



921 N. Rogers • Olympia, WA 98502 • FREE • WINTER 87

HAPPY BIRTHDAY TO US!

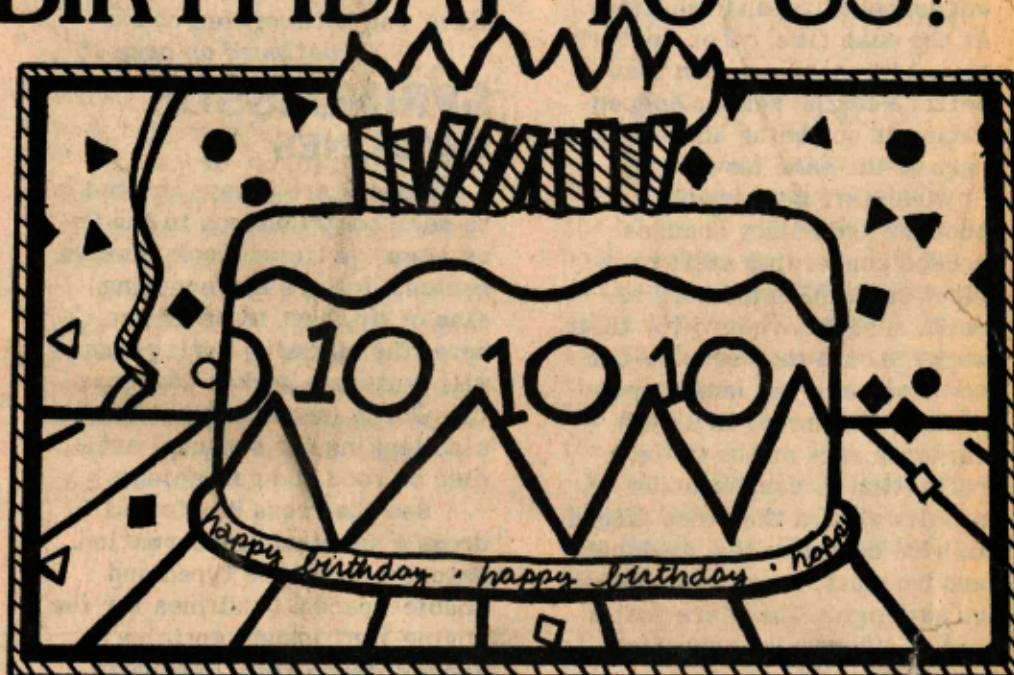
CO-OP ELECTION RESULTS

The recent Co-op Elections yielded changes on the Co-op's Board. We say good-bye to outgoing Board Members Jan Fields, James Skutt-Kakaria, and Nancy Pringle-Honan. Thank you for your time and energy on the Board!

At the same time, welcome John Calambokidis, Susan Moser and T.C. Ericson. Our newest Board Members will serve a term of 1-1/2 years, and we wish them well.

The Ballot issue on whether to increase the term of office for Board Members from one year to two years won by an over-

continued on page 16



The Co-op celebrated its 10th Birthday in 1986, and a rousing evening of entertainment and dancing was held to honor a decade of hard work, steady growth and cooperative spirit.

About 300 people enjoyed the local talent of musician Paul Prince, the Mud Bay Jugglers, Seattle marimba band Kutamba, and the African Drum and Choir group, Oaydono. Blue Heron Bakery provided wholesome goodies, and fresh organic carrot juice wet the thirst of the dancers.

Blue Heron also baked a cake (complete with ten candles) which was passed slowly to the center of a crowd of about 200

people, where the entire group summoned their best wind and blew out the candles after singing "Happy Birthday to Us!" The small cake was stretched to serve all who attended the event.

Staff member Cindy Dollard said the atmosphere had the feeling of "family, a down-home good time." At the end of the party, the remaining members (150 to 200 people) gathered into a large circle, and held hands for a few minutes. They then raised a rousing shout to the ceiling in celebration of our Co-op community. Cindy mentioned that the good cheer even spread to clean-up -- while no

continued on page 16

INSIDE

- 3 *New Staff Member*
- 4 *Where'd That Food Come From?*
- 7 *Fresh Deli Juices*

CO-OP WORKER COMPENSATION FORUM

seeking your input

A letter to the Co-op News has prompted a forum on Staff and Working Member compensation, planned for the Spring Issue of the News.

The initial letter addresses what the author sees as inadequate compensation for Staff - wages, benefits, and vacations. At the same time, other members have expressed concern that better Working Member compensation is not being addressed as part of the same issue.

Are Staff members paid enough? Are policy changes needed concerning staff benefits? Do Working Members receive adequate reward for their work? Should they receive better discounts the longer they work at the store? Is a high turnover rate at the Co-op a reflection of compensation problems? Can the store afford to give better wages, discounts, and benefits, or will our prices go sky high? These are just a few of the possible questions to be addressed in the Forum.

MAILING POLICY -- The News is mailed to members quarterly. We mail one copy to each address on file, unless additional copies are requested. To receive your copy, fill out an address form at either the sign-up table, or the check-out stand, and give it to the cashier. If this in addition to another copy for your household, be sure to fill in, on the form, the name of the other person in your household receiving the News. This tells the computer that separate copies should be mailed to both of you. Thanks!

RECIPE CONTEST

with lots of winners

Oly Food Co-op and Pacific Soyfoods are teaming up to hold the First Annual Midwinter Recipe Contest. We feel that there is a vast, untapped culinary creative genius out there, and we'd like to dip into some of the talent. There will be no first prize, but plenty of winners with prizes including massage, dinner for two at local restaurants and much more for all of you hardworking cooks.

continued on page 15

SPRING ISSUE DEADLINES

Members are always invited to make contributions to the Co-op News - articles, book reviews, recipes, letters and anything else of interest to other members. The upcoming Spring Issue will feature a Worker Compensation Forum (see above), and we're also looking for seasonal articles on food and gardening.

See the Press Box for address & submission information. Material should be typed and double-spaced. Deadlines for the Spring 1987 issue: Articles - Monday, March 16th; Community Events Announcements - Saturday, March 21st. The issue will be published mid-April.

We can't solve these problems in the newsletter, but we can air our points of view. The sharing of our concerns will (hopefully) lead us to some creative solutions, and a better Co-op for all of us.

Please submit typed, double-spaced copy, by the deadline (see this page). Your contribution should have a maximum of 750 words, be clearly marked for the "Worker Compensation Forum," and include your name and a contact number, in case of editorial questions and problems.

Statement of Purpose and Goals of The Olympia Food Coop

The purpose of the Olympia Food Coop is to contribute to the health and well-being of people by providing wholesome food and other goods, accessible to all, through locally oriented, not-for-profit cooperative organization. We strive to make human effects on the earth and its inhabitants positive and renewing. We seek to:

- Provide information about food.
- Make good food accessible to more people.
- Increase democratic process.
- Support local production.
- See to the long-term health of the business.
- Assist in the development of community resources.

