



Five Year Strategic Plan

2014-2018

Five Year Strategic Plan

Overview

The strategic planning process began in February 2013 at the annual leadership retreat, where the Board of Directors and General Manager reflected upon what they had learned from the five-year strategic plan written in 2009, and started looking ahead to the next five year planning cycle. In considering the future of the North Coast Co-op, exciting possibilities emerged for how we could advance our mission and uphold the seven cooperative principles. To test these ideas and begin drafting a plan for 2014-2018, a Committee was selected to work out the framework and logistics for a Strategic Planning Workshop, to involve members and staff in the process.

The Planning Committee spent several meetings developing draft categories and goal statements that were presented in six separate member and employee forums in the month of March. Feedback from the forums was compiled and presented at the Strategic Planning Workshop in April, with 24 co-op members, board, and staff participating in a day-long, participatory process. We explored the co-op's mission and vision, further developed long-range goal statements, and identified strategies for achieving our goals.

The Strategic Planning Workshop led to the crafting of this 2014-2018 Strategic Plan, which serves as a living document to guide our Co-op towards the future.

Our Mission

North Coast Co-op is a member-owned organization guided by the cooperative principles. As a leader in our community we emphasize a diverse selection of products while engaging members through consumer education, community building, and environmental responsibility.

Cooperative Principles

As a cooperative business, we adhere to the following principles:

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education, training, and information
- Cooperation among co-ops
- Concern for community

Five Year Strategic Plan

History

- **Began in 1972** as Humboldt Common Market, a buying club run by volunteers out of a storefront in front of what is now Golden Harvest Restaurant on G Street in Arcata. The storefront had \$50/day in sales.
- **August of 1973** saw the end of Humboldt Common Market and we incorporated as Arcata Cooperative, Inc. and moved to the old Seely and Titlow building at 975 H Street (now Northtown Books).
- **In October 1973** we saw the first election of the Board of Directors and hired our first paid workers – a manager and assistant. The Co-op acquired products from the Bay Area through contract services with Serge’s trucking. The last use of volunteers in the regular operation was as receivers and stockers when the truck came in.
- **Fall 1974** the Co-op purchased a yellow bobtail truck through member loans. The Co-op’s manager attended the 1st California Cooperative Conference.
- **May 1975** an initial bakery proposal was made to the board and the first medical/dental insurance plan for workers was offered.
- **June of 1975 the Co-op bakery was built** and the Co-op moved into the old Safeway building on 13th Street (now Wildberries). The first use of the building was as a warehouse for receiving and storing merchandise from the SF truck deliveries, arriving twice per week. The start of the trucking operation began with the purchase of a semi and a variety of management structures were experimented with when the building was utilized for retail operations in January 1976.
- **October 1977** – the Co-op lost its lease.
- **April 1978** – the Co-op signed a lease on the Purity building at 811 I Street, the current location, and moved in the next month.
- **In 1981** reincorporated as North Coast Cooperative, Inc. and moved our corporate offices and warehouse operation to 86 E Street in Eureka.
- **In 1982** we opened the First Street Food Co-op within the existing warehouse operation in Eureka. It was a challenging location and the store barely made a profit.
- **In 1986** we moved the warehouse to Jacobs Avenue which was a better building that allowed us to move the corporate offices.
- **In 1988** we opened a third store in Fortuna. Sales dropped in the Eureka location as Fortuna shoppers had an option closer to home. The Eureka store struggled to break even.
- **In 1992** the Fortuna store was closed and the warehouse operation sold to Mountain People’s Warehouse; eventually Mountain People’s became United Natural Foods, Inc. (UNFI) is today the largest supplier of natural foods in the country.
- **In February 1997** the Eureka Co-op moved to 5th and L Streets taking over from the 5th and L Market. Sales quadrupled from the previous location and shoppers enjoyed the existing deli with added co-op bakery items and espresso drinks. There were constant challenges with parking as sales soared and the store offered only 13 parking spaces.
- **Summer 1997-** preparations were in the works for a major remodeling project at the Arcata store.
- **In August of 2000** the newly remodeled Arcata Co-op store and corporate offices opened. The remodeling project was not without problems, creating a difficult financial situation for the Co-op.
- **September 2006** – the Eureka Co-op moved to its new location at 4th and B Streets in Eureka. New store sales were almost double what they were at the 5th and L location.
- **In 2011** store improvements in our Arcata location began, including relocation and remodel of the customer service desk, painting, upgrades to lighting, and a major reset in the grocery department.
- **In 2012** we installed sushi stations in both locations to the delight of members and shoppers. We also opened the first community kitchen in Arcata to offer classes for our members making the most of our successes with the community kitchen in our Eureka location. We paid members the first patronage refund in more than a decade.
- **Currently** we employ 190 workers and we have \$31 million in annual sales between two locations.

Summary of Long Range Categories and Goals

A. Develop our Local Foodshed

Collaborate in sustainable, local, and regional food system development that addresses gaps in food production, storage and/or distribution.

B. Invest in Our Future

Strengthen our leadership position in the community by investing in opportunities that significantly serve our members to ensure a viable co-op for our future.

C. Educate and Advocate

Engage our members to make positive changes around essential local and national issues which affect our community's future, and advance our mission, principles and cooperative values.

D. Enhance the Co-op Experience

Foster and develop talent, leadership, engagement and passion, creating an inspiring environment at our Co-op.

E. Promote Environmental Responsibility

Continue to improve the environmental practices in our day-to-day operations.

A. Develop our Local Foodshed

Our goal is to collaborate in sustainable, local, and regional food system development that addresses gaps in food production, storage and/or distribution.

