



2009 Ends Report & the 2010 – 2014 Strategic Plan

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A huge thanks to the entire CM for your work & support on the Strategic Plan!

A passionate community working together for sustainability, human rights, social & economic justice.

I. PASSIONATE COMMUNITY

INTERPRETATION:

PEOPLE'S COMMUNITY is comprised of member-owners and non-owner shoppers, neighbors, co-op workers, farmers and other producers as well as the broader cooperative movement and other allies. While our cooperative store calls SE Portland our home, we recognize that our impact extends far beyond.

We work to facilitate a **PASSIONATE COMMUNITY** that is invested and engaged in our co-op and People's Ends and values. We will work to build a strong base of member-ownership that includes both member-equity and participation. We believe in cultivating the cooperative community.

2009 REPORT: We worked to maintain and increase strong owner investment (equity and shares) in 2009. Sales to owners remained consistently at 67% for the past few years. By 2014 we hope to be back at 70% where we were in 2006. While we received more refunds than usual (due to the economy), Member-ownership has remained strong, and we continued to attract new owners. Our October equity drive was a huge success not only in bringing in over \$15,000 in equity, reinvestments, and new owners but in sharing the co-op difference. We also continued our work to increase owner turn-out at both the annual meeting and board meetings. Moving the annual meeting to the summer ('09 is the 2nd year) was a smart move. A record 350 people participated in the event. The website, facebook, email, new-owner packets, and "Board Board" have been better utilized to promote that board meetings with much success.

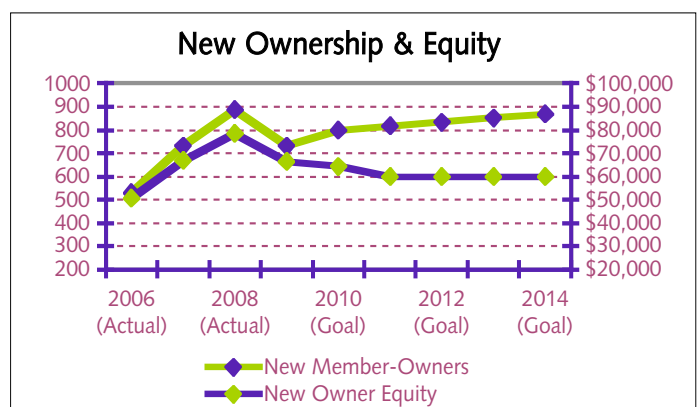
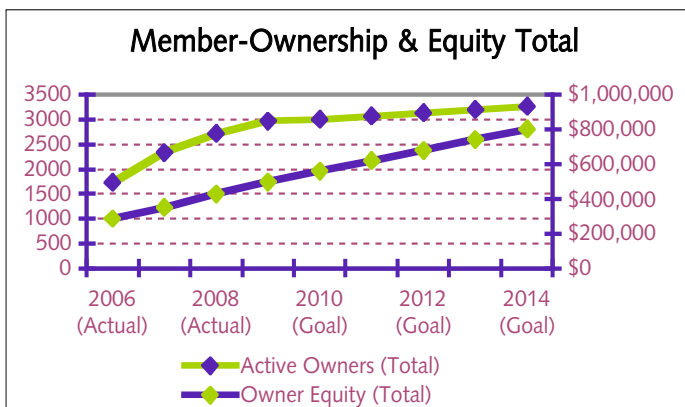
2009 was also a significant event year. This year we worked to introduce more co-op organized "programming" for the community room & courtyard events. These events were met with enthusiasm. In addition to Love Your Farmer Day, a Summer Street Party, a Harvest Festival, the Annual Meeting, and yoga classes, we added a variety of other wonderful events including "How to Shop at the Co-op on a Budget," "Co-ops 101," a variety of other talks and workshops, and a farm tour that we co-organized with Food Front! 55 people participated in the Farm Tour. It was such a success we decided to take 2 buses this coming year so we can accommodate 70 participants.

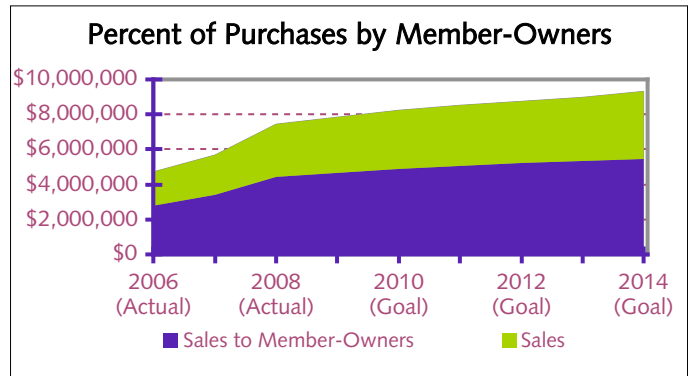
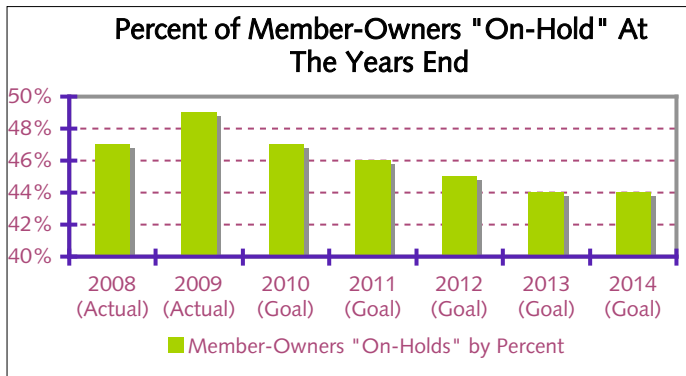
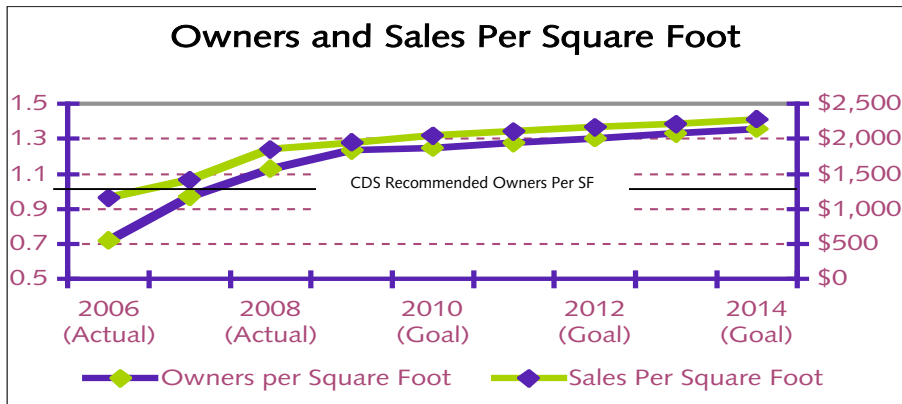
2010-14 OBJECTIVES:

- A. A solid base of Member-ownership that stays on year after year and helps grow our foundation of owner-equity.
- B. An invested, engaged and informed Member-ownership support the co-op and inform our cooperative future.
- C. A development scenario that is supported by our ownership and the broader local community.
- D. A relevant co-op that furthers the impact of our Ends and nurtures community passions through community partnerships & outreach.