The Co-op News is produced by working members and staff, on a quarterly basis. All members are encouraged to participate. Questions, submissions, and comments can be directed to: Co-op News, 921 N. Rogers, Olympia, WA 98502, Attn. Editor, or can be left in the newsletter basket in the front office of the store.

Editor -- Diane Gruver
Graphic Artist --
Penny Martindale
Contributors --

Steve Blakeslee, Kita
Brotman, Cindy Dollard, Diane
Gruver, Kim Landshut, Craig
Wallace, Joel David Welty

Photography -- Sam Van Fleet
Bulk Mailing -- Andrea Winship

NEW STAFF MEMBER

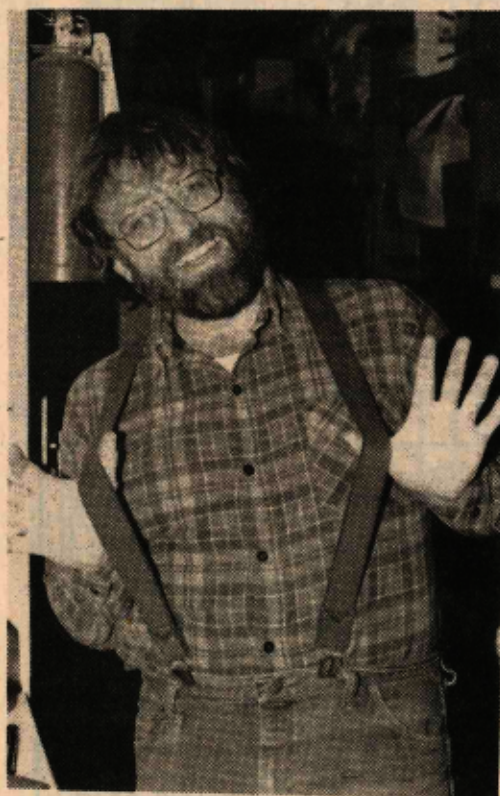
Craig Wallace

Moving to Olympia from Seattle was a major change for me. Most of my adult life has been centered around large cities from Los Angeles and Sacramento to Portland and Seattle. My youth was spent in smaller communities and coming here is a welcome change. Living with a 10 year old daughter who is able to have a better sense of freedom in a smaller town makes the move even more meaningful.

While moving to Olympia is a nice change of locale, working in a collectively self-managed co-op is a situation I'd never change. Collectivity represents more than a political abstraction for me, it is a commitment concerning the way I live and work. Working and living in collectives or collectively run co-ops have been my life since about 1970. These experiences have reaffirmed my support for a collective way of life, and strengthened my opposition toward hierarchical organizations that represent the dominant capitalist and, unfortunately, state socialist way of life.

My experience includes a year as a volunteer member-worker and two years as a staff person at Central Co-op in Seattle. I worked as a volunteer in a collectively run book store in Portland. While in Sacramento I was a part of a collective household and business that did landscape-gardening for over 6 years.

This background has made me keenly aware of three distinct processes at the Co-op that I am



firmly committed to: the Co-op community, the staff collective, and the nature of the Co-op business.

The Co-op community represented by the member-owners deserves the best possible consideration both inside and outside of the store. Friendliness and a clean and efficiently run business that meets the combined needs of this community is an absolute necessity. And integral and important part of these needs is represented by the member worker system. This is the foundation of a genuine community co-op, as far as I'm concerned. A healthy member-worker system is the proof of community involvement and commitment to and by the co-op.

The staff collective is another area of my concern. I believe that the collective process lends itself to the broader definition of democracy that extends into the workplace. A self-managing worker staff is one of the most progressive symbols of the co-ops emerging from the 60's and 70's. The present tendency of dismantling the collective self-managed staffs throughout the co-op movement is a tragic failure that I do not intend to foster.

Finally, the nature of the co-op food business is a vital concern for me, too. The issues of justice and equality in our workplace cannot be separated from the issues of food production both on an ecological basis and on a political one. We must support the organically grown food sources and at the same time be aware of the rights of other workers to create a better living situation for themselves. Food delivery systems represent the dominant society that is full of human injustice and abhorrent agri-business practices with all their ecologically disastrous consequences. The issue of food for people and not for profit must be brought forward as a concern for us all.

Obviously these are all large areas of concern for many people, and a wide spectrum of how to achieve these is represented at the Co-op. I am hopeful that my experience and concerns can contribute to this ongoing development at the Co-op. I know that I am looking forward to learning and working here and becoming a part of this community.

WHERE

by Diane Gruver

Distribution - the network of wholesalers for all the goods the Co-op sells - is an essential part of the Co-op as a business. As in any retail business, the Co-op buys from wholesale distributors and producers, basing our purchases on such practical considerations as price, volume discounts, and a reliable supply of goods.

The co-op also differs somewhat from most retail businesses - the store makes wholesale purchases from distributors other groceries may never buy from, and considers who to buy from (and which of their products to carry) based on a preference for good health, local and regional farming, wise use of natural resources, and food politics.

CHANGES OVER THE YEARS

Many Co-op members may remember the store's old downtown location. At that time the Co-op was much smaller, and had neither the room or buying power to stock the range of goods offered at the store now. These days the Co-op is a medium size specialty grocery offering much more than strictly "natural" foods, and meeting the needs of a growing group of Olympia residents.

A lot of the changes at the Olympia Food Co-op are directly related to a transition in natural foods industry distribution. The business of producing and distributing natural foods has grown immensely. Currently, there is a wider choice of di