Opportunity

We are committed to expanding food production, building capacity for producers, and filling gaps in our regional food distribution system. For more than thirty years the Co-op has provided economic development assistance to local producers, extended a purchasing hand to start-ups; assisting with marketing, supply agreements, merchandising, packaging, pricing, and more. This has become such an ingrained part of what we do that it's often taken for granted. As opportunities develop, the Co-op will continue to help local producers, projects, and visions get off the ground with an eye toward food security and a triple bottom line (people, profit, and planet).

Our Five Year Strategies

- 1.** Provide support for a viable network that grows, processes, manufactures, and distributes food in our area in order to build a stronger local & regional food system.
- 2.** Collaborate with organizations that partner with producers to:
 - Strategically address gaps in our regional food distribution system.
 - Increase diversity and quantity of local & regionally produced food.
 - Serve a greater number of people with healthy, local food choices.
- 3.** Create guidelines for producers that will help them understand what we need as retailers, and continue to refine systems to assist in their development process.
- 4.** Cultivate partnerships that expand our region's agricultural base, and provide consumers with local products year-round, offering fair prices to our shoppers and producers.

B. Invest in Our Future

Our goal is to strengthen our leadership position in the community by investing in opportunities that significantly serve our members to ensure a viable co-op for our future.

Opportunity

It is important that we diversify what we do, and develop multiple income streams to build our resilience in the face of changing market conditions. We need to both secure our position and also prepare for new competition in the marketplace, to remain an influential leader and top retailer in our community.

We will continue to improve our facilities, but also be alert to growth opportunities in secondary operations which expand our core grocery business and align with our mission. This may take us to new communities in our region, or different avenues for distributing products enabling more people to be served by our cooperative.

Our Five Year Strategies

- 1.** Develop a diversified business model, with revenue sources that complement our current retail stores, helping us retain and increase our accessibility and distinction in the marketplace.
- 2.** Create a framework to analyze ideas, needs, partnerships and investment ideas on an ongoing basis.
- 3.** Develop and promote programs that help our members purchase reasonably priced foods and other basic goods, in the face of changing economic and environmental conditions.
- 4.** Continue to improve our current facilities and create a long-term plan with growth, efficiency, and sustainability of our operations in mind.
- 5.** Extend the economic development assistance we currently offer to local farmers and food producers, to other types of local producers and manufacturers who can provide items our members need.

C. Educate and Advocate

Our goal is to engage our members to make positive changes around essential local and national issues which affect our community's future, and advance our mission, principles and cooperative values.

Opportunity

Since its inception, the Co-op has been a leader in the community where local and national issues are concerned. Education and advocacy have been a key component of our work. Social movements can be the most important force in bringing about significant, positive change.

It is necessary to define specific areas of education and advocacy that will strategically guide board and employee investment of time and resources, and effectively focus our efforts to advance our mission and principles.

Our Five Year Strategies

- 1.** Develop a standard process to introduce, examine, adopt and implement education and advocacy campaigns consistently and effectively.
- 2.** Collaborate and partner with organizations that play an active role in initiatives that strengthen our food system, address food security, protect our natural resources, and promote the cooperative model.
- 3.** Continue to serve our members and our community through educational opportunities and programs.

D. Enhance the Co-op Experience

Our goal is to foster and develop talent, leadership, engagement and passion, creating an inspiring environment at our Co-op.

Opportunity

We recognize our employees are integral to our members' experience. It's important for our organization to be focused on not only generating revenue, but on continuing to improve our work environment, creating a culture that inspires passionate interest and meaning in people's lives. Good leadership ensures the success of operations, and success depends on building a cooperative culture where employees embrace the cooperative principles and thrive within our workplace. Good leaders accept their team members for who they are, yet also are committed to help them learn. Our success as a cooperative means we are bringing out the best in people at every level of the organization.

Our Five Year Strategies

- 1.** Cultivate best practices as an employer by building employee expertise and providing opportunities for employee development.
- 2.** Continue to provide support for an enjoyable workplace culture that emphasizes cooperation, learning, safety, healthy communication, and compassion towards others.
- 3.** Provide customer service which exceeds our members' expectations.
- 4.** Nurture the skills and ability of the management team and board; develop leadership and communications skills to cultivate a healthy organization.

E. Promote Environmental Responsibility

Our goal is to continue to improve the environmental practices in our day-to-day operations.

Opportunity

There is no future if we are not committed to reducing our carbon footprint and leading by example. The Co-op already has a strong track record of environmentally friendly choices in our daily operations. By demonstrating and sharing our results, our members will know they are participating in a store that is continuing to improve its environmental practices and encouraging shoppers who wish to do so as well.

We commit to develop organizational standards for innovative sustainable business practices across the supply chain. We will develop a 20-year Statement of Sustainability, and pledge to improve accessibility and to promote alternative forms of transportation. Transportation accounts for more than 36% of the state's greenhouse gas emissions, the largest of any sector.

“The strategies to reduce emissions from this sector include reducing the carbon intensity of fuels, reducing the emissions from passenger vehicles and goods movement, and improving land use and transportation systems to provide for more efficient and healthier communities which reduce congestion, travel times and encourage biking, walking, and transit.” *CA Climate Adaptation Strategy for Energy and Transportation*

Our Five Year Strategies

1. Develop a 20-year Statement of Sustainability that expresses our commitment to organizational standards for environmental responsibility.
2. Form a Sustainability Committee to determine objectives and monitor progress on our goals toward zero waste, carbon neutrality, energy conservation, and improved bicycle and pedestrian accessibility, as expressed in our Statement of Sustainability.
3. Communicate our progress with our employees and our members on a regular basis.
4. Partner with organizations that work to:
 - Strategically reduce emissions.
 - Raise community awareness and support for alternative forms of transportation.
 - Educate our local and national community on strategies for improved environmental responsibility.

Planning Process