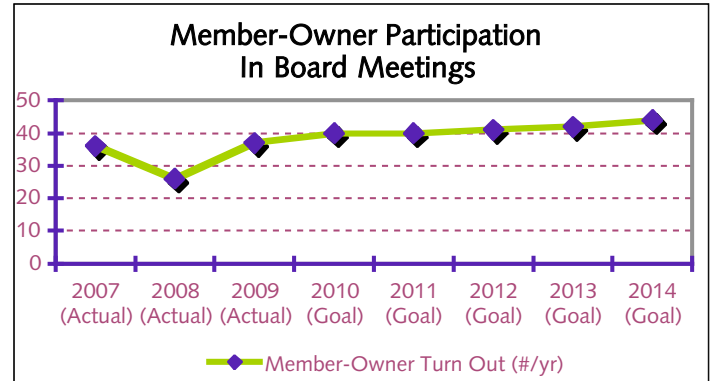
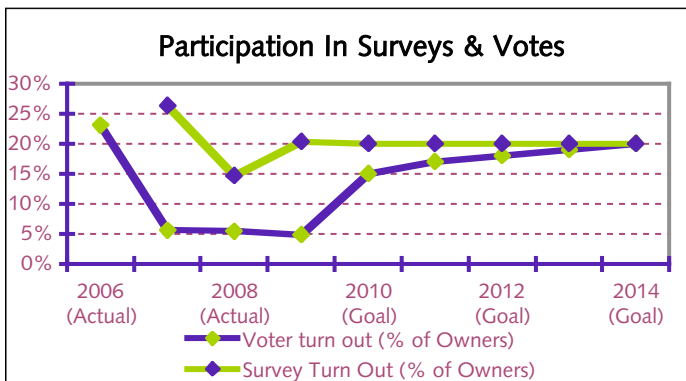
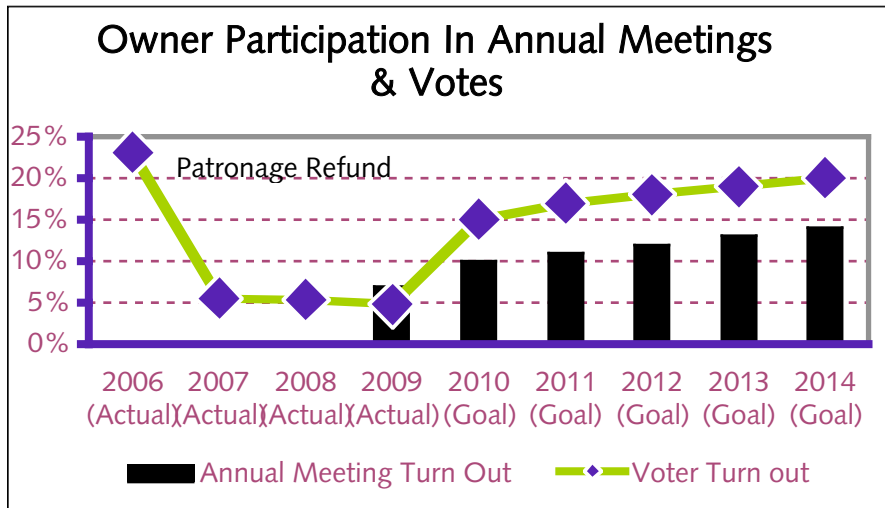
MEASUREMENTS

MEMBER OWNERSHIP & OWNER INVESTMENT

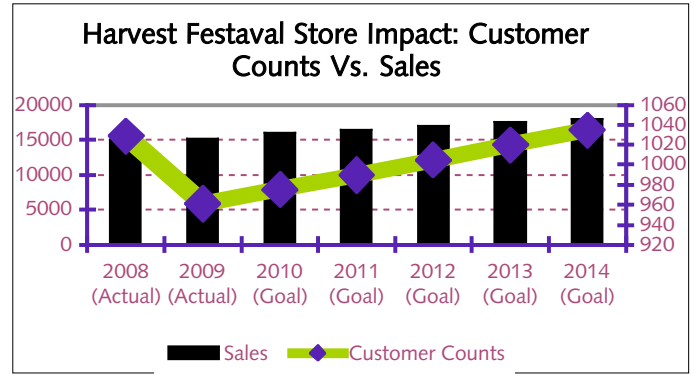
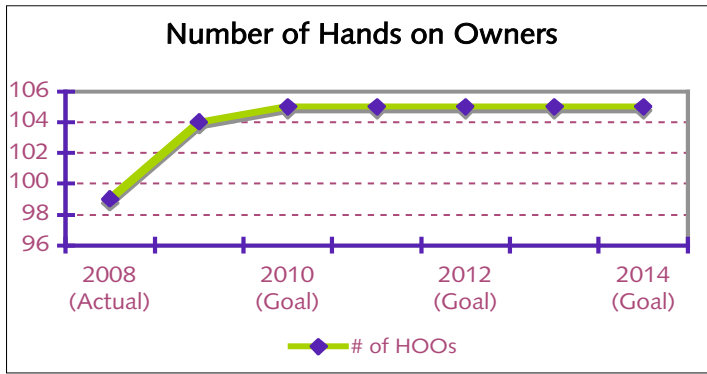




PARTICIPATION IN THE DEMOCRATIC PROCESS (ANNUAL MEETING, BOARD MEETINGS, SURVEYS & VOTES)



EVENT TURN OUT & PROGRAMS (HARVEST FESTIVAL, HOO PROGRAM, ETC.)



Harvest Festival	2008	2009	2010	2011 and beyond
# of Participants- (via customer counts portion of rapid market assessment)	NA	NA	Set goal & begin assessment	
Participant Enjoyment (dot survey on "enjoyed the festival")	NA	NA	Set goal & begin assessment	

II. SUSTAINABILITY

INTERPRETATION:

At People's Food Co-op **SUSTAINABLE** means taking a whole system, cooperative approach that looks at both immediate and long-range impact. We craft long range plans to reach the Ends statements and measure sustainability of plans & decisions to ensure we are on course on a continuous basis. Sustainability involves conscious planning and attention to balance through ensuring healthy systems in each the following areas:

- 1. Financial
- 2. Purchasing (products, office & store supplies)
- 3. Building Materials & Energy Usage
- 4. Outputs: Recycling, Compost & Waste Management

The following values are at the heart of our sustainability work:

- 1. Community building
- 2. Local economy vitality (including the co-ops well-being)
- 3. Meaningful living wage democratic jobs
- 4. Conscious product selection
- 5. Interconnections to bioregions and the Earth.

i. FINANCIAL SUSTAINABILITY

INTERPRETATION: FINANCIAL SUSTAINABILITY means balancing the long-term health of the cooperative with the needs of the community & workers by maintaining positive cash flow, favorable ratios and healthy profitability. We plan and develop use of our commonwealth to fund Co-op programs to enhance member services, foster cooperative values, build community leadership and reach our potential.

2009 REPORT: The economic downturn began effecting food co-ops in Q3 2008. 2009 was an excellent opportunity for us to test some of the advancements we have been made over the past 2 years as part of our long-range goals for dynamic financial management. We put to test not only our ability to not only monitor financial benchmarks and react but also to test out our ability to quickly implement strategies to boost sales. We learned a lot in the process and were able to further improve our forecasting and monitoring tools and our process for responsiveness. This is also putting us in a good position to gracefully weather NS Hawthorne and prepare ourselves for the shrewdness we will need if we decide to implement any of the concepts in our development scenario (esp. the second store). The three 10% days were a huge success bringing record-breaking sales. A variety of small resets, and improved merchandising also maximized our space and boosted our sales potential. All the hard work paid off because even though we were over on labor, our profitability was still high. Our ratios and cash position is solid, so we are in a good situation to be exploring development opportunities, or to simply save for a rainy day.

