

Friends & Farmers Board Meeting  
Present: Caitie, Jim, Deb, Michele, Anna, Chris, Becky, Mike Rybacki  
@ the Meetinghouse, 7-9pm

**Minutes/action items:**

- All action items from last meeting remain on the to-do list.
- *Minutes were voted on and approved.*

**Succession Plan:**

- We have five board seats to fill. Though one of those includes Chris's seat, and Chris plans to run for election.
- We have three 3-year terms for those who are terming out. One 2-year term (Becky's). And one 1-year term.
- Michele will be around to help and be a source of institutional knowledge, as will Jim.
- Jim: there's been talk about an advisory board with people with institutional knowledge. Ideally one former board member would attend each board meeting.
- *Michele moved to appoint Anna and Deb to the board.*
  - *Board approved Deb.*
  - *Board approved Anna.*
- Public outreach campaign. Email former board members to see if any of them want to come on the board.
  - **Becky will create a Google doc that everyone can collaborate on – places to post the board position.**
  - **Diana will help with social media. It will go in the newsletter. In the OLM email.**
  - **Stacey should glance through the membership to look for prospects.**
  - **Send an email to founding members.**
  - This has to be top priority for board members between now and the member meeting.
  - Grace: suggested some preparation training prior to new board members starting. Perhaps even candidates.
    - Current board members can submit lists of their contributions to the board as well as things that need to be done and needs that were not filled.
    - If we had a welcome packet with the most important documents, that would accelerate the acclimation process.
    - **Chris offered to build a welcome packet including a link library over the next several months.**
    - **Becky will try to dig up assets/personnel chart.**
    - Q: Board members can serve three consecutive terms. Does Chris's current term (remainder of Devin's) count as a term? Several board members expressed they don't feel it does.

- We can think about updating the bylaws to be clearer on this topic and others that have come up in previous meetings. **Michele needs to check on the rules and required lead-time of such votes.**

### **Business Plan Update (Grace)**

The business plan will be a shaping document for moving forward – a strategic plan that can be shared with membership including at annual membership meeting. Grace has met with Maria Spencer to get started. It would be best to put together a task force to develop the plan. Becky: Could it be tackled at a board retreat, to get input from all board members? Grace: It could work, but it would probably be most efficient to put together a small group to flesh out the biggest details. Mike: the general membership should have the ability to weigh in during the planning process rather than reading it at the end. Anna: could we survey the membership to get their input on what our goal should be? Grace: the goal is a brick & mortar store and 800 members. How we get there is up for input. Michele: we should compile the comments of why people joined the co-op in the business plan, or on a slideshow at the member meeting. Chris/Michele: let's use the annual meeting for storytelling and sharing why people joined, and reserve the facts and figures for posting on the website.

### **Events:**

- **See Stacey's outreach report in Dropbox**
- Food/film series at the State Theatre: We're going to nix that idea due to financial risk.
- Sept 27 - Sustainability Institute "The Seer" screening: Several board members met with Peter Buckland and Leslie Pillen to coordinate. (Note: They are opening up their facility to any community groups who want to use it.) We can screen the OLM short video before the main movie. We are serving as an in-kind sponsor to help with promotion.
- FestaNic: Concerns arose about using our volunteers for an event that is not gaining us members or money. We have suggested they change the name, incorporate F&F in the signage, improve visibility of signage, etc. Board members have concerns about planning, time investment, local sourcing (vendors were present from Williamsport and elsewhere). Michele will continue the conversation with Melanie.

### **OLM (Grace) - refer to July Board Report**

- The chart on the top of the report does not reflect the data in the chart. Grace will investigate. She believes the numbers on the bottom of the page are reliable.
- Jessie completes a monthly project. Last time, it was completing the volunteer manual.
- Vendor Guideline Manual has been updated and "given teeth" as far as accountability measures. However, we have faced challenges with labeling. Gemelli's breads are not currently being labeled. We need to figure out how

to work with Tony to get this done. Chris: can we take on the responsibility of labeling for him, deducting the cost from his breads? Grace received negative feedback from Carolyn Lembeck, who orders the same bread each week and was upset by repeatedly not receiving it. **Chris offered to speak with Tony about the relationship and whether we're a good fit for each other at this point (in the OLM). Grace will run the idea by Melanie.**

