



Ashland Food Cooperative



2005 Annual Report



Message from the Board President

by Erik Wallbank, Board President

2005 has been a banner year for the Ashland Food Coop. Sales are up, ownership is growing, our prices are among the lowest in the industry, and we are dedicated to serving our owners. This past year, we worked to build a stronger link between our coop owners and the board, by including more owners on board committees, and through the use of focus groups and an owner forum. The input gathered around these meetings helped us to craft and to implement a new policy for the senior/disabled discount. It is gratifying for the board to see our owners participate directly in the governance of the cooperative.

The bond between the owners, management, and the board will need to become even stronger as we look to the future. The growing question is whether or not our present store will handle our prosperity. Can

we streamline operations, at our present location to better handle continued growth? Or, will we need a second store, or will we need to build a bigger store? In dealing with these questions, we will be looking more and more to the owners for their input before deciding which direction to take.

This has also been a year we began to mentor Medford Market to bring another consumer-owned grocery to the Rogue Valley. Another coop in the valley will ease our parking problems and a good natural food store in Medford is sorely needed. Medford Market will have our continued support.

Last year began a new tradition of the Annual Meeting & Owner Picnic at Emigrant Lake. This was much more fun and better attended than our annual meetings of the past. This year's event will be bigger and better with great food, short talks, and dancing. These events at the lake will be celebrations of our coop that you won't want to miss!

I want to take this opportunity to thank our staff for another record-breaking year. Also, I want to thank our management and especially our GM, Richard Katz for another year of focused dedication to the continued success of our coop. And most of all, I would like to thank our owners, and to tell you how gratifying it is to serve on the board of directors for one of the most successful coops in the country. The board may set good policy and the management may excel at operations, but none of this is possible without the dedication and loyalty of our owners. Thank you for another wonderful year!

"The bond between the owners, management, and the board will need to become even stronger as we look to the future."

Report from the Board Treasurer

by Joe Golton

2005 was another great year for the Ashland Food Co-op (AFC). We generated record sales, signed up nearly 1000 additional owners, retired our mortgage, continued to distribute generous owner benefits, and ended the year in a very strong financial position. We also funneled savings from changes to the senior and disabled discount policies to expand our Basic Pricing program, which resulted in a modest drop in profits. As in prior reports, I will expand upon some of these points in detail, with the rest to be covered by Christina Oliver's in-depth financial report.

Paid Down Debt

It is time to congratulate everyone involved with the co-op, including you! AFC retired the last of its mortgage debt in June of 2005, less than two years after implementing a policy of using excess cash to pay down debt. During the three-year period from January 2003 through December of 2005, AFC paid off \$1.17 million of debt. Owners contributed over \$340,000 to this effort from \$100 equity investments, and another \$157,000 from retained patronage refunds in 2003, 2004, and 2005. The balance came from cash generated by operations.

Generous Owner Benefits

As most of you know, becoming an owner requires a \$100 equity investment, which can be paid in one lump or spread out over 2 years with five \$20 payments. The following chart displays the approximate net cash benefits received by an owner, representing a household of two, whose patronage at AFC was \$3000 in each of the past 3 years:

OWNER BENEFITS

	2003	2004	2005
\$5 Coupon Benefit	\$37	\$37	\$41
OAD* 10% Benefit	\$11	\$9	\$9
Other Benefits*	\$1	\$1	\$1
Up Front Benefits Total	\$49	\$47	\$51
Patronage Refund Sent	\$33	\$53	\$53
Total Cash Benefit	\$82	\$100	\$104

* OAD is Owner Appreciation Day. Other benefits include coupon booklets and class discounts.

While benefits fluctuate from year to year based on owner patronage trends, coupon redemption policies, profit levels, and the amount of patronage retained, it is clear that most shoppers who became owners in 2003 have already received far in excess of their \$100 investment. However, I would ask you to not focus only on the financial benefits of being a co-op owner.

For one thing, the financial benefits will not always be so good. In a difficult year, the patronage refund could be much lower or even zero, and up-front benefits might need to be cut. AFC may need to expand or relocate to accommodate rapid growth before the end of this decade. If this happens, the board would likely decide to retain a much larger portion of the patronage refund each year to help fund the large capital requirements of such a project.