ROMAINE LETTUCE

GREEN LEAF LETTUCE

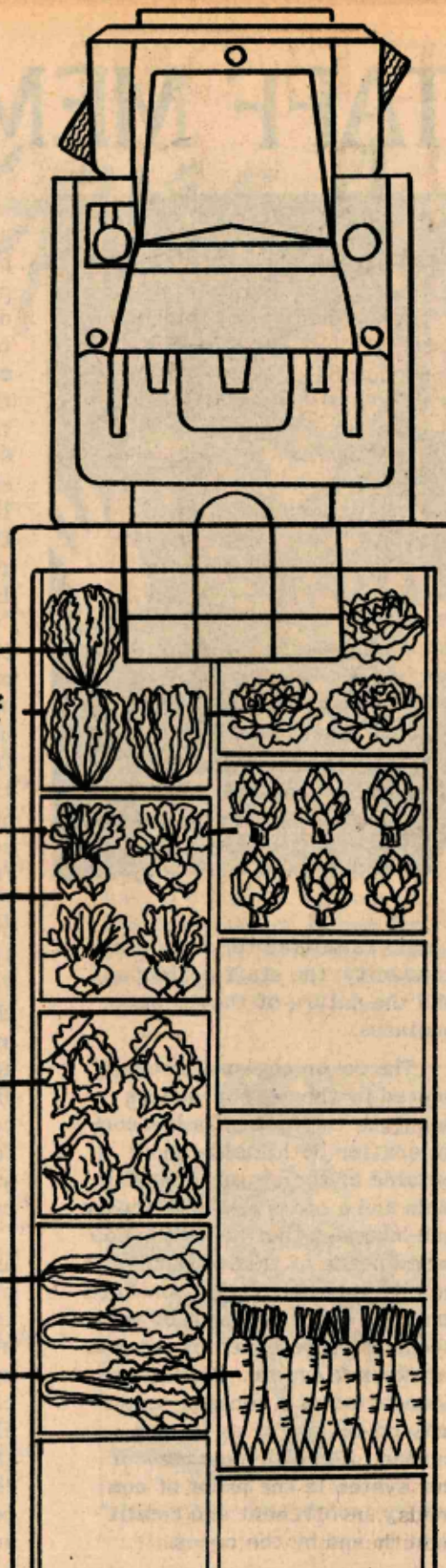
ARTICHOKES

RADISHES

BROCCOLI

CHINESE VEGETABLE

CARROTS



DID IT COME FROM? HOW DID IT GET HERE?

LOOK AT DISTRIBUTION AND MERCHANDISING AT THE FOOD CO-OP

tributors, providing a reliable supply of more products.

Grace Cox, Merchandising Coordinator and member of the Merchandising Team at the Co-op, says the changes are also internal. The Co-op has grown over the years, and now has more buying power in the market. We are currently able to take advantage of better deals from a larger number of distributors.

Up until talking with Grace, I naively assumed that the Co-op's system of distribution was different than that of other stores, since a natural foods store by definition isn't a mainstream commercial grocery business. However, as Grace pointed out, much of our system depends on some fairly ordinary factors: quality, availability, and affordable pricing.

Grace agreed that within co-ops, those who make decisions about distributors probably look at more factors - we "co-operators" tend to address labor issues, and regional and global food politics from within co-ops. However, the usual business factors don't disappear. The Merchandising Team must still make choices which consistently provide shoppers with affordable, needed foods, and operational money to keep the store alive.

WHAT'S DISTRIBUTION? WHAT'S MERCHANDISING?

— Merchandising and Distribution are not the same thing, but

they are closely intertwined. Distribution is the system through which the Co-op gets goods to sell through the store; merchandising is, as Grace said, "everything about selling the product."

Distribution is a part of the Co-op which most members never really see. As you pass by the end of the produce aisle, or walk through the storage area at the back of the store, you may see huge stacks of cartons which have just been unloaded off a delivery truck. As working members, we may help unload and stock those products. But few of us know where those deliveries come from, or how the Co-op deals with distributors and producers.

The Co-op buys from many sources: large distributors of the products of several smaller companies, local distributors of goods made by local producers, and directly from the producers themselves. Whether a warehouse supplies a catalog for the co-op to order items from, and then delivers them in the company truck, or a local gardener shows up with a bushel of apples from their back yard, they are both part of the system through which the store buys its goods from other businesses. See the sidebar for a more comprehensive list of distributors and their products.

Most of the Co-op's purchases, including our bulk dry goods, nut butters, honey, oil, and other Goopy things, Dairy

products, packaged foods, and mercantile items, are made from larger businesses - primarily Applegate and Nutrasource, for dry goods and dairy products, and Farmer's Wholesale Cooperative for produce. This insures both a steady supply and a lower price.

But smaller businesses, including Blue Heron Bakery, Evergreen Dairy, Sunnydale Farms (eggs), Island Spring (tofu), Down to Earth (Mercantile items), Book People, Nu Vita (vitamins), Pacific Soyfoods (soysage), and many others including local gardeners, fill the gaps that our primary distributors miss.

The distribution process gets the goods to our store, but it takes merchandising (and a lot of stocking) to get those products onto the shelves and into our shopping baskets. At the Co-op, a group of staff members called the Merchandising Team has the responsibility to choose distributors, set pricing, coordinate displays, arrange community advertising, and oversee the product mix at the store.

continued on page 6



WHO ARE OUR

The Merchandising Team is made up of the staff people in charge of the Produce Department, Bulk Foods, Dairy, that mysterious category named Miscellaneous Non-Taxable, and the Merchandising Coordinator. The Merchandising Team tries to make decisions carefully and responsibly, and their choices are rarely contested. However, if needed, Merchandising Team decisions can be overridden by the staff collective.

As Merchandising Coordinator, it's part of Grace's job to oversee anything to do with merchandising and distributors, and in particular to deal with problems. She and the Merchandising Team work on the myriad of responsibilities outlined above. Ordering for a particular area, however, is the responsibility of the staff Manager of the area (Produce, Dairy, Gooney, Mercantile, and so on) and it is those people who interact with the distributors for the Co-op.

In general, working members are not involved in ordering or setting prices, though of course often stock, note what we're low on or out of, and sometimes put together displays at the store. The exceptions are working members who are solely responsible for an area (Andrea in Mercantile, Paul in Magazines, and Kita in Vitamins, for instance), who do place orders and take over some merchandising tasks.

The Merc Team takes care of the following:

- **Chooses distributors** to deal with, from among various distributors of some of the same products, and seeking distributors for specialty items not carried by other businesses.

continued on page 7

Company

What They Supply

1. MAJOR NATURAL FOODS DISTRIBUTORS

Up until November, the Co-op's biggest distributor was Starflower, a 14 year-old Eugene, Oregon feminist worker co-op. Starflower went out of business in the Fall due to financial problems. In it's absence, the store depends much more on the following two businesses.

Applegate
(Portland)

The Co-op's largest distributor. **Supplies:** Hain's, Westbrae, packaged natural foods, frozen foods, Brown Cow, Alta Deena, and Continental dairy products, non-organic beans, misc. bulk, some noodles, natural (raw milk) cheeses

NutraSource
(Seattle)

Natural foods lines costing less or not carried by Applegate, organic beans, durum (white flour) noodles, raw milk cheeses

2. PRODUCE WHOLESALERS

Farmer's Wholesale
Co-op (Olympia)
Direct from Local
Producers

Both local and commercial produce not listed below under "Direct Distributors"
Mostly organic, summer produce. Apples, sprouts (Pacific Plate Sprouts), organic carrots and broccoli (Ray Parker), parsley and other herbs

3. COMMERCIAL GROCERY DISTRIBUTORS

Lee Grocery
(Everett)

Lee serves regional stores that can't afford the minimum order at West Coast Grocery, the region's major commercial grocery wholesaler. **Supplies:** all commercial soaps, generic line, paper products, grocery bags, most commercial grocery products, pet supplies

West Coast Cash &
Carry (Olympia)

Items out of stock at Lee's, or ones needed at short notice, are covered by purchases from WCC&C, part of West Coast Grocery

4. SPECIALTY FOOD DISTRIBUTORS

Peterson's
(Seattle)

Commercial cheese (as opposed to raw milk cheese), fresh pasta, filo dough
Tortillas, mild cheddar and jack cheeses, masa

La Mexicana
(Seattle)

Rising Tide Sea
Vegetables

Small independent producer of sea vegies

Ocean Energy
Specialty Foods
International
JC Wright

Small independent producer of sea vegies
Manechevitz line; SFI also just bought out Nu Vita

Ronzoni brand (pasta)

DISTRIBUTORS?

