

# The Co-operator

The monthly newsletter of the East End Food Co-op • Pittsburgh, PA



## How Your Co-op is Positioning for Growth

by EEFC Board of Directors

Explosive growth in natural food sales nationwide continues to confirm a monumental shift in consumer preferences. People everywhere are demanding a greater degree of quality, integrity, and sustainability from their food suppliers. As vanguards of this cultural change, natural food cooperatives are seizing the initiative to expand their operations and give people more of what they want.

The Ends Statement of the East End Food Co-op requires us to consider this evolving landscape and intelligently explore new opportunities for growth so that we may greater enhance the physical and social health of our community. To help us do this, the EEFC Management Team and Board of Directors recently engaged the CDS Consulting Co-op to provide a three-day “Orientation to Expansion Planning,” facilitated by Bill Gessner and Jeanie Wells. Bill is the lead consultant at CDS, with over 25 years of experience assisting more than 250 co-op expansion projects. He is also the author of *Expansions and Relocations for Directors and Managers of Natural Food Cooperatives*. Jeanie has successfully led two major expansion projects and has expertise in building strong management teams and systems.

Bill’s immersion in the area of co-op expansion projects has enabled him to craft a formal expansion planning and execution methodology that may be applied to projects of varied sizes and scopes. At the core of his process are four sequential stages: assess feasibility, prepare for leasehold improvements or construction, perform leasehold improvements or construction, and prepare for opening.

As we remain solidly in an exploratory mode, the bulk of our work with Bill and Jeanie was concentrated on the systematic assessment of feasibility. Several field-tested tools were applied to realistic hypothetical expansion scenarios to educate the board and management on best practices from actual co-op expansions. These tools included processes for assessing organizational readiness, conducting market feasibility studies, and pro forma financial planning, all within a framework of robust risk assessment, due diligence, and a clear timeline with well-defined decision points.

The valuable insights received from these sessions allowed us to draft a feasibility assessment checklist tailored to our unique position, with a focus on the roles of the Board and Management in executing an expansion project. Whether the future of your Co-op involves expansion of its current footprint, one or more additional retail locations, non-retail or non-traditional business models, or some combination of all of these, East End Food Co-op is committed to employing every resource at its disposal to serve our membership and greater community in accordance with our Ends. First among these resources are the experiences of our friends in the co-op world who have successfully led the way. Stay tuned for updates and opportunities to contribute!