Financial needs aside I would hope that you view the co-op as more than just a business earning a return for its shareholders. AFC is a community gathering place that is owned and governed by a large portion of the Ashland community and the surrounding area. You have many ways of participating in our cooperative that are not generally available to shoppers of a typical store. You can: elect board members; observe board meetings; participate on board committees; voice suggestions in surveys; and, occasionally participate in focus groups to help guide our decision making on major issues. This means AFC is far more responsive to our community than a typical grocery store that is subject to the whims of a small group of owners or large corporate headquarters located hundreds of miles away. We hope that your participation as one of thousands of co-owners is at least as important to you as the financial benefits, and that you value the long-term success of our co-op more than your short-term financial benefits.

Strong Financial Position and the Patronage Refund

The board of directors and its finance committee think about the long-term needs of the co-op each year when we decide how much of the patronage refund to retain for the needs of the co-op, and how much to distribute in cash. Several reasons AFC has retained a portion of the patronage refund in past years are no longer applicable as the debt is retired. There is now a sizeable “rainy day” fund that is generating income.

However, at current sales growth rates, AFC may outgrow its current facility. Parking is already a problem and within a few years we may need more space for inventory, food preparation, cash registers, and product. A growth committee has been meeting since the Fall of 2005 to consider a variety of options. Most of the options would require millions of dollars in capital expenditures so the board has decided to begin accumulating the needed funds in advance. If the board decides that the best course of action is to stay in our current facility without requiring large capital expenditures, then the board would likely distribute the retained portions of patronage refunds in the future.

Lower Prices Again

In 2005, AFC adjusted senior/disabled discount policies with the goal of using all the savings to lower prices. These changes were made after extensive input from owners, who mostly felt that only disabled owners and senior owners 65 or older who were in need should be receiving the discount, while owners and shoppers in general would benefit from lower prices. Note that this change helped support “offering a variety of necessities at basic prices” from AFC’s mission statement.

So how did we do? Before July 1, 2005, nearly 1000 shoppers were receiving the 5% senior/disabled discount, many of whom were not owners. After the policy changed on July 1, less than 250 people signed up for the new senior/disabled discount program (we asked that people sign up for the program only if truly in need). A few people complained about the restricted hours (Sundays and mornings) so Wednesdays were added. Most people applauded the change, and our rate of sales growth reflected that — year-over-year growth in the second half of the year was 13.5% as compared with 10.5% in the first half of the year. The actual cost of the senior/disabled discount from July through December was \$11,422, approximately 15% of the \$80,000 we estimate the store would have incurred without the policy changes.

The savings of over \$68,000 significantly exceeded our expectations, and we are grateful for the gracious cooperation we received from many seniors who gave up their discounts. According to management estimates, somewhere between \$50,000 and \$60,000 was applied to lowering prices on bulk items across the board and introducing a number of new basic pricing items. Other price cuts were also implemented as AFC’s gross margin in 2005 was lower than 2004’s gross margin by .65% of sales, more than the amount saved by the senior/disabled policy changes — this is the main reason AFC’s 2005 profits were lower than 2004 profits.

Given the information laid out above, it is clear that the senior/disabled policy change was a resounding success. After the changes, AFC’s rate of sales growth increased, basic foods became more affordable, while the discount was still available for those truly in need. We suspect that at least part of the reason for AFC’s faster sales growth of late is the realization by many shoppers that AFC’s prices are very good, particularly on necessities. At least one of our competitors appears to have lowered prices in order to remain competitive with us—another benefit to the entire community stemming from the recent policy and price changes.

In spite of this great success, AFC continues to look for ways to further reduce prices, as we understand that this is very important to our owners. We are also committed to making sure that 100% of the savings from the senior/disabled discount are applied towards reduced prices. Lower prices are budgeted for the produce department in 2006 in order to ensure that we meet this pledge. The one thing we won’t do is cut employee wages and benefits (except for bonuses which would be lower if we had a poor year). In fact, we raised the amount allocated to labor costs in 2006 by .25% of sales in order to support a more generous 401(k) retirement

program. While we probably could offer even lower prices if we paid employees less, we are as committed to our employees as we are to our owners – the essence of a socially responsible business.

Thanks

I'd like to close this report by emphasizing yet again that we had another great year. A big thanks to all AFC staff and management for a job well done, to the many seniors who graciously gave up their discount, to the many owners who joined AFC since 2003, and to decades of support from our loyal shoppers.