5. SPECIALTY MERCANTILE DISTRIBUTORS

Down to Earth	Our major distributor for mercantile items, mostly household imports, also gardening supplies
Fox River	Socks, orders are only once yearly
Scandicrafts	Miscellaneous cooking supplies
Book People	Books
Pacific Pipeline	Books
Small Changes	Magazines and books
Flashpoint Porcelain	Rhoda Fleishman pottery
Kwan-Yuen	Baskets
Natural Care	Health and Beauty Aids
Canning Jar Dist.	Canning jars
Nu Vita	Vitamins, small bags of unusual flours, and other small items
Granum	Macrobiotic foods

6. DIRECT DISTRIBUTORS -- OLYMPIA AREA (producers who distribute their own goods)

Pacific Soyfoods	Packaged soysage, earthlings (soy burgers)
Country Cider Mill	Cider and apples
Blue Heron Bakery	Natural Wholegrain Breads
Corner Bakery	Breads
Pioneer Sourdough	Breads
Evergreen Dairy	Main supplier of cow's milk
Sunnydale Farms	Eggs
Amber Acres	Goat's milk

DIRECT DISTRIBUTORS -- REGIONAL (producers who distribute their own goods)

Mt. Capra Cheese Co. (Chehalis)	Goat's milk cheese
Island Spring (Vashon Island)	Four kinds of tofu, tofu salad dressing, Kimchi (hot cabbage dish)
Wagon Wheel Dairy (Seattle area)	Raw milk
R & K Foods (Redmond)	Pizza
Mystic Lake (Seattle)	Lifestream Essene Bread, goat yogurt, some other foods
Nature's Path (Vancouver, BC area)	Manna Bread, organic tahini (good product, good price)

- **Sets pricing** - how much an item is marked up to cover the Co-op's expenses. Some pricing is set independently of the Team, but in general the responsibility lies with this group.
- **Displays**. The general lay-out of the store - which items are located on which aisle, for instance - changes very little, and reflects long-term planning. But the Merchandising Team coordinates changing displays in the store. They plan the timing and contents of the current display in the Mercantile section, at the end of some of the aisles, and at the front of store. You may have noticed various "theme" displays, featuring particular cuisines or holidays, across from the Pasta shelves. Help-yourself displays featuring chips and dips, or tables staffed by working members who offer tastes of new products, are also the work of the Merchandising Team.
- **Advertising**. You've probably seen the signs advertising the store on the interior of Intercity Transit buses, heard our radio ads on KGY, and used the coupon's included in your member newsletter, all of which are arranged by the Merc Term.
- **Product mix**. The mix of items you see on the Co-op's shelves is the result of balancing the Co-op's options. Will we carry more than one brand of a particular breakfast cereal? What kinds of specialty items will we carry? What range of commercial grocery products will we carry?

continued on page 12

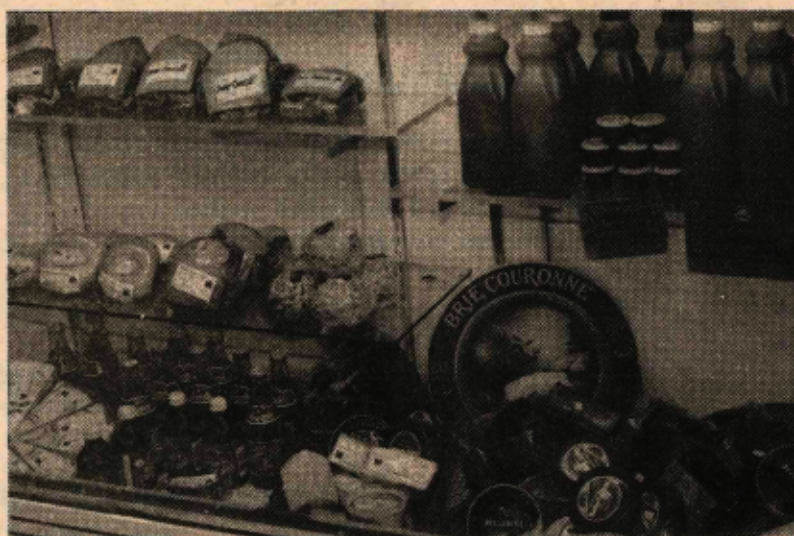
ORGANIC CARROT JUICE

sweet way to stay healthy

Cindy Dollard

The Deli at the Food Co-op continues its evolutionary process. Along with an expanding selection of prepared food items, the Co-op's deli now offers fresh vegetable juice, via the newly acquired "Miracle Pro" juice extractor.

Thus far the star attraction in the fresh juice department has been organic carrot juice. Throughout history people have used carrot juice to restore health. It is the richest source of carotene which is converted to Vitamin A by our bodies. Carrots also contain an ample supply of other vitamins -- B, C, D, E, G, and K as well as the minerals potassium, sodium, calcium, magnesium, sulphur, copper, and chlorine. Nursing mothers are told to take carrot juice to improve the quality of their milk. Taking carrot juice during pregnancy adds an extra nutritional boost for both baby and mother. We need Vit. A for healthy mucus membranes. These membranes are made up of two layers; the top or epithelium, which has billions of cells and underneath: the mucus membrane itself, a thin layer of muscle fibers. These are pliable and elastic and the quality of the lining depends on its getting enough Vitamin A. Without sufficient Vit. A, the cells harden into a rough surface. This blocks the secretion of mucus which acts as a disinfectant; hence a deficiency in Vit. A results in a lower resistance to infections. Apart from building



up resistance to disease, Vit. A keeps the body tissues strong and healthy and keeps the glands functioning well. The minimum amounts of Vit. A for good health (as given in this country) vary from 1,500 IU for babies, to 5,000 IU for adults. Remember, these are *minimum* requirements.

Nearly all of our Vit. A is stored in the liver. Smaller amounts are found in the kidneys, lungs and under the skin. The liver can store large amounts of Vit. A for years, keeping it for when it is needed. Carrot juice is also reported to have a cleansing effect on the liver and urinary tract. As winter cold and dampness brings its usual crop of tenacious illnesses, carrot juice can become a valuable daily tonic.

