are many ways that a few hours extra help from a few more people will make all the difference in pushing our sales past that break even point. Please call me, 715-561-2880, if you can help.

*-Larry Sands, E/O Coordinator*

## Your Invited

The next regular meeting of the Board of Directors will begin at 5:30 PM Wednesday, June 30 at the store. All members are welcome and encouraged to attend. Many fun issues are always covered as the board wades through the quicksand of challenging issues. Please join us.

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