- Grace would like a summary of vendor trainings—who attended, how they went, etc. Michele would like to see names. It would be helpful to know the cause for the lag between trainings and actively selling on the OLM.
- Melanie wants to make starter boxes for potential WOLM customers with samples of the products.
- Chris has volunteered to be the SNAP applicant.
- Volunteers are needed at the OLM pick-up Tuesdays, 2-4pm. SC High School and Delta program might be good resources for students. Boy Scouts or Eagle Scouts?
- In response to “Questions for the board” section of the OLM report:
  - #1 regarding grants and fundraising: Grace: This is a question for the strategic plan. Is the OLM supposed to make money for the co-op or be a loss leader? Jim: It was supposed to break even and then once it did, cut prices on the items with high markups (like meat). ?: Are we seeing membership increase from this investment? If we're not, where do we go from there?
  - \$3200 is the break-even with subsidies; \$4800, without subsidies
  - Grace: Right now, we are channeling a lot of marketing and energy at appealing to people to shop at the market. If our goal is all about the grocery store, the OLM is a distraction. But how would we possibly close up shop (online) in order to open the (physical) doors? Jim: Purple Porch and other successful stores started with online markets (and still continue to run them).
  - Anna: How do re-attract members who joined but don't shop the OLM?
  - Chris: Would USDA let us reallocate and shift grant funds toward the OLM? Becky and others do not feel that's likely.
  - [Much conversation ensued about whether the OLM is a worthy investment of resources and whether it helps F&F accomplish its goals and move toward the brick and mortar store. The major takeaway was that, as the the board has previously discussed, it should identify benchmarks for success and a plan for growth or walking away.]
  - #2: **Anna offered to help transition Maria's system in a Quickbooks transition.** *The board voted and approved a motion to upgrade Quickbooks at \$27/mo, should it be necessary.*

### **Fundraising & Budget – refer to Chris's report in Dropbox**

- Centre Inspires grant: application/letter of intent due July 21. The applying organization needs to be a 501c3, so we could partner with one to apply.

Chris has compiled a list of ideas for a grant application, which he distributed to the board.

- What happens when the grant money runs out?
- Do we have the capacity to implement a project like this?
- Catie articulated that we have too much going on and do not have the capacity to manage a new project that's not helping us move directly toward our established goals. Several board members agreed.
- Hummingbird Room or Above the Valley (Fall 2016): a couple options available at various price points (nice plated dinner or cocktail hour). One benefit of this is that it wouldn't require a lot of planning and person power.
  - Michele: We've done "Local on the Menu" events in the past, at Spatz. It would be great to bring that name back and establish a brand through it.
  - Jim: the Hummingbird Room is not our customer audience / the price point of our audience. Michele: that's true, but it's a different audience. Might be good as a fundraiser or to attract potential donors.
- Plow to Plate (2017) – Chris will email logistics document
- Michele would like to see Chris work on membership gifting strategy.
  - Mike Rybacki has offered to gift a membership to a raffle winner at one of Stacey's outreach events.
  - Mike also wants to gift equity to new members in August. Some of the details have yet to be determined.
  - Michele to check on legality and logistics of raffling memberships and online market vouchers with PSU counsel.
- Jim and Chris will meet to further discuss fundraising strategies.

**Post-meeting addendum (Jim Eisenstein, via email):**

I would like to share some observations in light of recent Board discussions of the OLM. There wasn't time at the meeting to communicate them sufficiently. I really hope everyone will read these thoughts and keep them in mind during future discussions.

The LFPP grant established optimistic benchmarks for growth in both the retail and wholesale markets. It is really important that everyone understand that establishing the Wholesale market is difficult during the first year. This is the chief lesson we learned from our meeting with Jim Crawford, the founder of Tusarora Organic Growers co-operative. It isn't valid to make projections now about what it will look like a year from now. We are developing techniques to reach out to potential customers. Getting suppliers on board is going slowly, but since customers are not likely to place big orders the first year, the fact that they can buy small "trial" quantities by ordering on the Retail market means that they will be able to learn what they can expect to be able to obtain. We will be able to use information about orders this year when we hold discussions with

suppliers at the end of the year.

While the Retail market has not yet reached the sales targets we established in the LFPP Grant Narrative, sales have increased over the past year. Sales for the first six months of this year were \$60,217, compared to \$41,519 for the first six months of 2015. The \$18,698 increase represents a 45% increase year to year. Since we still have 15 months left in the grant, it is premature to talk about shutting down the OLM. It is just too soon to reach that conclusion even if sales levels were the only factor to consider.

But it isn't the only to consider. We also should not lose sight of the successes of the OLM beyond sales. It has helped put us on the map. It represents a concrete expression of our existence, mission, and values. People perceive that the co-op is doing something meaningful to promote local food and that it serving them. We have received really good, including front page, coverage in the CDT, and our other media outreach has been extensive. We have succeeded extremely well in attracting a very large and diverse set of local vendors, with an amazing variety of quality local products. We not only have established relationships with local suppliers that we will be able to use to supply our store, but also have a built in source of additional sales income from continuing the OLM after our store opens. As I mentioned, Purple Porch in South Bend still gets a significant part of its sales from its continuing OLM. And though it is difficult to assess the OLM's impact on membership, I don't think we can conclude that it would have been greater without it, or that it has not attracted new members.

Finally, we need to recognize that in terms of enacting one of our fundamental values -- supporting local farmers and stimulating the local economy -- the OLM has performed well. Our total sales from Jan. 2015 to date are over \$150,000, with approximately \$120,000 going into the pockets of our local producers.

It's healthy to ask good questions and to assess how we are doing. But in doing so, we need to keep our overall performance in perspective. The OLM is not the dead weight on our functioning that some of our discussions seem to suggest. Let's give it more time, and let's continue to do what we can to move it forward.