While a glass of carrot juice daily is a sound addition to the diet, one must use moderation. One cup of carrot juice equals four cups of carrots, and an average of 50,000 IU of Vit. A. It is difficult to drink too much carrot juice, but it is definitely not impossible. Because of the high sugar content in such a

concentration of carrots, it is a good idea to drink slowly. One can bring the juice to body temperature in the mouth, thus allowing saliva to begin its digestive action. Carrot juice is a wonderful tonic, but it should never be used to replace medical attention when necessary.

The Deli offers fresh squeezed carrot juice. This juice is superior to other available juices for a few reasons. The shelf life of carrot juice is very short. It is best consumed on the day it is made. Organically grown carrots used for juicing are far superior to those grown with chemicals. Root crops absorb nutrients directly from the soil so it is especially important to use organic roots when possible. Working Members will be juicing 25-50 pounds of carrots daily, so hopefully there will always be a supply of this delicious juice in the Deli Cooler. Have a warm and healthy winter!

WHEATGRASS WOMEN

Steve Blakeslee

Have you noticed those little cups of dark green liquid stacked in the Deli case? They contain wheatgrass juice, supplied by working members Mary Jane Rucker and Margot Baylor. They sprout the wheat in a West Side garage/greenhouse, and press it daily.

Wheatgrass juice contains an abundance of chlorophyll. Because chlorophyll chemically resembles hemoglobin, it acts as a powerful blood cleanser. The juice can also be used externally as a skin tonic.

Wheatgrass has been used medicinally since ancient times. After World War II, its use was largely curtailed, due to its short shelf life (about 12 hours). Now many people are rediscovering its benefits. Dr. Ann Wigmore currently uses it as part of a raw food diet program at the Hippocrates Institute.

Mary Jane attended a Hippocrates program near Union City, Michigan. After working in an Ann Arbor deli, she wanted to cleanse her system before moving to Olympia last summer. "The first three days, we had only freshly pressed juices, chlorophyll-rich greens, and wheat-grass juice. I kept fasting for another three days after that, then started a raw food diet. Sometimes I just had to lie down and sleep. Then I'd have great energy and walk for miles.

"Most people there were really ill -- they were diabetics or patients on radiation therapy. During the fast, their tumors shrank and they had less pain. The effect on me was mostly emotional. I felt a lot calmer. For me, the best way to continue with wheatgrass is to turn other people on to it."

Margot is one of Mary Jane's converts. She had worked in a health food store for several

years, and studied nutrition at Evergreen. "When I first tried wheatgrass in Madison [Wisconsin], I thought it was horrible and gave the rest away" But after meeting Mary Jane, she organized a one week juice fast in the San Jaun Islands.

"At first it was very difficult. But the more I drank, the easier it got, until I really looked forward to it. When I got back, I didn't know what to eat anymore -- it made me much more conscious of my diet. I enjoy growing it as much as drinking it. The plants are nice to have around."

Neither Margot nor Mary Jane make extravagant claims for wheatgrass juice. It's best used as a preventative, and should be used sparingly. The two women are currently researching the effects of wheatgrass on a variety of ailments.

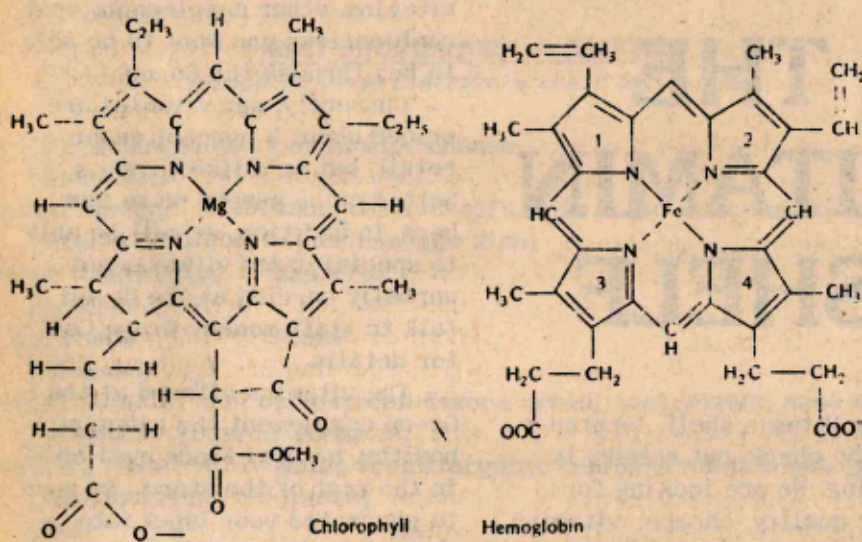
Special orders are welcome. Large order placed a week in advance (at least 10 ounces of juice or one pound of fresh grass) will receive a 10% discount. For more information, call Mary Jane at 357-8559.

Suggested reading:

Naturama Living Textbook. Dr. Ann Wigmore. A compendium of nutrition articles, recipes, testimonials, songs, and related topics from astrology to earthworms.

The Hippocrates Diet and Health Program. Dr. Ann Wigmore. A more organized volume; includes "Indoor gardening for beginners", "Keeping your body clean", and "Wheatgrass miracles."

Survival into the 21st Century.
Viktoras Kulvinskis. By a
former Boston computer con-
sultant.



A Comparison of Chlorophyll Molecule and Hemoglobin.

From *Biology: A Human Approach*, by Irwin W. and Villia G. Sherman. Copyright© 1975 by Oxford University Press, Inc.

FINANCE REPORT

KIM LANDSHUT

Looking at the Income Statement for the 3rd quarter, you can see that we had a Net Loss of \$7,585.81. We were budgeted to lose \$4,500.00 in this quarter and actually lost an extra \$3,000.00. The main reason why this happened: Margin for the 3rd quarter was budgeted for 23%, and we only hit 21.24%; this alone accounts for over \$2,600.00, and expenses were over-run by \$500.00.

Now by looking at the Income Statement for the 1st through 3rd quarters, you can see that we've lost \$2,743.79 for the year. At this point we have hope that the 4th quarter will pull us out of the Net Loss and put us into the Net Income Category. We are budgeted to make \$175.00, so the staff as a whole is trying very hard to meet our goal of a Net Income of \$3000.00 for the 4th quarter.

Sales have still been above our budgeted 5% growth so getting our margin under control in 1987 should pull everything back into the "Budget Limelight". Our next issue of the newsletter should have year-end information so be sure to keep up on how the Co-op is doing financially.