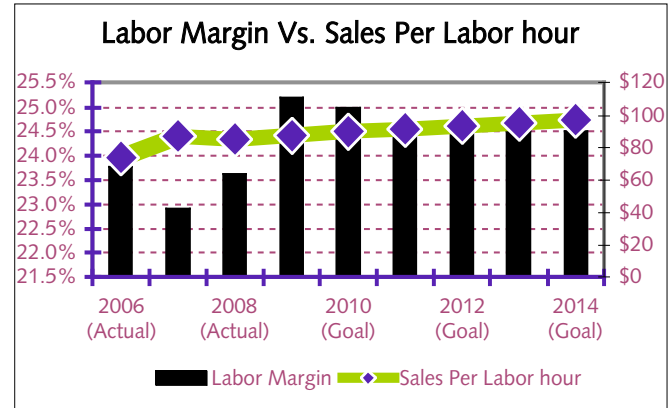
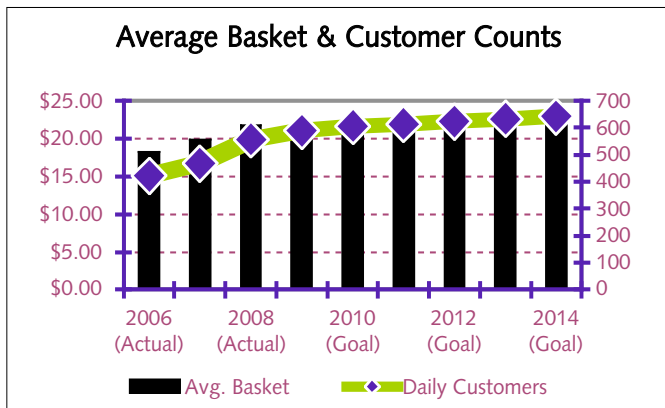
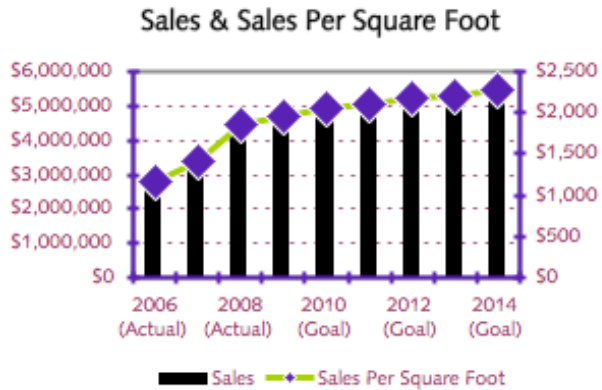
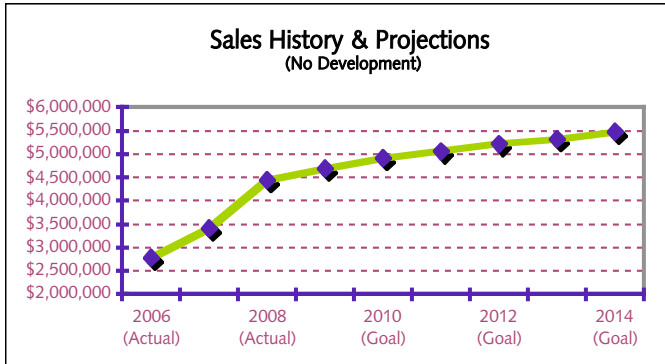
In 2009 we made substantial investments into cooperation and our local community. 2009 is the first year that we have contributed 2% of our profits to the Cooperative Community Fund. With the support of member owners, we continued to grow our CCF to almost \$15,000. We got to put our new "Community Investments" policy to good work in 2009. We provided a small low-interest loan (\$2,500) to the Red & Black Café and issued \$3000 in no interest loans to 3 local farmers as part of our new "Farmer Loan Program."

2010-14 OBJECTIVES:

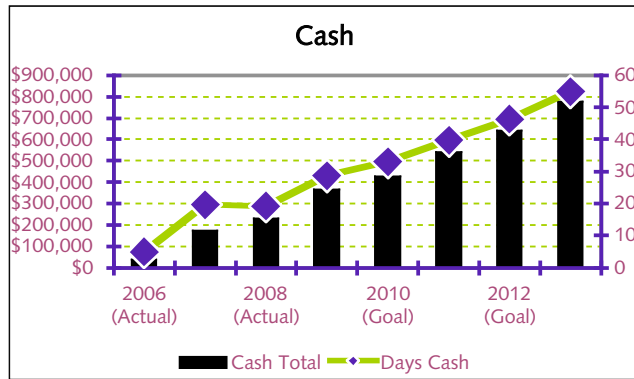
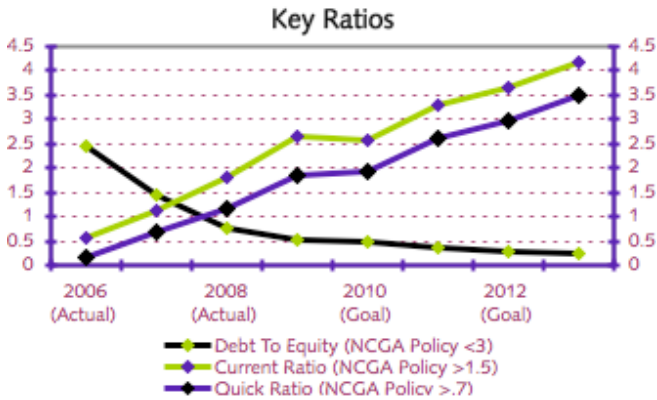
- A. A strong financial foundation through CM-wide understanding and usage of our advanced, dynamic & responsive budgeting.
- B. People's is poised to keep owners and shoppers invested in relation to the Hawthorne New Seasons opening fall 2010
- C. Strong sales, pricing, merchandising and marketing strategies improve our price image and increase sales.
- D. Accurate, reliable technology supports good financial systems
- E. A strong local/co-op economy means our community is less affected by global/economic changes.

MEASUREMENTS:

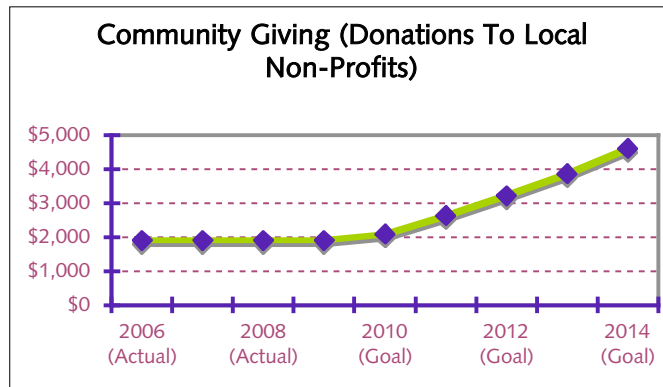
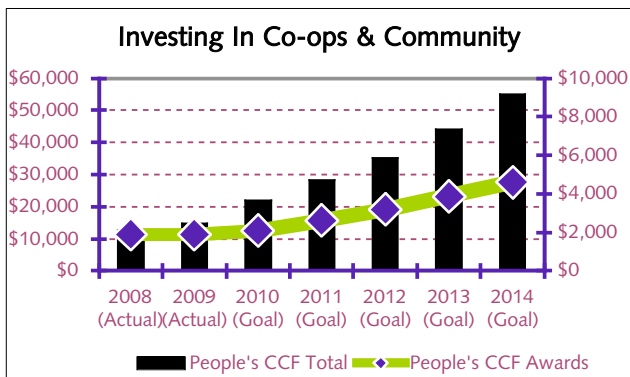
SALES, PROFIT, RATIOS & OTHER KEY FINANCIAL INDICATORS:



FINANCIAL INDICATOR	COMPARED to NCGA co-ops in our size category	2006 actual	2007 actual	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Sales Increase over Last Year	4.4%	8%	23%	31%	5.5%	5%	8%	3%	3%	3%
Gross Margin	37.4%	34.8%	35.7%	36.3%	36.6%	37%	37%	37%	37%	37%
Labor Margin	22.6%	23.8%	22.9%	23.6%	25.2%	25%	24.5%	24.5%	24.5%	24.5%
Margin Minus Labor	14.8%	11.0%	12.8%	12.6%	11.5%	11.6%	12.1%	12.1%	12.1%	12.1%
Net Income	1.3%	1.0%	2.1%	3.7%	3%	2.06%	2.68%	2.75%	2.82%	2.82%



SUPPORTING THE COMMUNITY & CO-OPS: THE ABILITY TO MAKE DONATIONS TO SUPPORT THE LOCAL COMMUNITY, COOPERATIVE MOVEMENT, PEOPLE'S COOPERATIVE COMMUNITY FUND, & NEW CO-OPS



LIVING WAGE: Ability to provide a living wage and benefits to our workers. See "Democratic Workplace..." section below.

ii. SUSTAINABLE PRODUCT SELECTION & PURCHASING

INTERPRETATION: SUSTAINABLE PRODUCT SELECTION & PURCHASING: People's prioritizes purchasing environmentally responsible, healthful, ethical products in low-impact packaging to sell in our store and for other operations. Further we will encourage manufacturers and distributors to support our Product Selection Guidelines.

