

# Innovations in Cooperative and Small Grocery

Interview-based case studies- 2020

Presented by: Ren Olive and Monica Jarvi,  
Regional Sustainable Development Partnerships,  
University of Minnesota Extension



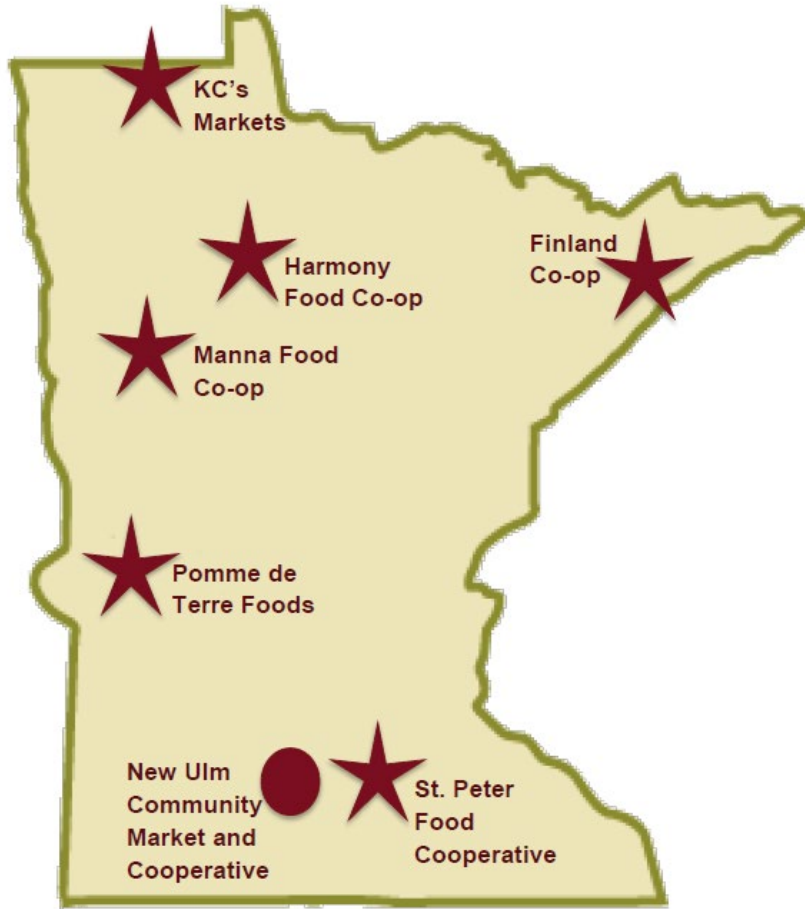
**What resources, strategies, tools, and techniques support small food retailers in staying open and being successful?**

IN PARTNERSHIP WITH:

Southwest Regional Sustainable  
Development Partnership

UNIVERSITY OF MINNESOTA  
**EXTENSION**





## Data included:

- Background/history of store
- Community context
- External resources utilized
- Human effort
- Benefits
- Challenges
- How success was measured
- Replicability

# Finland Cooperative- Food Hub

Population: 195

Food Retailers in town: 1

Closest Food Retailer: 15 miles, Silver Bay MN

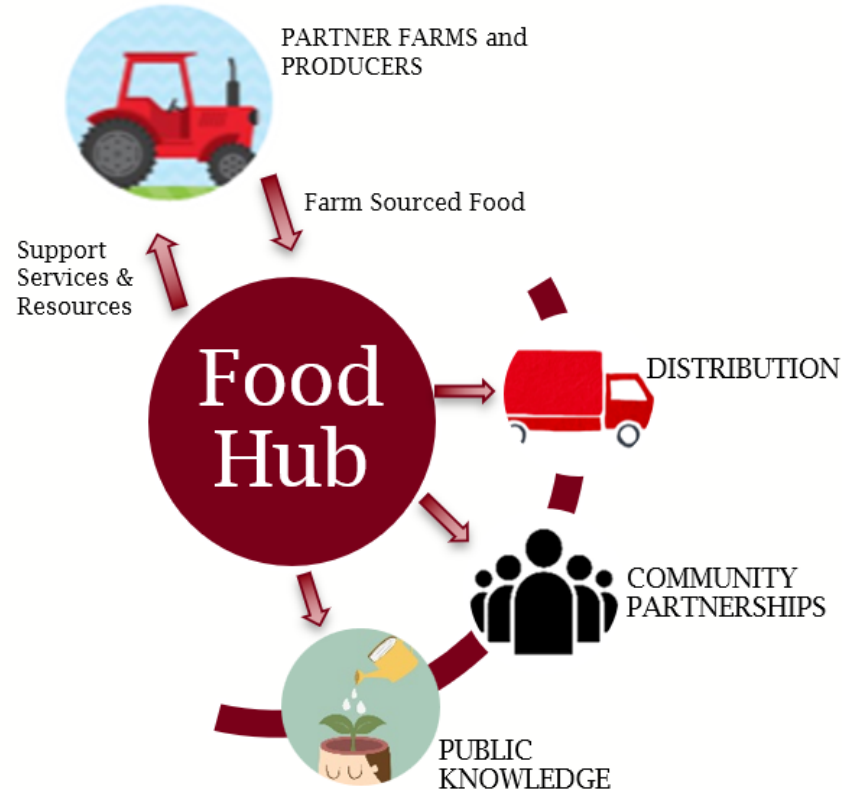


# Finland Food Co-op

**Challenge:** Food distributors don't deliver to the area. Food is more expensive and difficult to obtain.

**Food Hub:** Co-op expands services and partnerships.

- Small farmer market connections
- Marketing and distribution
- Institutional customer base
- Improve wholesale prices
- Storage and food processing facilities