INCOME STATEMENT 3RD QUARTER, 1986

Sales	\$221,497.09
Margin \$	47,051.36
Margin as % of Sales	21.24%
Other Revenue	201.67

Total Revenue	47,253.03
---------------	-----------

EXPENSES

Advertising	2,477.97
Newsletter	1,446.32
Utilities & Phone	1,950.63
Maintenance & Repair	1,479.74
Depreciation	3,260.00
Staff Cost	31,354.20
Taxes & Licenses	1,757.19
Interest Expense	3,309.37
Other Revenue	201.67
Other Expenses	7,803.12

Total Expenses	54,838.54
----------------	-----------

Net Loss	7,585.51
----------	----------

INCOME STATEMENT 1ST THROUGH 3RD QUARTERS 1986

Sales	\$716,191.46
Margin \$	159,836.10
Margin as % of Sales	22.32%
Other Revenue	839.01

Total Revenue	160,675.11
---------------	------------

EXPENSES

Advertising	4,565.32
Newsletter	4,532.68
Utilities & Phone	8,599.37
Maintenance & Repair	3,348.65
Depreciation	9,603.23
Staff Cost	92,103.40
Taxes & Licenses	5,617.40
Interest Expense	10,059.83
Other Expenses	24,989.02

Total Expenses	163,418.90
----------------	------------

Net Loss	2,743.79
----------	----------

THE VITAMIN SHELF

The Vitamin shelf, located near the check-out stands, is changing. We are looking for higher quality, cheaper vitamins, and would like you to share your ideas about both brands you would like to see, and particular

vitamins, other supplements, and combinations you want to be able to buy through the Co-op.

Currently, our vitamins are priced about 5 percent under retail, but we'd like to see a better price passed on to members. In addition, we will be able to special order vitamins not normally carried at the Co-op - talk to staff member Grace Cox for details.

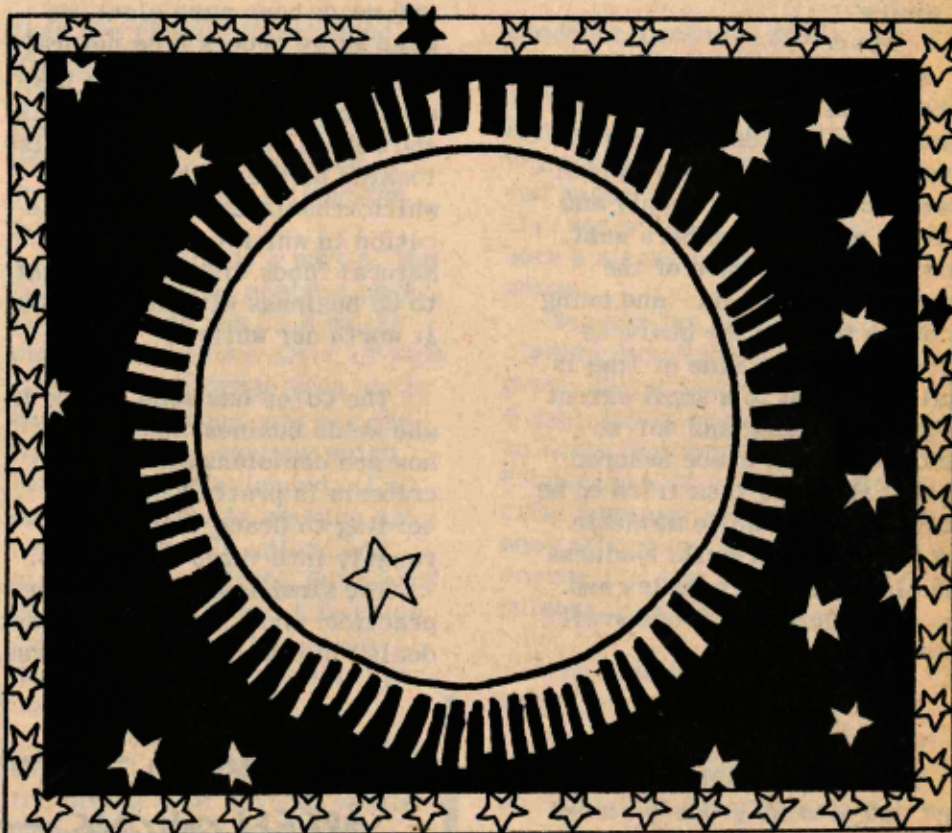
The vitamins offered at the Co-op complement the range of healthy, natural foods available in the rest of the store. Be sure to guarantee your input into this specialty area by talking with Grace, or submitting written comments to the suggestion bowl.

Sylviron Cooperative -- a "third wave" co-op of the twenty-first century -- provides its members with housing, jobs, food, energy, clothing, recreation, transportation. When the all-powerful government of the time intrudes upon Sylviron, the resulting clash of wills and philosophies results in triumph -- and tragedy -- for Sylviron.

Sylviron is the work of Joel David Welty, who gave us "Welty's Book of Procedures for Meetings, Boards, Committees and Officers." He is a co-op veteran of thirty-seven years' experience in co-op housing, credit unions, food co-ops, optical and pharmacy co-ops as a co-op organizer, educator and manager. Welty takes us on an exploration of Sylviron, unlike any co-op existing -- yet. Here the old labels of "liberal" and "conservative" are lost in the harsh realities of the 21st century, and new loyalties are forged out of the needs of people confronted with the changed world of 2007.

The mainstream world has placed all power in the hands of a government engulfing the big corporations, the churches, the universities -- everything. But the malaise of the society causes people to withhold their consent from a government governing by the consent of the governed. The author depicts the crisis of consent as *the* fundamental constitutional crisis in 21st century society, where people seek a new footing in bizarre religio-militaristic disciplines. Can Sylviron survive? -

FUTURISTIC BOOK EXPLORES POTENTIAL OF CO-OPS



NASCO, the North American Students of Cooperation, is offering the novel to co-op members at a special, low pre-publication price of \$4.95, plus 55c handling charge. NASCO is a federation of student co-ops, food co-ops and other co-op groups providing training and educational programs for staff

and volunteers of co-ops. Regular price for *Sylviron* will be \$6.95 after February 1, plus 55c handling charge.

Payment of \$5.50 must accompany your order to qualify for the low pre-publication price. Send your order to North American Students of Cooperation (NASCO), Box 7715, Ann Arbor, 48107.



Where will we buy these products? These questions are all of importance because the Co-op is physically limited in the number of different items we can carry - unlike Safeway, we don't have miles of aisles.

Grace commented that display merchandising, like much of merchandising, is a double-edged sword. To keep the store in business, the co-op must supply and feature products members want. This way we take care of the customer - ourselves - and bring in money to keep the business afloat. The other side of line is that we depend to a small extent on impulse buying and not-so-subtle displays. Grace assured me that the Merc Team tries to be fair and honest while maintaining displays that build business and alert members to sales and the wide variety of foods available.

IN THE MARKET

The Olympia Food Co-op is just one of many grocery stores serving the people of Olympia. Where do we fit into the overall picture?

