



**First Alternative**  
NATURAL FOODS CO-OP



**First Alternative Co-op**  
2023 Annual Report





# Transition and Collaboration

**Wynston Estis**  
Interim General Manager

Hi. I'm Wynston, your interim General Manager. I've been working with your Co-op since March to support your Board and staff since your longtime General Manager, Cindee Lolik, retired earlier this year. Working with your Co-op has been a wonderful experience. The folks that work here and that serve on your Board are lovely. And you all, the Co-op's shoppers and Owners, have been very welcoming to me, so I want to thank you. I appreciate it.

Since my arrival, I've learned a great deal about your Co-op and all the tremendous things you have accomplished over the years. In the year 2023, the Co-op has stayed the course of being an incredible service to Corvallis and the surrounding communities.

At the end of last year's report, Cindee forecast some milestones ahead for the Co-op in 2023:

- Complete the construction of the second floor of the Annex/Commissary—
  - The Certificate of occupancy was issued March 8, 2024.

- Our administrative staff moved to the new offices through the month.
- Work on two fast EV charger stations in the parking lot at the South Store is still in progress—
  - Power supply was installed in early May.
    - Remaining steps:
      - Build platform for meter and service.
      - Install electrical service.
      - Build platform for EV Charger.
      - Install EC Charger.
- The old Purple Moon coffee kiosk has reopened as First Brew. From 6am-2pm daily, we are offering local, organic Pacifica coffee and espresso, morning breakfast wraps and pastries, and most exciting at this time of year, frozen smoothies. Thank you to all who came out to support our recent grand opening. We are super appreciative of your support.
- Produce departments in both locations have new display cases and merchandising





equipment. We have also refreshed the local signage in both departments to better highlight the amazing quality and quantity of local options available on our aisles.

The South Store had an update to its solar photovoltaic array installed and finalized in January of this year. We purchased a new eleven door freezer for the South Store in 2023 as well.

Both North and South Store and the commissary have had their challenges with our primary distributor's out-of-stocks and somewhat erratic delivery times. Luckily, this year inflation returned to normal so we were able to stabilize our pricing to you. While the price increases are hard on all of our wallets, it's particularly hard on the retailer, because we spend more labor on cost and price maintenance during times of massive price changes. Our wholesale catalog has price changes through the year and typically lots of manufacturers push through whole-line price increases in June, but to have a full year of all of the catalogs changing on a weekly basis was challenging.

Last year, one of the big things everyone was looking forward to was the return of full service hot bar to the Co-op Delis. In 2022, the stores had about \$500k in hot bar sales. In 2023, with the addition of wider menus and quarterly rotation of items, the Co-op bumped that up

by one hundred thousand dollars. That's a huge amount of growth in one year. Kudos to the staff of the commissary and retail prepared foods departments for making this possible. And to you for sticking with us and coming back to us when we were able to serve your meal solution needs.

The staff have faced lots of challenges so far this year with one of the biggest being the retirement of their beloved General Manager, Cindee Lolik. We've also had the longtime North Store Front End Manager and Assistant Manager leave their positions as well. Holding down the fort have been the Site Managers, the Administrative Leadership Team, and Department Managers.

All of these managers have been instrumental in the Co-op's continued success in meeting its business objectives as well as the Co-op's Ends, and, most importantly, supporting the rest of the amazing First Alternative staff.

The next year of the Co-op will be focused on welcoming a new General Manager. While they learn about the Co-op, Corvallis, and the southern Oregon region, you will have a year of planning new initiatives and developing your strategic future plans. I'm excited for you and for them, they are coming into a fantastic organization and community of people.





# A Year of Exciting Steps Forward

After extensive work over the past few years, First Alternative was thrilled to reach completion on the first floor of the new Annex building on the South Store campus in 2023. This new building replaced the previous Annex building which was a total loss after a structural fire in January 2021 and is the new home to our commissary team. The Co-op team hosted the Chamber of Commerce for an official ribbon cutting ceremony in April of 2023.