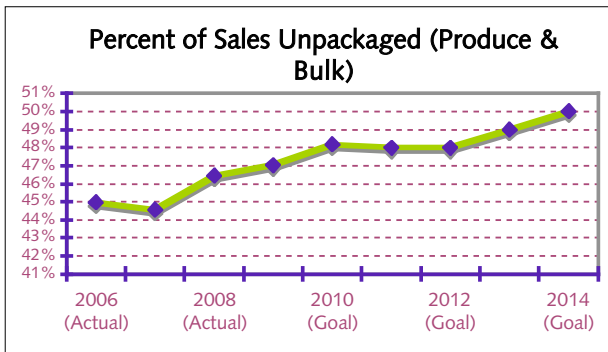
- **Environmentally Responsible:** Because local is a priority, when weighing local and organic we prioritize as follows: farm direct/local & certified organic, farm direct/local & sustainably-grown, certified organic and as close to local as possible (as quality permits). We prioritize Sustainable, recyclable, biodegradable products, as well as store and office supplies.
- **Healthful:** We will not knowingly sell products that: contain GMO's, hydrogenated oils, hormones or carcinogens. Office materials and store supplies always comply with health requirements and our store product selection guidelines whenever possible.
- **Ethical:** In the store, we offer only vegetarian (except pet food & at the farmers' market), humanely raised products that are not tested on animals. Farmers' market vendors may only offer humanely raised poultry and fish in accordance to set guidelines. Whenever available our products will be Fair-Trade Certified.
- **Low-Impact Packaging:** We will offer bulk rather than packaged (or both options when reasonable) and educate our customers of bulk availability. We will also when possible promote the reuse of recycled containers.

2009 REPORT: Buyers continued to work hard to bring in the most ethical products possible. 2009 was a good year for bulk as many community members are looking for ways to save money right now and we have the best bulk prices, quality, and selection in town. It was also a great year for the Farmers' Market. We began work to identify ways to measure our impact in relation to Local, Portland, Co-op, Fair-trade produced products, and our Farmers' Market. Many Grassroots articles focused on introducing our community to these products and touting their ethical benefits. While we aren't all the way there yet, 2010 we have plans to finish up this work. If we can count on our POS, we hope to begin tracking these products through the register so we can tell the story better. We have a "Local" program that we are developing that is different from what anyone is doing and is likely to bring some big attention our way. Stay tuned. We also created aggressive goals to minimize the use of new paper bags and plastic containers and started measuring that.

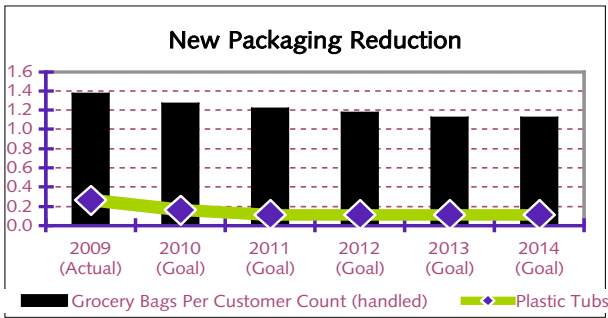
2010-14 OBJECTIVES:

- Bolstered bulk sales (grocery, herbs, personal care, perishables, non-foods).
- Increased and measured sales of local and ethical products.
- Strong community support of our weekly Farmers' Market.
- Customers are educated and excited to limit use of bags and containers.
- Members' are mobilized to speak out on legislative issues (food policy, organic standards).

MEASUREMENTS:



- NEW measurements we'll add in 2010:
- Locally Produced Products (as a % of sales)
 - Portland Made Products (as a % of sales)
 - Co-op Produced Products (as a % of sales)
 - Fair-trade Certified Products (as a % of sales)
 - % of ingredients in Farmers' Market Prepared Foods' Vendors products



- * Goal to reduce both new paper handled bags and new plastic containers by 10% in 2010!
- * Potential things to measure in the future (i.e. NOT NOW): Amount of packaging in the store that is compost able or recyclable

iii. SUSTAINABLE BUILDING & ENERGY USAGE

INTERPRETATION: SUSTAINABLE BUILDING & ENERGY USAGE: People's takes care to integrate cutting edge appropriate building and energy technologies when building and maintaining our facilities. This includes incorporating each of the following:

- Water conservation/limitation of run off
- Energy efficiency
- Less toxic materials
- Promotion of Sustainable transportation
- N/Natural/earthen, recycled or sustainably harvested
- People's will (eventually) seek LEED certification or

minimally recognition of the Portland Office of Sustainable Development & Department of Energy. LEED, is a widely accepted rating system developed by the Leadership in Energy and Environmental Design Council to measure of a building's environmental compatibility.

2009 REPORT: Our green building makes it easy to do an excellent job of having a sustainable building and low energy usage. In 2009 we focused on gathering the data so that we can tell the story and set some goals. We worked with Capstone students to gather data. Their studies showed that we use approximately half the amount of energy as another store our size would. Students also helped us research possible places to improve such as adding solar panels. There is still more work to be done to get some concrete comparisons for usage in other stores our size.

2010-14 OBJECTIVES:

- A. Recognition in the community for high-level sustainability of our building & operations.
- B. High-level sustainability of our building & operations.
- C. People's staff utilize sustainable methods of transportation to get to work.

MEASUREMENTS:

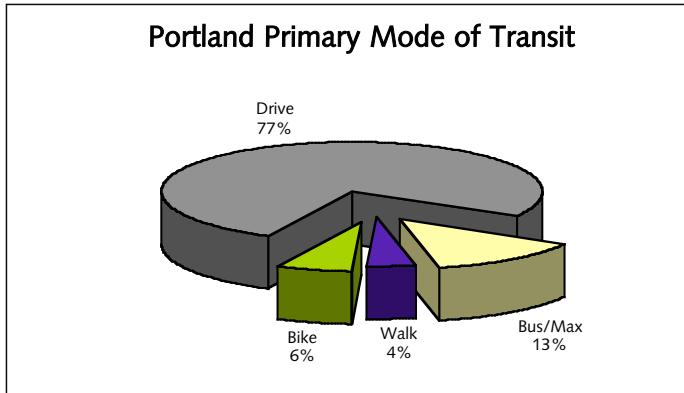
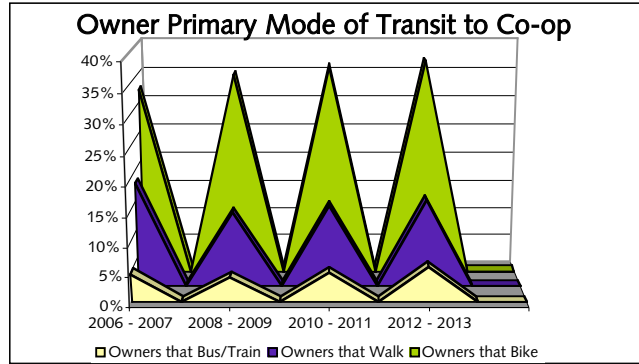
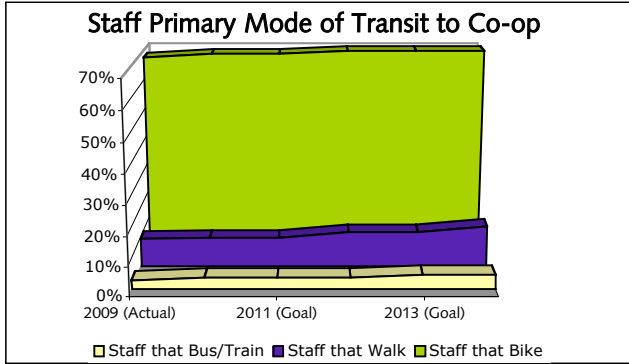
UTILITY	2006 actual	2007 actual	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Water usage (CCF PER ANNUAL CUSTOMER COUNT)	0.009	0.008	0.009	0.008	0.008	0.007	0.007	0.007	0.007
Electric usage (kWH PER ANNUAL CUSTOMER COUNT)	6.73	6.09	5.60	4.91	5.0	5.0	5.0	4.8	4.5
Gas usage (THERMS PER ANNUAL CUSTOMER COUNT)	0.015	0.014	0.012	0.012	0.012	0.012	0.012	0.012	0.012

Potential Future Measurements:

- LEED Certification and/or Portland Office of Sustainability and Dept of Energy Recognition. If not measured in LEED Certification include:

Note: Only Low VOC Paints have been applied each year since expansion.

SUSTAINABLE TRANSPORTATION (Primary Mode of Transit):



Note: the Owner Primary Mode of Transit to Co-op dips down in even years because we only do the study once every 2 years.

iv. RESPONSIBLE OUTPUTS: RECYCLING, COMPOST AND WASTE

INTERPRETATION: RESPONSIBLE OUTPUTS: RECYCLING, COMPOST AND WASTE: Waste means no longer needed resources/material going to the landfill, sewer system or as run off. We limit our waste and exhibit our value of responsible outputs through prioritizing reusable products, choosing recyclable/compost able materials and responsibly disposing of them. We work to mitigate wastewater by conserving water and utilizing eco-roofs, bioswales, and water catchment systems to reduce run off.