# Harmony Food Cooperative- Expansion/Growth



Population: 14,000

Food retailers in town: 11

Closest food retailer: 1 mile

## **Building Expansion Project:**

Larger space

Solar panels

Community Kitchen

Adding SNAP/WIC

# Harmony Food Cooperative- Practices for Growth

## **Growth:**

- Increase in member-owners
- Immediate sales growth
- Increased staff
- Marketing person
- Strategic planning instead of reacting to change

## **Funding:**

- Member-owner loans with delayed payments
- Traditional loans
- Solar panels- grant and individual donations

## **Challenges:**

- Training for new store model- Managers and Staff
- Efficiencies managing more products

## **Partnerships: Key to success**

Partner organizations provided training  
Small business development and regional resources  
National Cooperative Grocers- staff restructuring and efficiencies

# KC's Country Markets: Food Access Islands

Population: 360 and 698

Food retailers in town: 1

Closest food retailer: 20-25 miles

**Opening a second store to  
prevent a food desert**





# KC's Country Markets: Food Access Islands

## Shared resources between stores:

- Staffing efficiencies- reduced number of managers
- Deli items
- Increased freezer space
- Increased storage
- Meat processing
- Upgrading POS systems for WIC and SNAP processing efficiency

## Partnerships: Key to success

## Adding value:

- Kitchen to prepare deli items
- Specialty items: cakes, deli items, floral
- Improved low-cost lighting
- Seating for in-store eating
- Carrying food items for local immigrant communities

Community development organization

City loan programs

MnDOA: Good Food Access Program- Energy Efficiency

Mn Dept of Health- E-WIC capability

# Manna Cooperative- Local Partnerships



Population: 9,216

Food retailers in town: 3

Closest food retailer: 1 mile

# Manna Food Cooperative- Local Partnerships

## **Consigning local products:**

Builds capacity for direct purchasing

Low risk

Supports local producers

24% of sales from local region in 2018

Key: clear communication and consistent consignment practices

## **Native Meal Kits:**

Partnership with local tribe- shared profits

Assembled in store's small deli space by staff and board members

Hired experienced chefs

Shopify online ordering platform

Seed funding: Partnership for

# Pomme de Terre Foods: Slow, Steady Growth

Population: 5,371

Food retailers in town: 3

Closest food retailer: 1 mile

College Town

## **Small Staff**

Co-managers- both part time

Paid accountant

Volunteer labor

## **Challenge: Distributors**

One natural food distributor in area

Can't meet scale for discounts

Can't meet minimum orders

Limits fresh produce purchases

# Pomme de Terre Foods- Slow, Steady Growth

**Building purchase**- 1,800 sq ft

Member loans- delayed payments, capped amount

Rents out half of the building

Board member-volunteer building maintenance

New Cooler- Grant funded

Building updates and LED lights-  
Clean energy grant

**Local Products**

24 local and regional products

**Online Marketing**

Free

Diverse populations

Strategic website tracking



# St. Peter Cooperative: Built on Sandwiches

Population: 11,906

Food retailers in town: 3

Closest food retailer: Next Door

College town



# St. Peter Cooperative: Built on Sandwiches

## Challenges

Increasing demand for deli, limited space

Competition with big box stores offering similar products

WIC: can't meet minimum orders for distributors that carry WIC approved products

## Solutions

Moving buildings, increasing deli size

Move in next to large supermarket-benefit from high traffic area

Purchase WIC approved items from Wal-Mart.

Advocacy

This student research was supported by the University of Minnesota Extension's Regional Sustainable Development Partnerships and New Ulm Community Market and Cooperative.

The Southwest Regional Sustainable Development Partnerships brings together local talent and resources with University of Minnesota knowledge to drive sustainability in agriculture and food systems, tourism and resilient communities, natural resources and clean energy. The Partnerships are part of University of Minnesota Extension.

New Ulm Community Market & Cooperative is a member-owned cooperative grocery store located in downtown New Ulm, Minnesota offering locally and sustainable produced goods that support local growers and makers. The Cooperative seeks to be a hub of resources, knowledge, and activity around the topics of food, nutrition, community, and sustainability models.



**Presented by** Monica Jarvi, Research Assistant, Ph.D. candidate, Department of Sociology, University of Minnesota

**Project Team and Editors:**

**Ren Olive**, Principle Investigator, Program Associate, Regional Sustainable Development Partnership

**Anne Dybsetter**, Executive Director, Southwest Regional Sustainable Development Partnership

**Kate Graham**, Past Board President, New Ulm Community Market and Cooperative

**Swan Ray**, Supply Chain Development Specialist, Regional Sustainable Development Partnership