



First Alternative  
NATURAL FOODS CO-OP



# **First Alternative Co-op** 2022 Annual Report





**Cindee Lolik**  
General Manager

# Transition and Collaboration

2022 was a transitional year for the Co-op and for the community. We all began the climb out of the pandemic and made adjustments to what had changed and what we discovered anew.

The Co-op bucked the trend in 2022 by increasing sales with support from the community in all aspects, including our Owners, our customers, and our vendors with an emphasis on our local vendors.

In early 2023, we hosted a Corvallis Chamber of Commerce Greeters event, where we were also honored with a ribbon cutting ceremony for our new Annex/Commissary building that has risen from the ashes of January 2021. We asked the question of the attendees—how much did the Co-op sell in local products in 2022? We had answers that ranged from \$36,000 to \$6.5 million – that last guess won the prize but was still a million dollars short! Yes, in 2022, your Co-op provided customers with over \$7.5 million worth of local!

Speaking of the Commissary, our talented cooks and bakers were able to move back to their new digs in early 2023 (we so appreciate our Owners who gave us some generous loans to rebuild the building back better than it was before the fire) and are gearing up production as we speak to return to bringing back the hot bar and all the deliciousness that entails!

It's quite a change from their temporary location downtown in the old Big River Restaurant; while the space worked for us and we had a supportive landlord during our time there, the limitations of working in a small restaurant kitchen

kept production lower than we would have liked. Our fantastic staff were still able to make it work, raising our Deli sales as customers returned to picking up a quick bite to eat at the Co-op.

We look forward to getting the hot bar up and running and restoring seating at both stores in 2023.

The Co-op also did a bit of collaboration last year to help make our community a better place to live and shop. We lent our experience to a small group of local merchants, spearheaded by Sally Starker of Ants on a Log to pull together the program known as Benton to Go. For a small fee, a restaurant patron can buy a reusable container at any participating restaurant, enjoy their takeout, clean the container, and return it to any participating restaurant to be sanitized and reused.

While the Co-op is not currently able to participate in the program due to our health and safety inspections being under the auspices of the Oregon Department of Agriculture and not the Benton County Health Department, we are the central distribution point for the containers. We love making an environmental impact and this is a good one. Hopefully, as regulations change, the Co-op will be able to adopt the use of the containers in the future.

Speaking of changing regulations, the Co-op was involved over the course of the last couple of years with a group pulled together by the Oregon Department of Agriculture to make it possible for customers to bring their own reusable containers to shop in the bulk departments, etc.

Progress was slow but we are now working on rolling out a way for customers to bring in their own clean containers within the auspices of the new rules.

The staff at the Co-op has risen to each and every challenge thrown their way in the last year.

The pandemic; inflation; supply chain and product availability issues; hiring challenges at every level; companies downsizing and eliminating products that some of you have purchased for years and others closing up shop completely. In the midst of all this and more, we are proud to say that when we did staff survey (a biennial occurrence at the Co-op), we had one of the highest engagement ratings compared to our friends in the National Cooperative Grocer's sphere. A testament to our managers, assistant managers, leads, and the whole Co-op staff supporting each other in our work to keep supplying our community with healthy food.

## A preview of the year ahead:

- We are working to finish the second floor of the annex/Commissary this year—this will become new office space for our Marketing and Administrative teams, and allow expanded office and meeting space in the current building for the South store team.
- We are installing two fast car charger stations in the parking lot at the South store. We were able to secure a grant from Pacific Power to move forward with this project with a completion date in 2024.
- We continue to refurbish the old Purple Moon coffee kiosk, so we can sell great organic espresso, coffee, delicious baked goods, and wraps.
- We are refreshing our Produce departments by replacing our old display cases at both stores.

A big thanks to our staff, Board of Directors, vendors, and community for a successful year. And Thank you all for your patronage and support, we would not have made it to 53 years in business without you!



**Jasmin Woodside**  
**Board President**

2022 marked a return to “normalcy” for First Alternative Natural Foods Co-op. Normalcy means the state of being usual, typical, or expected. The idea of normalcy after the shifts brought on by the COVID pandemic proved to be more challenging than many of us had expected. For the Board of Directors, normalcy meant a return to in-person meetings, including sharing a meal together.

Some Board members were elected while we were meeting virtually, so we were meeting in person for the first time, and we began to take on the challenges of how to provide for those who still needed to meet virtually and how we wanted in-person meetings to be facilitated.

The Board has been ever-evolving during my tenure, recognizing opportunities to fine tune our process to make it easier for new Board members to access information, quickly

# Cooperative Growth

make decisions, make sure every voice is heard, act in the best interest of the Co-op, and ensure that we are meeting the Co-op’s mission. Some of the changes that the Board enacted included launching a new and improved Mentor Program for onboarding new Directors, inviting key consultants to meetings when exploring big topics such as insurance coverage, and the adoption of ranked choice voting in our elections. After elections in July 2022, we only had six elected Board Directors. This was the first time since my time on the Board that we had fewer than ten members.

The Board rallied and were able to identify potential candidates for appointment and were pleased to welcome three new Board members: Jeff Contreras, Patrick Monroe, and Frank Hall. We are so grateful for their willingness to serve on the Board.

The Board hosted a successful Owner Rendezvous and Annual Meeting at Dr. Martin Luther King Jr. Park. We had a fun time and a wonderful turnout from Owners.

In October, the Board held our annual retreat, where we focused

on the concepts of governance in relation to strategic planning. We had discussions on what it means to be a fiduciary and act in the best interest of the Co-op, not just the bottom line. We discussed the concepts of Duty of Loyalty, Duty of Care/Attention, and Duty of Obedience.