2009 REPORT: We began researching new trash/recycling hauler so that we can begin measuring and setting goals.

2010-14 OBJECTIVES:

A. Co-op staff are aware of and act to ensure sustainability in the office (and on the floor)

MEASUREMENTS:

WASTE MANAGEMENT/ SEMI-ANNUAL WASTE AUDIT: The following is a list of the measurements we hope to include in our 2010 report. Currently there is not efficient and reliable way to conduct an audit of our waste. We are considering moving to another garbage and recycling hauler, and would like to move to a company that has a scale on their truck to weigh our waste for us.

- Trash Volume (pounds or volume)
- Recycled (%)
- Composted - City (%)
- Composted - Farm (%)
- Run off water captured (volume)

v. SUSTAINABLE MANAGEMENT STRUCTURE

INTERPRETATION: A SUSTAINABLE MANAGEMENT STRUCTURE is a well-designed and tuned democratic/co-management workplace that achieves following:

- Self-perpetuation
- Accountability
- Efficiency
- Effectiveness: is decisive & exceeds goals/results
- Builds & utilizes worker responsibility/skill levels
- Retains & appreciates/values contribution, accomplishment & expertise.
- Provides family and living wage jobs.

See also below for more information on how we define "Democratic Workplace"

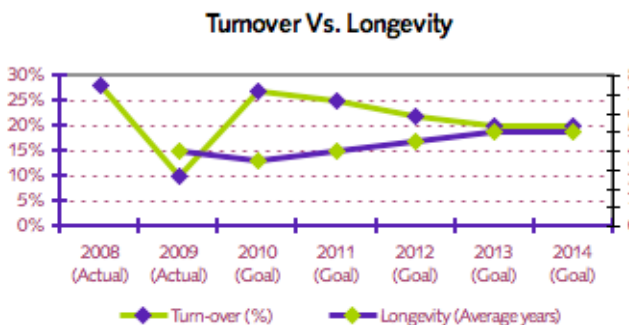
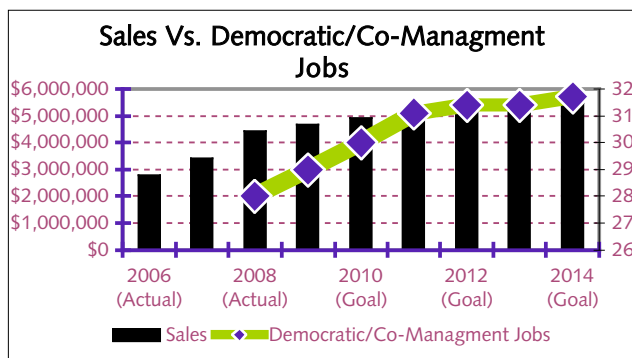
2009 REPORT: In 2009 we began working on some bigger discussions about the role of the CM as a whole and the roles and responsibilities of individual Co-Managers. Our 2009 CM "Confluence" / Retreat kicked off some of these discussions. This work will continue into 2010 with some deep discussions, bolstering our Co-Manager training program, revisiting the Co-Manager Job Description, and conducting an assessment on the overall effectiveness of our structure (we have grown from ~23 to ~30 in just a few years). This work of shoring up our structure/process/policies/roles and training program is important to the vitality of not only our present circumstances but also especially if we are to implement any future expansion.

2010-14 OBJECTIVES:

- Community exposure builds trust for the democratic management (see section for... "Democratic Management Structure")
- Strong co-management systems support a workplace of our size. (See section on "Democratic Management Structure")
 - A strong shared sense of understanding and commitment to the role & responsibility of being a Co-Manager
 - CM-wide understanding, usage and ownership of an effective CM delegation system.
 - A team structure that ensures accountability, meaningfulness, and empowerment.
 - Strong, clear, utilized personnel policies (hiring, performance, appeals, grievance)

MEASUREMENT:

DEMOCRATIC LIVING WAGE JOBS & TENURE:



LIVING WAGES	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Living-wage - Single (%)	NA	97%	90%	94%	97%	100%	100%
Living-wage - Family (%)	4%	0%			?		

Other things we are looking at: &/or considering looking at:

- Average annual assessment of:
 - Succession planning including competitive benefits (medical, dental, retirement, PTO, discount) for our industry (Comp & Benefits Limitations Report must be approved by BOD) YES
- Quarterly assessment of:
 - SPLH, labor margin, sales & profitability (meet or exceed budget goals YES/GOOD see Financial Sustainability
- Potential Future Measurements: via annual assessment of: % of CT, FT, BT, Maintenance & Tech Coordinator positions filled by internal hires (Compared to other Co-ops?)

ANNUAL SYSTEMS ASSESSMENT: (MOST YEARS BY STAFF SURVEY. POSSIBLE OCCASIONALLY ORGANIZATIONAL AUDIT)

MEASUREMENT All on a scale of 1-5 with 5 being excellent	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Ability to make decisions including timeliness	2.43	3.5	3.5	3.5	3.5	3.5
Clarity of who makes what decisions.	2.38	3.5	3.5	3.5	3.5	3.5
Co-op upholds policies, expects accountability	2.52	3.5	3.5	3.5	3.5	3.5
Contributions & expertise are valued & appreciated	2.90	3.5	3.5	3.5	3.5	3.5

III. PROGRESSIVE LAND & ANIMAL STEWARDSHIP

INTERPRETATION:

PROGRESSIVE: An approach and commitment to assess and reassess our actions, with the intention of understanding and positively influencing the effects our cooperative has on our community, our local economy, and on the world.

LAND STEWARDSHIP: 1) To practice and promote the responsible use of the earth's ecosystems and resources. 2) To support habitat preservation and restoration work, which fosters the long-term health of our plants, water, soil, air, and diverse ecological communities. 3) To protect wild lands and farmland from encroaching development. 4) To promote a direct connection to place and to our natural environment. 5) To support the efforts of those who live close to the land and who responsibly grow and wildcraft the food we eat.

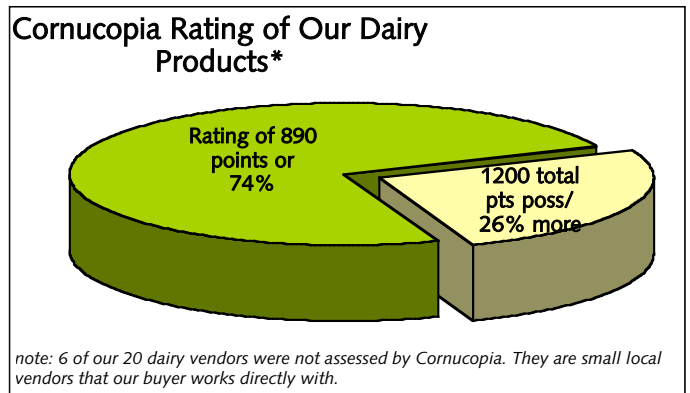
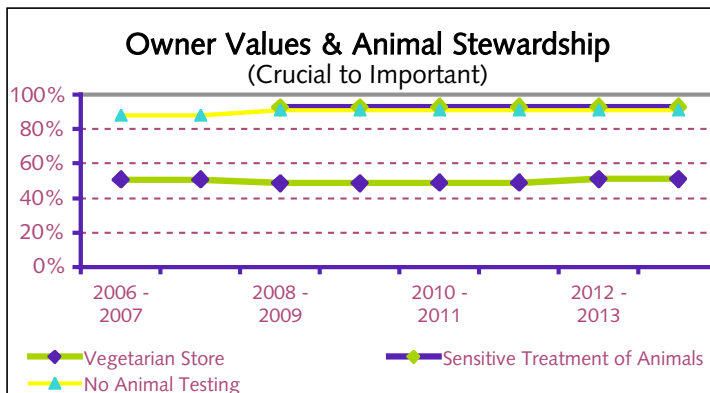
ANIMAL STEWARDSHIP: 1) To value and support the ethical treatment of all animals. 2) To promote an awareness of the environmental stress and suffering animal agriculture creates. 3) To not carry any meat, poultry, fish, or any products that contain meat for human consumption, or any products containing animal by-products for which an animal must be slaughtered recognizing the economy-of-scale needed to consistently supply a retail establishment with meat/animal by-products, and opting out of the system. (Pet food and the Farmer's Market are the exceptions to our 100% vegetarian policy).

