

**June 8, 2019**

**Member-Owner Meeting (unofficial)**

**Notes by Gail Falk, Member**

On a gorgeous June afternoon, more than 50 Co-op members stepped in from the sun to think together about how best to save the Co-op. More than 50 members, young and old, filled the Plainfield Community Center on June 8 to learn why the Co-op is in financial trouble and to bring the energy of their hearts and minds to creating a direction for the future.

General Manager Jean Hamilton outlined the financial stresses which brought the store to the brink of closing this winter (see Treasurer's report in the Annual Meeting summary *insert link*) and a \$46,000 deficit for 2018.. Losses continued in January, February, and March. Sales growth in April and May together with budget-cutting measures taken by the staff have put the store on track to break even for the year and perhaps catch up on arrears to vendors, she said.

But, Hamilton continued, last winter's crisis exposed the Co-op's precarious structure and finances. For years, the store has limped along by deferring building maintenance, underpaying staff, and failing to invest in professional skills and developing a strong leadership structure

The store simply cannot continue as it is without some basic changes, Hamilton concluded. The Board and General Manager see four basic options going forward: Grow, Shrink, Sell, or Close, and it is the member/owners who must tell the Board and management which options for change they prefer. Hamilton explained that her focus as Acting General Manager is to keep the store stable and operating through the summer to give the Board and Membership time to consider how they want to change. Not changing, she emphasized, is not an option, but it is possible to keep the store stable for the next few months to give the members time to study the options and weigh in on the path forward.

Board president Sarah Phillips explained that this meeting was the start of the process of engaging members in the decisions about how to move forward.

There were questions and general comments from the group, such as

- What happens to member dues? Could needed capital be raised by increasing member dues?
- The Co-op could benefit from engaging in the Vermont Council on Rural Development's Revitalizing Marshfield/Plainfield process
- What became of the management collective that used to manage the Co-op?
- The "gift card" is not actually for giving a gift, but a pre-buy system like a CSA. It helps cash flow and also avoids credit card fees on small purchases.
- Could the Co-op become a non-profit? What happened to the plan to create a non-profit board for the Community Center?

Then the members present divided into groups of 5 to 8 people to discuss whether they wanted to Grow, Shrink, Sell, or Close, and to offer specific suggestions about how. After a half hour, all reassembled and the groups reported back their main recommendations. There were no recommendations to Close or Sell the store, although there were recommendations to explore the option of merging with another co-op, such as Hunger Mountain or Buffalo Mountain. There was strong support for a campaign to get members to commit to do more of their shopping at the Co-op and to pre-

buy. Most members present made a commitment by a show of hands to increase their level of shopping at the Co-op and to invest in a pre-buy. There was support for getting more work done by volunteers, improving marketing and sales, and promoting use of the Community Center. Many of the groups recommended a combination of growing by getting members to shop more at the co-op while shrinking by using volunteers and cutting expenses. Jean Hamilton said she will tabulate the reports from all the groups for use in planning over the summer.

To further the conversations started at this meeting, members were encouraged to host “Kitchen Table Conversations” in June and July where friends and neighbors gather to join in further discussion about the Co-op’s future. Those interested in hosting a Kitchen Table Conversation were encouraged to contact Sarah Phillips. The results of the Kitchen Table Conversations, an upcoming member survey, and other input from members will be tabulated and used to develop a plan for fall and winter operations and longer term directions, which the Board will present to the members in August.