For Co-op staff and management, normalcy meant more shoppers were choosing to not wear masks. As usual, our staff were able to handle these transitions with grace and while the commissary was still being built due to lags in construction, Fireworks became available, and staff were able to access the building for team meetings.

As always, Owners are welcome at our Board meetings on the last Tuesday of every month and can reach the Board at [faboard@firstalt.coop](mailto:faboard@firstalt.coop). The Board will continue to work on developing a strategic plan that will carry First Alternative into the future. This will include exploration of expansion options. We anticipate reaching more Owners this year through events and focus groups. We are excited and motivated, and we hope to see you soon!





# A Year for Rebuilding

After experiencing a fire in our Annex building (which housed our commissary kitchen, administrative offices, and storage) in 2021, First Alternative was eager and excited to move forward with the rebuilding process in 2022.



Facilities Manager, Anthony Mattos, led the rebuilding process from the ground up alongside our construction team from Gerding Builders. In collaboration with our commissary and administrative teams, they were able to craft carefully designed plans that will serve the Co-op for many years

to come. The new kitchen space was designed with efficiency, productivity, and improved workflow as top priorities, which will allow the commissary team to continue to grow production capacity and serve Co-op shoppers with delicious, freshly made prepared food and bakery options.

The first floor of the annex, including the commissary kitchen and a new staff break room, was completed in December of 2022. This project will also include a second phase of construction in 2023,



which will complete the second floor of the building, which includes administrative offices, storage, and staff meeting space.

We want to extend a special thank you to everyone who provided their support in this rebuilding process, including a small group of Owners who provided Owner loans to help reach the financial goals we needed to complete this project. We also want to recognize and appreciate the incredible resilience our commissary leadership team and staff showed throughout the year, as they continued production in a much smaller, temporary kitchen space in Downtown Corvallis. Even in the face of these challenges, they stayed positive and found creative solutions to keep cooking for our community!



*Clockwise: Construction underway by Gerding Builders • Artist Eileen Hinkle presents our new staff break room mural • Corvallis Chamber of Commerce Ribbon Cutting at the new building • The Kitchen Crew in their new facilities.*

# Sustainability Updates

In addition to the ongoing practices at First Alternative Co-op that prioritize sustainability, we added an electric vehicle to our Co-op transportation fleet and installed a Dedicated Outdoor Air System (DOAS) to the newly completed Annex building. The electric vehicle provides a more eco-friendly option for Co-op staff traveling between stores and completing Co-op related tasks. The DOAS provides notable energy savings, while also providing better indoor air quality.

*Learn more about our sustainability efforts at [firstalt.coop/sustainability](https://firstalt.coop/sustainability).*



## Adding Value with New Leadership



In 2022, First Alternative Co-op added a new Merchandising Manager position. This exciting new role is focused on supporting retail departments, leading merchandising strategy, improving consistency between store locations, and supporting in-store marketing promotions. As the organization grows, this role will help both store locations continue to thrive and achieve sales goals. The Merchandising Manager also serves on the Administration Leadership Team and contributes to making organizational level decisions to guide the operations of the Co-op.

*We're excited for Chris Johnson's transition from North Store Grocery Manager to our new Merchandising Manager*



# Community Involvement

As pandemic restrictions lessened, First Alternative was excited to return to the first full year of in-person events. As a cooperative, community-owned business, we were glad to be able to reconnect with the community that we have missed over the last few years. From serving up tasty treats at events like SAGE Garden Concerts and Fall Festival to building community at our annual Owner Rendezvous (pictured below), we strengthened the meaningful connections that make our Co-op Community so strong.



We continued to partner with many wonderful non-profit organizations in our community to help support the positive and important work that is being done, including a \$5,000 sponsorship for the Linn-Benton NAACP and a donation of \$5,000 to the Corvallis Sisters Cities Association Ukrainian Refugee Fund, thanks to \$3,853 in donations from customers and a Co-op matching donation.

First Alternative also continued with our Beans for Bags program, which focuses on providing financial support to local organizations doing important work in our community. The Beans for Bags program provided \$4,000 in total donations to 12 local non-profit organizations, which are selected each year by our Owners. Typically, organizations' donation amount is based on how many tokens they receive from customers. Due to the restrictions of the pandemic, voting had to be discontinued for safety reasons, and all organizations received \$250.



**Thanks for your support, Cooperators!**

You donated **\$3,853** for the Corvallis Sister Cities Association's Ukrainian Refugee Fund! Combined with the Co-op's donation, that equals a...

**\$5,000 donation**



# 2022 by the Numbers



**North Store**  
2855 NW Grant Ave.



**12,750+**  
community members  
are Co-op Owners



**\$441,902**  
in Owner Sale Day  
discounts were given



**34%**  
of all sales made were  
on local products



local product purchases  
totaled to over  
**\$7.5 million**



**South Store**  
1007 SE Third St.



**\$8,500**  
was donated to local  
community organizations





**First Alternative**  
NATURAL FOODS CO-OP

## Our Cooperative Mission

First Alternative is the only community-owned market that provides fresh, local, and organic food in the Heart of the Willamette Valley. We celebrate local producers, sustainable products, a healthy work/life balance, and active lifestyles. We recognize that organic labeling isn't enough. We support local and organic products straight from the producer.

We curate our product selection with socially responsible practices. We focus on supporting local producers and food sustainability. We want our shoppers to feel good about the food and products they purchase and our overall brand emphasizes our service, dedication, and support. We strive to be a welcoming and friendly environment to all.

We are producers, farmers, local supporters, and community-focused consumers. With our profit, we honor people and planet. We are dedicated to keeping money in our community and bettering the planet through environmental sustainability.

@firstaltcoop