2005 Financial Report to Owners

Presented by Christina Oliver, Financial Manager

In 2005, our third year as a cooperative corporation, we had an increase of over 30% in the number of owners to almost 4,000 by December 31, 2005. Our average percentage of sales to members for the entire year was 59%, compared to 51% in the prior year. As you can see, though we are far from a “members-only” store, the majority of our customers are coming to realize there are many advantages to becoming an owner of Ashland Food Cooperative, both tangible and intangible. The “Generous Owner Benefits” section of the Annual Report from the Board describes the monetary return of ownership (the tangible benefits), and the Social Responsibility Report illustrates in detail why owners should feel proud to support this organization (the intangible benefits).

Our income statement shows that total sales before discounts for 2005 were \$16,846,205, up 11.6% from the previous year, and another new record for our store. Our gross margin was 33.1%, down from 33.8% last year, due to the initiative to convert senior discount savings into lower prices for everyone. Labor was up slightly to 22.0%, reflecting a full year at the new labor cap that was instituted by the Board at the end of 2004, but still one of the lowest in the co-op industry! General and administrative expenses were down as a percentage of sales mostly due to the reduction in senior discount after July 1, 2005. Income before patronage refund and taxes as a percentage of sales was down almost exactly the same amount as the decrease in gross margin.

The total allocated patronage refund amount for 2005 is \$270,322. This amount was calculated by our CPAs to be the maximum patronage refund allocation the IRS will allow. This is 2.77% of about \$9.75 million in sales to owners. Each owner's refund will be calculated by applying that same 2.77% to the individual's total purchases in 2005. Sixty-five percent of that will be the actual amount of the check, since the Board has decided to retain 35% of this patronage refund allocation for business needs.

We received \$95,119 in ownership share payments which we used to help pay off our mortgage. This we accomplished at the end of June 2005. That was a \$982,000 debt with a 20 year payoff schedule, and we paid it off in two and a half years! We also had another loan that was outstanding at the end of 2005, but let me tell you a secret – we’ve already paid it off at the beginning of 2006, so now we no longer have any long-term debt! The excess cash we now generate is being invested in short-term, low-risk debt securities. We call this our “rainy-day fund,” but it is also our seed money for a possible future capital project.

We are in an enviable position in the financial department here at the Co-op. Sales continue to grow, we’re debt-free, and we are able to save for our future as we carefully explore our options. Thank you for your continued support as we plan for the long-term health of our store!

ASHLAND FOOD COOPERATIVE

COMPARATIVE BALANCE SHEET

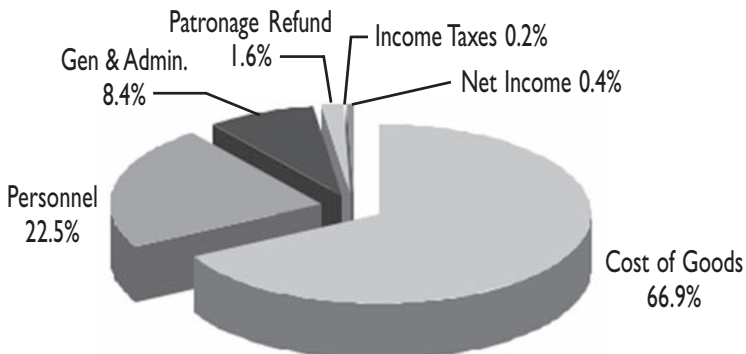
	<u>12/31/05</u>	<u>12/31/04</u>
ASSETS		
Cash and Cash Equivalents	998,791	872,240
Inventory	441,035	464,658
Other Current Assets	153,634	134,253
Total Current Assets	1,593,460	1,471,151
Fixed Assets	1,975,317	2,085,641
Total Assets	3,568,777	3,556,792
LIABILITIES & EQUITY		
Accounts Payable	320,037	279,849
Other Current Liabilities	815,455	874,566
Total Current Liabilities	1,135,492	1,154,415
Long-term Liabilities	87,906	318,272
Total Liabilities	1,223,398	1,472,687
Member Equity	503,724	314,266
Retained Earnings	1,769,839	1,628,885
Net Income	71,816	140,954
Total Equity	2,345,379	2,084,105
Total Liabilities & Equity	3,568,777	3,556,792
Debt to Equity Ratio	0.52	0.71

