

# Quick Look at the Firebrand Feasibility Report

September 30, 2020

- For a redacted version of the complete report , [click here](#).
- [Click here](#) to watch a nine-minute video about the report.

*Background: Chicago Market engaged Firebrand Cooperative to reassess the feasibility of our plans for a retail food co-op in the Gerber Building in Uptown Chicago.*

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**Firebrand's Assessment: Taking into account all known factors affecting the project, it is feasible for Chicago Market to operate a successful retail grocery store in the Gerber Building location.**

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## Why It Works:

- Sales projections for the Gerber Building location are exceptionally high. **No other location in the wider trade area will match this site in potential sales volume.**
- Uptown's extremely dense population and potential sales volume align with a Dense Urban Model, which is atypical for co-ops and **which our original pro forma assumptions did not take into account.**
- We will need a **very experienced food co-op General Manager** with experience operating a store in this model, which includes higher-than-average labor costs and margins.
- If the store is opened with programming, leadership, marketing, and operational excellence, it has potential not only to be viable in the Gerber building but to thrive and energize the community.

**Recommendations:** Firebrand made a number of recommendations, all of which align with approaches taken by successful startup food co-ops and/or by co-ops in similar markets with similar site limitations.

- Limit labor costs and maximize sales floor by creating one centralized checkout location. This involves moving the main pedestrian entrance from the corner of Wilson and Broadway to the window bay on the Broadway side of the building, just north of the building's center point.
- Add an 8' overhead door and a pedestrian receiving door to the storefront entry at the very north end of the building, and dedicate an adjacent loading zone on Broadway, to allow for multiple deliveries at once.
- Optimize our commitment to ethical and social issues by including artisanal and fair trade products, especially by mission-driven companies, and small-to-medium-scale producers who emphasize sustainability.
- Drive volume by letting grocery anchor the market. Feature organics, fair trade, and culturally-relevant foods, but allow broad ingredient standards in comparison to more purity-driven co-ops.

- Embrace a diverse group of shoppers through the Food for All program, BASICS product lines, bulk foods, and member promotions. Include a 10% discount for those who sign up and show proof of eligibility for specified food assistance programs, such as SNAP or WIC.
- Capitalize on location near public transportation by including a deli with a separate cashier and quick-service options including a coffee kiosk, self-serve bakery items, Grab & Go food and beverages, and made-to-order options.
- Rely on external partnerships for bakery items and for majority of meat preparation (but process some seafood for the sake of freshness). Feature humanely raised, vegetarian-fed, antibiotic-free meats and artisanal products.
- Offer an impressive selection of locally brewed wine/beer/spirits and curated world products including fair trade options, biodynamics, organics, and excellent representations of many styles and varieties. Drive sales through regularly scheduled samplings.
- Include common convenience items such as aspirin and batteries along with wellness items, but emphasize cruelty-free body care, wild-crafted and sustainably harvested herbs, fairly traded source ingredients, and reputable brands.
- Offer Instacart and Postmate and keep an eye out for the cost-benefit value of curbside pickup.
- Support diversity, equity, inclusion, talent, and stability by paying \$15/hour and including benefits comparable or superior to other industry players.

### Funding Requirements for Opening:

- To get the store to opening day will require the Board and Owners raising significant funding through a final phase of capital campaign with an additional \$1.4 million goal.
- In addition, the Co-op will need to raise our Ownership goal to 3,500 Owners at opening to meet the equity needs of the project.