2009 REPORT: In 2009 we conducted studies via the Capstone class on the stewardship of our farms (both land & animals). We included articles about the treatment of animals and the care of the land on farms in GrassRoots. We also had a variety of speakers come talk about chicken raising, gardening, land-tending, etc. The 2009 Member-Owner farm tour (in partnership with Food Front) was a huge success; we have plans to grow that event in 2010. We also worked to improve our website to include more farmer profiles to help our community connect to our farmers, animal raisers, and the land and animals they tend. We want to have more pictures and information about the farms to help us all have a deeper sense of where the food is coming from. We also began further strategic plan around this End and are starting to gestate some additional ideas.

Draft 2011-15 OBJECTIVES:

- A. Community is aware of, supports, and thinks we are doing a good job of furthering our End on progressive land & animal stewardship.
- B. The products offered in the store & at the farmers' market are the most ethical products possible when it comes to treatment of animals.

MEASUREMENT:



CONNECTION TO FARMS & DIRECT INSPECTION	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Manager/Buyer Visits to Farms	NA	NA	We do this already but haven't tracked visits. Consider setting a formal goal for future years.				
Farm Tours for Member-Owners & Shoppers	0	55	70+				

Things we are going to consider measuring (if feasible):

% of products that are Certified Organic, % of products that are Demeter Certified Biodynamic, % of Products that are Farmer Direct, % of Products in the Store that would comply with our outstanding farmers' market criteria be it for vegetables/fruit, or for animal products.

IV. HUMAN RIGHTS, SOCIAL, AND ECONOMIC JUSTICE

INTERPRETATION: HUMAN RIGHTS means that a society or workplace creates a non-discriminatory system by which all persons have access to affordable food/water, shelter, employment, education, healthcare/social services. Social services are provided for those living in economic hardship. People should not be persecuted, discriminated against or otherwise be denied any of these basic rights due to: race, nationality, sex, gender-identity, sexual orientation, age, size, class, ability, or religious beliefs. People shall have the right to marriage and childrearing regardless of sexual orientation, sex or gender-identity. People should live free from the threat of violence including war and hate-crimes.

SOCIAL JUSTICE builds upon this foundation of human rights by adding that a society or workplace creates a non-discriminatory system by which all persons have a voice in the issues that affect them most deeply. People must have the right to freedom of speech, the right to move around freely, and the right to pursue a self-determined meaningful life path. Social Justice includes Economic Justice where workers are compensated fairly and given adequate breaks and a safe work environment. When a work environment includes hazards, workers should be informed of the hazards and proper safety precautions. Workers should not be required to work for more than 40 hours a week (without time and a half overtime compensation) nor be required to work more than 5 days a week.

ECONOMIC JUSTICE means that a society or workplace creates a non-discriminatory system by which all persons have their basic Financial needs meet all the time and that at least most of the time people within that community may live comfortably on the economic resources afforded them. Workers are compensated fairly & appropriately with living (ideally family) wage jobs that offer an option for medical & dental insurance, paid time off and a retirement plan. Youth and elders are provided with a reasonable standard of living. Enriching oneself with education and raising a family are supported as occupations.

Worker Cooperatives and Participatory Democracy in the workplace is an ideal way to create jobs the imbue Economic Justice; we will support these types of businesses by prioritizing our purchasing from them. Additionally we will prioritize investing in and donating to organizations that grow Economic Justice through the development of democratic workplaces and fair trade.

In many cases Economic Justice means supporting programs that prioritize disenfranchised sectors of the community by providing direct access to resources to develop businesses, build skills or degrees, or otherwise create a place in the economy where there had been little access.

REPORT: We started out 2009 with an excellent cost of living adjustment, and all got annual raises at our anniversary in accordance with our compensation policy and the NW Job Gap Study for Multnomah County. As we step into 2010 we have the challenge of figuring out how to maintain our policy and give raises to keep up with the living wage. In 2009 we had a much lower sales increase than we have seen in years. When you pair that with the large increases we made in 2009 and the miniscule paired with turn over rates we've experienced. Staying within reason on our labor margin and giving 2 raises this year will not be a cake-walk. See also "Safe Welcoming Community"

2010-14 OBJECTIVES:

- A. Staff are poised to make responsive actions to facilitate a diverse, inclusive workplace. (see "Safe Welcoming Community" Below)
- B. Product selection & marketing supports human rights, social and economic justice.
- C. Staff Receive a Living-wage, Family Wages & Benefits may be reached in a reasonable span of time.
- D. Greater Accessibility through Pricing and Discount Programs that Make Healthy Food Affordable: (see "Access To Healthful Foods" Below)
- E. Broad Community Access for a diverse SE Portland via Outreach/Education: (see "Access To Healthful Foods" Below)

MEASUREMENTS: The following data is not available at this time so we plan on reporting on this/setting goals in 2010:

- Cooperative Community Donations to Human Rights, Social & Economic Justice Programs/Groups (%)
- % of sales that were fair-trade products. (see Product Sustainability)
- Staff Benefits (see above)
- % of sales support co-op &/or fair-trade businesses (esp. chocolate, coffee, sugar & house wares)

ENDS STATEMENT

Thriving Cooperative & Local Economies

INTERPRETATION:

THRIVING ECONOMIES are financially sustainable systems set up for the exchange of items of value (money, goods, services, etc.) that balance the needs of the business, workers and the community by making a profit, providing a living wage (or better) jobs and supply a needed good or service.

A **COOPERATIVE ECONOMY** consists of a fabric of businesses that are democratically, owned and governed by those utilizing or providing the good or service that it offers. (See also the Cooperative Principles established by the ICA and the Worker Cooperative Definition by CICOPA.) Co-ops create strong local economies by enriching the community. Creating a Cooperative Economy means investing in cooperatives so that a growing percentage of goods and services from concept inception to marketplace (purchase by final end user), would be carried out every step of the way by cooperative enterprises. Food would be grown/harvested, manufactured & distributed by cooperatives, and finally sold at People's Food Co-op who uses a cooperative financial institution.

A **LOCAL ECONOMY** consists of businesses that are directly owned by people who live in the region that uses and/or produces those businesses' services. While People's prioritizes supporting our local economy, we exist in a global marketplace and therefore work to support all local economies by prioritizing businesses that keep the money they earn in the community where the goods are being manufactured. On an international level this means prioritizing (in this order) Fair Trade Certified, Co-op and Union made products.

OUR LOCAL ECONOMY consists of those businesses that are directly owned by people who live in Oregon or Washington and those in our region that use the businesses services. Our locale is Southeast Portland, and as much as possible we want to build appropriate capital in our community. Supporting the Local Economy means spending as much of our budget in the local economy as possible. This means purchasing as much of the goods and services that People's uses from local sources.

Because we live in a relatively urban area, and value supporting farmers and open spaces we must reach beyond our immediate neighborhoods for our food. A healthy local food system, provides a strong foundation for our economy. For **food growing and production** we look to a bioregional economy. As much as possible, our food should be grown as close to the co-op as possible. We highlight Portland Area Made Products. Out of practicality our focus is on the Maritime Northwest Area we call Cascadia, and expanding outside that a bit to cover all of Oregon and Washington when necessary. This requires community education about seasons, and the impact of food miles as well as a commitment from the community to support localization. We work to confront availability issues when feasible. We recognize that in the current climate, our Member-ownership is ready to prioritize local but not ready to give up eating certain foods that we have become accustomed to eating. Further, because we value diversity we do not want to disregard cultural diets in the process.