The commissary team now gets to enjoy a new state-of-the-art production kitchen that was designed to fit their work flow and be as efficient as possible. Our commissary leadership team and the dedicated commissary staff have been doing a great job getting the new space up and running, which has allowed them to increase prepared food offerings and bring back the Co-op's hot bar, which is a customer favorite!



In addition, great progress was made in 2023 to the second floor of the Annex, which was ultimately completed in early 2024. This space houses new administrative offices, a staff meeting room, and additional storage.



*Clockwise: Former GM Cindee Lolik cuts the grand opening ribbon • Artist Eileen Hinkle poses alongside the mural she painted in our new staff breakroom • The rebuilt South Store Annex • The Co-op Kitchen crew says hello!*



# Congratulating the North Store on 20 Years

2023 marked the 20 year milestone since First Alternative Co-op opened the North Store in 2003. The North Store has grown and improved in many ways over those 20 years and has found its place as a true neighborhood store for our shoppers that live and work in North Corvallis. A big thanks to the North Store Manager, Bill Genné, for leading the success of this location and to all the North Store staff who have helped serve our customers for the past 20 years!



## New Produce Cases

In an effort to continue to improve First Alternative Co-op's ability to best serve our customers with fresh, high-quality produce, both stores completed the upgrade and installation of new coolers in the Produce departments. These new coolers greatly increase our ability to keep produce fresh for customers, merchandise and display produce in a visually appealing and easy-to-shop way, and overall enhance the experience of the department.





# Community Involvement

First Alternative spent another great year connecting with our community in a variety of ways. As a community-owned grocery store, the organization remains committed to serving as a valued community partner to help create positive change and progress in our community.

**Community events:** Our Co-op served up tasty food options at the SAGE Garden Summer Concert Series, Fall Festival, the Chamber of Commerce Downtown Wine Walks, and Winter's Eve. We also participated in tabling at events like Open Streets and the Sustainability Coalition Annual Meetings & Town Hall. Community events are a great way to introduce the Co-op's mission & services to the community.

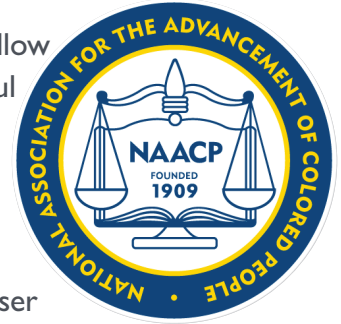


**Donations:** Providing community donations is an important way to financially support the Co-op's mission in a tangible way. In 2023, the Co-op supported special causes like the Earth Day Oregon initiative with a \$1,000 donation to Home Life Inc. and a fundraiser at the register for Unity Shelter that included a \$2,500 matching donation from the Co-op. We also continued to facilitate the Beans for Bags program which provides a total of \$4,000 in donations split between 12 selected non-profit organizations throughout the year. The Co-op also provides monetary and in-kind donations to a variety of non-profit fundraisers, school programs, etc.



DONATE TO SUPPORT  
**UNITY SHELTER**

**Sponsorships:** Sponsorships allow the Co-op to provide meaningful support to local non-profit organizations for fundraising events and special projects. In 2023, the Co-op sponsored the NAACP Freedom Fund Fundraiser (\$5,000), the Corvallis Sustainability Coalition's Annual Meeting (\$1,000), Open Streets (\$1,000), Old Mill's Bid for Kids (\$750), and many others, including CASA, Grace Center, Albany Pride Festival, and more.



**Co-op Community Events:** We hosted three Co-op Community events, which provide an opportunity for Owners and their families to participate in fun activities and have the opportunity to connect with the Co-op community. These events included a tour & tasting at 2 Towns Tasting Room, a family-friendly gathering at a Corvallis Knights baseball game, and our annual Owner Rendezvous.





# Counting on Our Community



**13,193**  
community members  
are Co-op Owners



**460**  
local Producers were  
supported by our Co-op



**35%**  
of all sales made were  
on local products



Local product purchases  
totaled to over  
**\$6.7 million**



**South Store**  
1007 SE Third St.



**\$14,930**  
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.