In the commercial grocery category, our Co-op lies somewhere between medium groceries such as Peterson's, and tiny convenience stores such as independently owned corner groceries and 7-Elevens. As a small grocery, the Co-op doesn't have much power or influence in the commercial grocery arena - we simply don't purchase enough to receive the better discounts and services available to Peterson's or larger stores. In some cases, we don't even qualify to make purchases from popular distrib-

utors because we don't buy in large enough quantities.

But our standing in comparison to other *natural* foods stores is better. Financially, we are at the large end of the medium size stores in this class, and we *do* have some clout. We make large orders from natural foods distributors and can take advantage of their better deals and rebate programs. We are also located on the I-5 corridor, which translates as a better location in which to do business. Natural foods distributors *want* to do business with us, and make it worth our while.

The Co-op has some choice in who we do business with - but how are decisions made? The criteria is pretty basic, according to Grace, and falls roughly into three categories.

The first is sound consumer practice: who's offering the best deals? In the wholesale business,

that includes discounts on volume purchases (usually by a rebate program offering better discounts on larger purchases), and the willingness to deal both in volume and a quantity which isn't too large for the Co-op - some wholesale businesses have a minimum order which is far too high for the Co-op. The Co-op likes to deal with distributors offering aggressive specializing - not only good prices, but good timing (who wants a deal on canning jars after the canning season is over?) and a good supply in stock to cover large orders and re-orders.

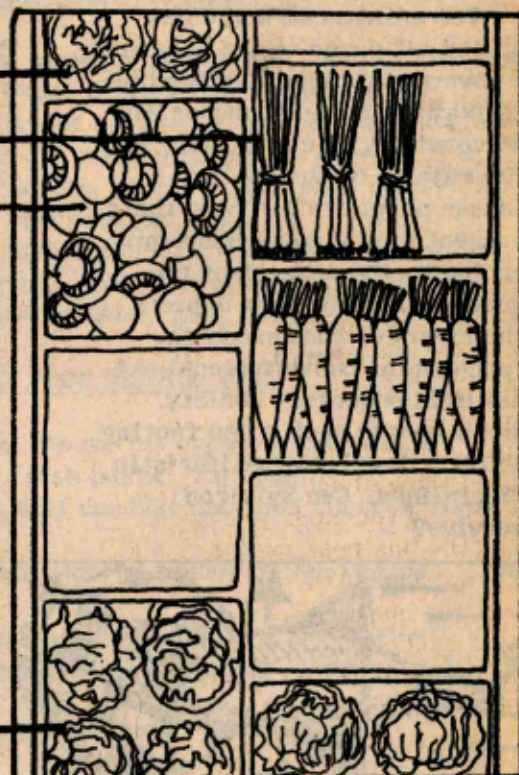
A second quality is that of convenience - do the large distributors offer reasonable delivery times? Do they supply case labels with our retail prices already figured? Do they offer 800 numbers for ordering? Are they relatively hassle-free to work with? While we can't always choose just for conve-

CABBAGE

GREEN ONIONS

MUSHROOMS

CABBAGE



ience, businesses who are easier to deal with are more appealing, and often reduce our expenses.

And like any consumer, the Co-op wants companies to be reliable. Does the distributor come through on what they say they can do? Of course, a minimum of mistakes are to be expected, but we want to be able to count on the business. And we want the bigger distributors to stay on top of what's new in the industry so that we can bring new products into the store, at least on a trial basis until our membership decides (via their purchases) whether it's worth stocking consistently.

All of these elements - distribution, merchandising concerns, our business clout, ethics - happen inside the frame of the Co-op as a business. The store has to have money to operate, and that money comes from what is called margin.

Margin is simply the difference between the wholesale cost of goods sold and retail sales. That means the difference between what the store pays for a box of Grapenuts, and what we shoppers pay for it off the shelf.

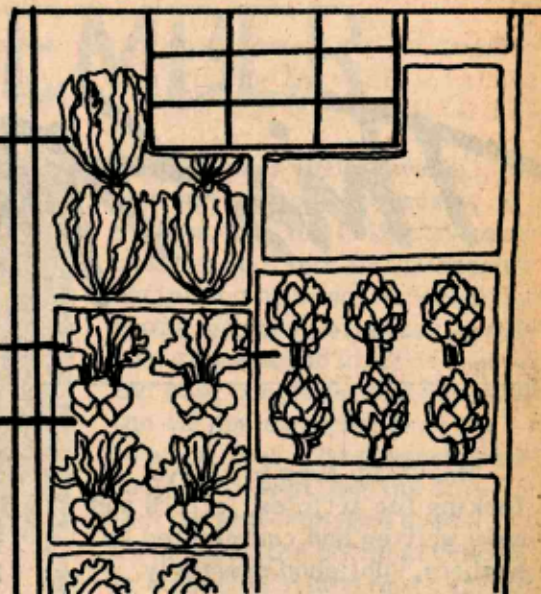
In the finance reports, published in each issue of the Co-op News, our bookkeeper, Kim, includes items called "Margin Dollars" and "Margin as percent of Sales." These names refer to the amount of money we made on sales above the cost of the goods themselves. Margin is projected for each quarter so that the business can plan its expenditures. Out of the margin come the operating funds for staff cost, insurance, worker discounts, building and utilities costs, and more.

Margin Control is one of

ROMAINE LETTUCE

ARTICHOKES

RADISHES



Grace's job responsibilities as Merchandising Coordinator. She explained that a high margin is sometimes in conflict with efforts to maintain a stable supply of products. The Co-op can achieve a higher margin - and consequently more money to work with - by sticking with a particular distributor for a wide variety of items. As well as being able to take advantage of higher volume discounts, co-op workers spend less handling time in deliveries.

But these savings have a negative side: the Co-op could end up being too dependent on one source of an item, and if that source should dry up, the co-op is left stranded. As a result, the Co-op Merchandising Team tries to strike a balance between a good price and high margin, and a steady supply of goods. The result is the mix of foods, kitchen tools, body care items, cleaning supplies, books, magazines and more that we are able to buy when we shop at the Co-op.

This overview can't cover the day to day nuances of distribu-

tion and merchandising, but it should give you an idea of what the Co-op deals with in trying to run and stock a natural foods grocery. I had no idea of the complexity of these two areas, and was fascinated to discover the variety of businesses that supply the store with what we sell, and what it takes to get those items onto the shelves and into our shopping baskets.

If you are a working member, you'll have an opportunity to integrate the information in this article with what you do during your shift. But even non-working members can appreciate the wide variety presented in the store, and will benefit from knowing where our food comes from. In particular, look over the sidebar article "Who Are Our Distributors?" to get a feel for the companies you depend on, or items you may not have realized the Co-op carries.

Questions not answered in this article can be directed to Grace Cox, as Merchandising Coordinator, or to other members of the Merchandising Team and the staff.