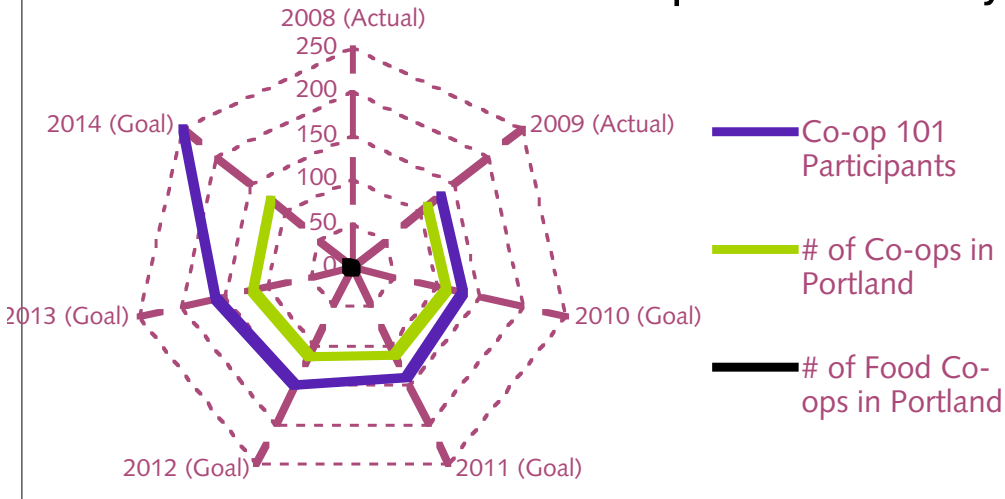
We prioritize our Co-op and Local Product Selection as follows: 1. Co-op and Locally Produced, 2. Locally-Produced, 3. Fair-trade Produced &/or Co-op Produced, 4. Union Produced.

2009 REPORT: 2009 was a huge year for cultivating a thriving cooperative and local economy. We introduced a number of new programs including: the Farmer Loan Program (\$3000 in no interest loans to 3 local farmers), the Community Investments Program (\$2,500 low interest loan to Red & Black Café), and the Co-ops 101 Workshop (bimonthly, already over 130 people have attended). As previously mentioned we also invested 2% of our 2009 profits in our Cooperative Community Fund. In addition to these programs, dozens of people have called or emailed the co-op for support in starting or improving their co-op and we have been able to give them support and connect them with other resources. There is a good chance that in addition to Vancouver, we will see food co-ops open in the Montavilla and Lents neighborhoods over the next 5 years. These start-ups have been getting support from us where we are able. We also made significant headway in assessing the future of People's development. We created a proposed scenario and 3 concept papers including a development budget and basic financials for each of the projects we are considering as part of our long-range plan. Those projects are an educational farm (non-profit), a second store (part of our co-op), and a co-op incubator (non-profit).

2010-14 OBJECTIVES:

- A. Support local co-ops through active participation in local and regional networking.
- B. Co-op-wide alignment on development priorities and quality financial and organizational planning to support the implementation of our selected development projects.
- C. Support and inspire efforts in the larger co-op movement to foster a vibrant growing cooperative and local economy.
- D. People's Member-owners support other cooperative businesses.
- E. Expanded interest and awareness in cooperatives through broad-based community education.
- F. Strong local products sales supported through product selection and marketing.

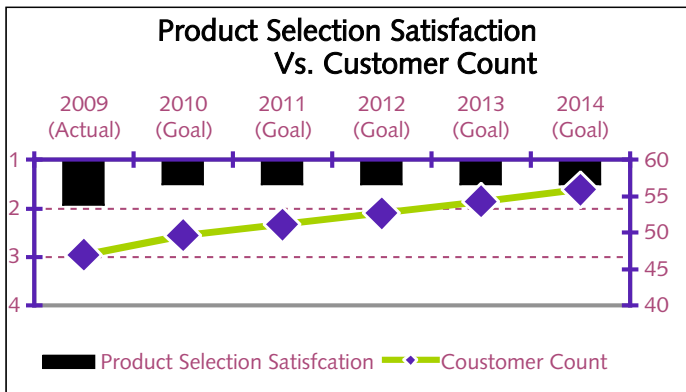
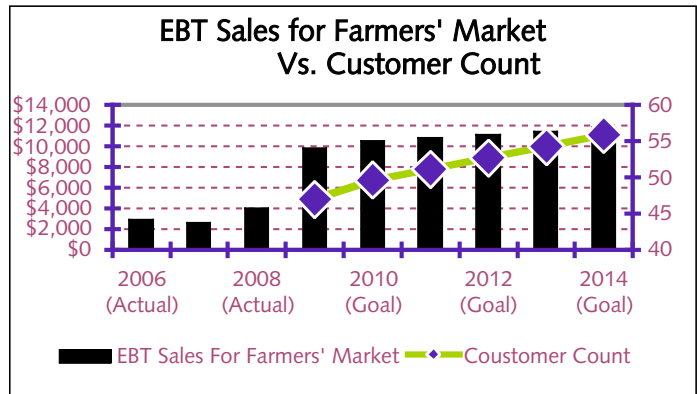
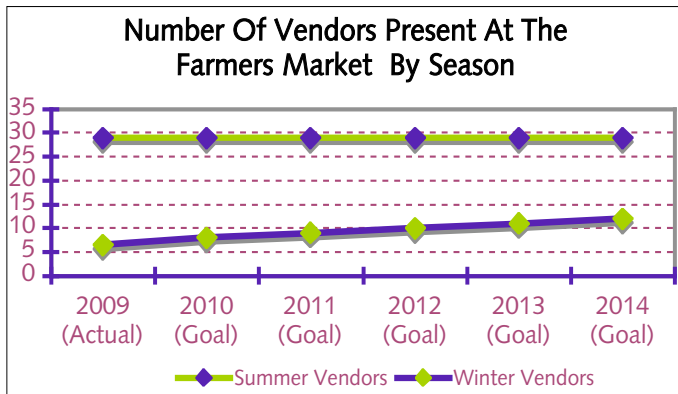
The Portland Cooperative Economy



Things to potentially measure in the future:

- # of owners of food co-ops combined
- # of owners of co-ops combined
- % of Portlanders, owners of co-ops
- % of neighborhoods that have food co-ops (currently 4%)
- customer counts at food co-ops combined
- other measurements of co-op contribution to the local economy.

THRIVING FARMERS' MARKET = SUPPORTING A THRIVING LOCAL ECONOMY:



PURCHASING OF TARGETED PRODUCTS:

Measurements in development (see "Sustainable Products" above)

ENDS STATEMENT

A safe welcoming community where all are valued

INTERPRETATION:

A **SAFE WELCOMING COMMUNITY** is a community that prioritizes, inclusiveness, diversity, cultural effectiveness, and anti-oppression work. People's does this by being a Hate Free Zone and by using a Human Value and Goodness and Ally Approaches to Anti-Oppression.

People's Food Co-op property is a Hate Free Zone. We are committed to preserving an environment that honors the diversity of our community. Violence and harassment of any kind based on one's age, gender identity, sexual orientation, religion, race, national, origin, size, mental or physical ability will not be tolerated.

People's Food Cooperative recognizes that issues of privilege and oppression exist in society, both socially and institutionally. We are committed to actively identifying these issues within the co-op and embracing diversity. Through education & advocacy, we work to create safe & accessible space that values and builds tolerance & acceptance for all.

When we say **ALL ARE VALUED** we mean that we engage in developing a workplace culture that empowers and fosters participation of all workers. We also encourage customers with needs or concerns that are not being met to ask a staff member for support.

2009 REPORT: In 2009 the Diversity and Anti-oppression Working Group (DAWG) coordinated a variety of staff-wide trainings on anti-oppression and social justice issues. We got good representation from our staff and some Board Members even came. At the member-owner & customer level we also celebrated "Fair-Trade Month" in October. In 2010 we have a forum of "Food Justice, Food Security, & Food Policy" to look forward to, as well as a variety of trainings that the DAWG is planning. See also "Human Rights, Social & Economic Justice"

2010-14 OBJECTIVES:

- A. Staff are poised to make responsive actions to facilitate a diverse, inclusive workplace:
- B. Welcoming and inclusive customer experience supported by good customer service and an easy to shop environment:
- C. Greater Accessibility through pricing and discount programs that make healthy food affordable: (see [Access to Health..](#))

MEASUREMENT:

OWNER ASSESSMENT	Scale	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Values MY voice	1-4 with 1 being the excellent	1.7			1.5		
Empowered in MY role		1.9			1.5		
Participation is Fostered		1.8			1.5		
Feels Comfortable		1.5			1.5		
I am a Part of the Co-op		1.7	1.5		1.35		1.25
Is welcoming, inclusive, culturally effective		NA			1.5		

BOARD ASSESSMENT	Scale	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Values MY voice	1-4 with 1 being the excellent	1.2			1.5		
Empowered in MY role		1.3			1.5		
Participation is Fostered		1.5			1.5		
Feels Comfortable		1.2			1.5		
I am a Part of the Co-op		1.0			1.0		
Is welcoming, inclusive, culturally effective		NA			1.5		

STAFF ASSESSMENT	Scale	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Values MY voice	1-4 with 1 being the excellent	1.8			1.5		
Empowered in MY role		1.9			1.5		
Participation is Fostered		1.4			1.5		
Feels Comfortable		1.8			1.5		
I am a Part of the Co-op		1.6	1.5		1.25		
Is welcoming, inclusive, culturally effective		NA			1.5		

- No incidences of Hate Crimes on co-op property. Thank goodness!
- Maybe also in the future? (can this be done w/o being tokenizing):
- Staff and Board representation of diversity based on Portland Census.
 - Optional member survey input representation of diversity based on Portland Census.