This Space Available

The Co-op News is always looking for articles, letters and news written and contributed by members. Published quarterly, the News is a source of information about the Co-op as an organization, the products we sell here, recipes, gardening tips, regional co-op news, and local, regional and global food issues.

The News has had great luck in publishing articles written by members, addressing a wide variety of interests. I love small publications; newsletters like ours have great potential as communication between members, and through the sharing of ideas, something to teach us all about the co-operative we belong to.

This particular issue, however, suffers from a slight lack of contributions, which means fewer members are sharing our interests and concerns. Fortunately, there's some incentive to write for the Co-op News. Writing for the News contributes to life of the Co-op. It also earns working member credit.

Maybe a 3 hour shift stocking doesn't quite fit into your schedule. Perhaps the idea of cashier shift after an 8 hour work-day is simply more than you can take. How about journalism? As well as earning a store dis-

count coupon once a quarter, committing yourself to writing an article may be the answer to your desire to participate in a co-operative.

For instance, in the upcoming Co-op News, a letter from a concerned member prompts a general forum addressing Co-op Worker Compensation issues - wages, benefits, leave, discounts, and any other compensation working members and staff receive in exchange for their work. As members of a co-operative, we each have a different response to charges that our system isn't working. The Forum will feature as many perspectives as members contribute - if you have



thoughts on this issue, please consider sharing them with other members.

If the topic of Worker Compensation doesn't interest you, how about:

Oly Food Co-op Happenings
Natural Foods Recipes
Healthy Eating
Natural Foods Industry News
Gardening
Food Politics
Book Reviews
Local & Regional Co-op News

All contributions are welcome. When submitting material, please turn it in before deadline, type and double-space your copy, and supply a name and phone number so that I can contact you if there are questions. You can drop it in the newsletter basket in the front office at the co-op, or mail to The Olympia Food Co-op, 921 N. Rogers, Olympia, WA 98502, attn. Editor.

If you want a more specific idea about what to write, would like to talk to me about ideas you have, or want encouragement to contribute, please contact me through the Co-op.

Diane Gruver
Editor

RECIPE CONTEST

We are striving to keep rules the minimum so as to encourage unlimited creativity, but we offer the following guidelines for consideration. Now is the time to start thinking of ideas. Look for more info in January.

- Where sweeteners are used, these should be natural. No refined sugar.
- Avoid using processed foods where possible.
- We are looking for ideas to use in the Deli and possibly produce on a larger scale through the kitchens at Pacific Soyfoods, so keep this in mind, but go ahead and try your wildest ideas. Have fun with this one. Judging will take place in February.



Announcements

OLYMPIA SUSTAINING FUND SEEKS VOLUNTEERS

You may be wondering what happened to the proposed Olympia Sustaining Fund. The Co-op Board approved it. The voting membership approved it. What happened?

The answer is simple. Paul Cienfuegos, one of its creators, has gotten overextended (what's new?) and is looking for three people to help him do the initial organizing work. The commitment requested is for 10 hours over a period of 4 to 6 weeks. Working member credit is available (from Paul's Co-op account). Call him at 943-7999.

WORKING MEMBERS

WANTED -- Working members to volunteer their time and energy while having loads of fun. Receive discount credit while getting trained in one of the following glamorous careers: Opening, Closing, Cheese Cutting, Deli, Cashiering, Stocking, and Produce Work.

Don't Delay!! -- see a friendly staff person for more details!

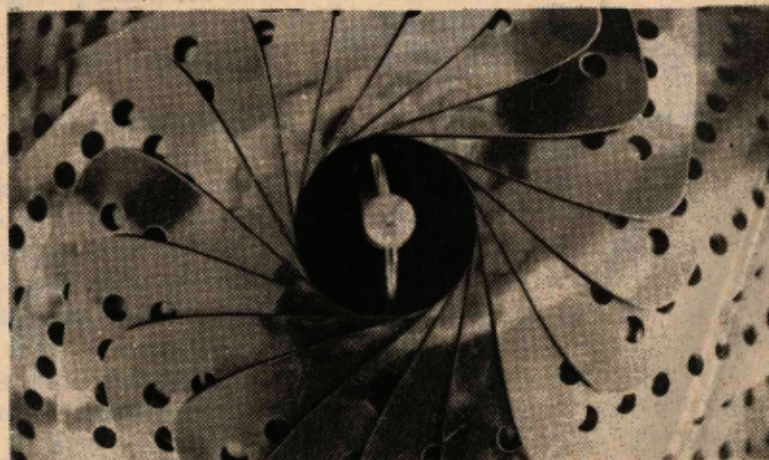
DEADLINES

You are invited to make contributions to the Spring issue of the Co-op News - articles, book reviews, recipes, letters and anything else of interest to other members. See page 2 for address & submission information. Material should be typed and double-spaced. Deadlines for the Spring 1987 issue: Articles - **Monday, March 16th**; Community Events Announcements - **Saturday, March 21st**. The issue will be published mid-April.

Age 10 or under? Write your guess, along with your name, age, and phone number on a piece of paper, and put it in the newsletter basket in the front office of the Co-op. Winners receive a small surprise!

Congratulations to the record number of winners -- 13! -- of last month's picture of (you guessed it!) carrots. The ingenious 13 are: **Chenoe, Deanna, Elizabeth, Isaac, Joe, Katheryn, Katy, Lelah, Maile, Matt, Misty, Toni, and Vanessa**. Look in the Newsletter basket in the front office at the store for an envelope with your name on it!

What Is It?



HAPPY BIRTHDAY

clean-up crew had been organized, about 50 people volunteered to quickly clean the room.

The party was such a success that plans are already in discussion for next year's event. The 11th year party will probably be a fundraiser for a local organization such as the Food Bank or another human services group.

Thanks to all who attended and made the 10th year Birthday Party a success, and a special thanks to the many folks who have worked to bring the Co-op through its first decade.

ELECTION RESULTS

whelming majority (only 8 people were opposed) and the year and a half terms set for our newest members will even things out come Spring.

Now, concerning that landslide victory on the ballot issue: the entire election was participated in by 281 Co-op members, out of about 2800 Co-op members. Ten percent of the membership is higher than some elections we've had (5% and less), but we would always like to see more members participate in voting.

As has been pointed out in these pages before, many board

elections are decided by as few as 5 votes. If your attitude is "Why should I vote, everything's running smoothly?" consider that when the Co-op is doing well, it often means we have an opportunity to work on long-term planning. And if you like how the Co-op is run now, why leave it solely to disgruntled members to shape elections?

Elections are always posted, and recently, voting tables, staffed by working members have really helped bring in more member votes. Please watch for signs, tables, and issues, and contribute to the future of our Co-op.



Olympia Food Co-op

921 N. Rogers
Olympia, WA 98502
754-7666
open everyday 9am-8pm

address correction requested

**BULK RATE
U.S. POSTAGE
PAID
OLYMPIA, WA
PERMIT #477**