ENDS STATEMENT

Democratic MANAGEMENT STRUCTURE where all workers voices are valued

INTERPRETATION:

People's **DEMOCRATIC MANAGEMENT STRUCTURE** is based on a co-management model. Currently our full time staff (28+ hours a week average) become full Co-Managers after 9 months. People's provides the opportunity for all full time staff to participate in our democratic management structure on the following Co-management level decisions (that effect all workers): personnel policy, annual business plans and budgets. The CM uses modified consensus (consensus minus 1) for these decisions. Other decisions are made via team or job description empowerment. All decisions may be challenged by the collective if 2 or more persons believe it was a poor decision or not in the person/s jurisdiction.

People's will serve as an example of direct workplace democracy. We will work to further community understanding and value of workplace democracy & empowerment by promoting our structure and making documents about our structure (including our interpretation of these Ends) available.

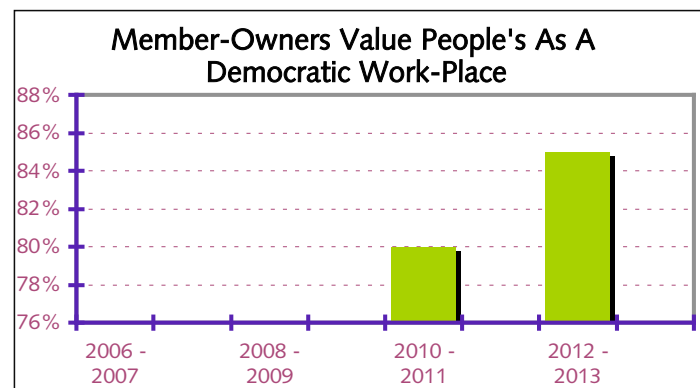
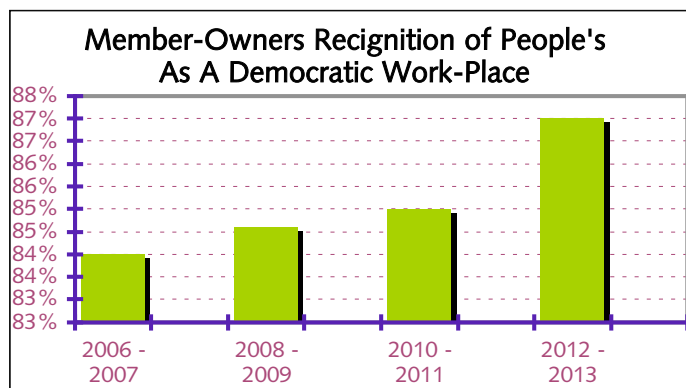
ALL WORKERS VOICES ARE VALUED. We seek input when making decisions. Periodically as large issues come up we survey staff or appropriate groups of workers on issues before making decisions. Because we **value all workers voices** we have avenues for Part-time staff (including subs) to bring about change in their workplace. PT Staff may seek a Co-Manager sponsor to co-present a proposal to the CM. Subs may also have representatives on the Front End Team. It is also important to make sure that HOOs feel like a valuable member of People's team.

2009 REPORT: see report under "Sustainable Management Structure"

2010-14 OBJECTIVES:

- A. Community exposure builds trust for the democratic management.
- B. National and regional networking provides a foundation to develop (& maintain) Sustainable democratic workplaces.
- C. Strong co-management systems support a workplace of our size. (see section on "Sustainable Management Structure")

MEASUREMENT:



STAFF ASSESSMENT:	2008 Actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Clear and reasonable expectations	NA	3.0	3		3.75		
Basic trust for one another.	NA	2.9	3		3.75		
An ability to affect change in our work environment.	NA	3.0	3		3.75		
Opportunities to participate in creative problem solving.	NA	3.1	3		3.75		
Communication is clear, respectful & timely.	NA	2.6	3		3.75		
I feel respected and valued as a co-worker.	NA	3.4	3		3.75		

HOO ASSESSMENT:	2008 Actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Clear and reasonable expectations	NA	3.5			3.75		
Basic trust for one another.	NA	3.8			3.75		
An ability to affect change in our work environment.	NA	3.4			3.75		
Communication is clear, respectful & timely.	NA	3.5			3.75		
I feel respected and valued as a HOO.	NA	3.7			3.75		

Note: # of Democratic Co-Management Jobs (see section above on Sustainable Management Structure)

ENDS STATEMENT

ACCESS to HEALTHFUL FOODS OUR CUSTOMERS can TRUST

INTERPRETATION:

ACCESS means offering and meeting the community need for consistent availability, affordability and upholding the right of all persons, member-owner and non-member alike to purchase healthful foods.

HEALTHFUL FOODS are organically or sustainably grown/processed foods that are free of GMO's, hormones, hydrogenation, artificial colors, additives, preservatives, and known carcinogen, gene or hormone disruptors.

While **OUR CUSTOMERS** include anyone visiting our store and farmers market to purchase or inquire about goods or services, our work to provide increased access to healthful foods is not limited only to those who currently shop in our store.

It is important to us that our customers trust the foods that we provide. **TRUST** is an overall sense of confidence that we understand and adhere to our customers needs, priorities and definition of healthful foods. Trust also means staying on top of food safety issues and playing a leadership role by providing greater access, and working on community food issues.

2009 REPORT: In 2009 we worked to make food more affordable. We held three 10% off days, started CASH sales (really big sales), did a number of other coupons, and introduced the "How to Shop at People's on a Budget Class". We also increased our budget for and stepped up promotion of the Food For All Program. Our holiday gift baskets were bigger than ever this year and we gave out twice as many as ever before. We also saw a huge increase in EBT payments at the Farmers' Markets (see Local Economy above) In the coming year we will be working on more ways to keep staples affordable. We also continued assessing the demand on our store and related development.

2010-2014 OBJECTIVES:

- Broad community access for a diverse SE Portland via outreach/education.
- Greater accessibility through pricing programs and that make healthy food affordable.
- Strict product selection guidelines means food really is healthy (See section above on "Sustainable Products")
- Expanding access & meet the demand of our growing membership base for healthy retail grocery cooperatives in SE Portland through the existing store, community education and co-op our development scenario
- Adequate supply of products to feed our growing membership base through vertical integration multi business model &/or co-op incubation. (See Thriving Local and Cooperative Economy above)

MEASUREMENTS:

ACCESS – PRICE & AFFORDABILITY	2007 actual	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Market Basket/Staples (variation w/ other stores)	NA		-7%	No more than 5% variation				
% Owners on Food For All	NA		NA	Set goal & monitor.				

ACCESS – PRODUCT SELECTION* Scale of 1-4 with 1 being the best. (*Healthy, delicious, traceable, trustworthy foods)	2007 actual	2008 actual	2009 ACUTAL	2010 GOAL	2011 goal	2012 goal	2013 goal	2014 goal
Avg. Owner: Strong Product Selection*	1.4		1.5		1.5			
% Owners rated Good to Excellent Strong Product Selection*	96%		92%		94%			
Avg. shopper Strong Product Selection*	1.5		1.45		1.45			
% Shoppers rated Good to Excellent Strong Product Selection*	92%		93%		94%			

Note: See also a number of measurements listed in thriving local & cooperative economy.