ASHLAND FOOD COOPERATIVE

INCOME STATEMENT

	<u>2005</u>	<u>%</u>	<u>2004</u>	<u>%</u>
Net Sales	\$16,846,205	100.0%	\$15,094,993	100.0%
Cost of goods sold	11,267,399	66.88%	9,996,710	66.23%
Gross Margin	5,578,805	33.12%	5,098,283	33.77%
Operating Expenses				
Wages & Benefits	3,707,885	22.01%	3,299,295	21.86%
Profit-sharing	82,889	0.49%	75,475	0.5%
Occupancy	116,874	0.69%	103,641	0.69%
Depreciation	161,295	0.96%	148,035	0.98%
Operating	448,105	2.66%	403,125	2.67%
Administrative	119,726	0.71%	117,341	0.78%
Governance	69,910	0.41%	54,921	0.36%
Member Sales Discounts	167,925	1.00%	116,609	0.77%
Promotional	194,986	1.16%	185,582	1.23%
Senior/Disability Discount	89,017	0.53%	142,933	0.95%
Other expenses (income)	38,056	0.23%	13,966	-0.09%
Income before PR and taxes	382,137	2.27%	437,361	2.90%
Patronage Refund	270,322	1.60%	188,572	1.25%
Taxable Income	111,815	0.66%	248,789	1.65%
Income Tax Expense	40,001	0.24%	107,834	0.71%
Net Income	\$71,816	0.43%	\$140,954	0.93%

WHERE DID THE MONEY GO IN 2005?



Annual Social Responsibility Report

By Joe Golton, Board Treasurer

Part of AFC's mission is "operating a socially responsible business." Last year, we published our first report attempting to describe how well AFC was doing on the social responsibility aspects of our mission statement. This is the first year the report is incorporated with AFC's annual report, and it will probably continue to be part of the annual report in the future.

With two years' information now on hand, the board has decided it is time to institutionalize AFC's accountability to social responsibility. A new standing committee, chaired by board member Gwyneth Bowman, has been formed to accomplish this. This committee will make recommendations to the Board regarding issues and needed policies to ensure that AFC accepts or adopts sound social responsibility principles and report our progress. This committee will also ensure that reports like this will continue to be distributed annually to owners.

This format attempts to be a statement of the facts related to social responsibility at AFC, not a marketing piece.

Employee Compensation and Involvement

Over the past three years, second-year employees' total compensation has increased at a 6.4% annualized rate, as compared with the 2.2% annualized rate of inflation as reflected in increases to the Ashland Living Wage. The compensation increases over the past three years are primarily due to three factors—savings from replacing traditional health insurers with less costly self-funded health insurance, board-sanctioned increases to labor budgets, and increased productivity.

The City of Ashland has a living wage law which requires employees with city contracts to pay a living wage. The living wage calculation includes the value of benefits such as health care and retirement plans. Though not required to follow this law, AFC pays living wages to all full-time employees who have been with the store for more than 12 months. Some of the many benefits that factor into the total compensation for AFC employees include health and life insurance, 401(k) matching, vacation pay, productivity bonuses, and profit sharing.

Some benefits are not fully phased in until an employee has worked for a full year. For entry-level first year employees, wage plus benefits has been approximately \$1/hour below the Ashland living wage over the past three years. The reason first year employees don't receive benefits is because this is where we have the highest turnover and the highest investment in training. Employees who continue past one year are rewarded for their long-term commitment leading to higher employee satisfaction, lower turnover and lower training costs.

FAIR WAGES

Year	Second-year AFC employee	Ashland Living Wage
2002	\$13.14	\$11.00
2003	\$13.72	\$11.26
2004	\$14.85	\$11.44
2005	\$15.83	\$11.74

Employee turnover was 41% in 2005, a slight increase from 37% in 2004. This continues to be better than most food co-ops (according to a 2001 Cooperative Grocer survey). Sales growth caused an increase in hiring, which contributed to higher turnover. However, given that sales growth for all of 2005 was a little lower than 2004 (11.6% versus 13.3%), the rise in turnover was disappointing. Management continues to believe that the turnover rate will fall as AFC's growth rate slows down.

Some employees have expressed concern about career growth opportunities—over the past few years, the few vacancies to arise in upper management positions have been filled by outside hires, and this includes the Deli department manager and Human Resources positions filled during 2005. On a positive note, assistant department manager positions were created in some departments, and all of these positions were filled by internal hires. Altogether, there were two outside hires and 9 promotions for non-entry level positions in 2005.

The co-op has several structures in place to encourage employee participation. One employee serves on the board, store committees encourage staff input, and a 5-member staff council solicits employee feedback on issues and policies, works with management and reports to the board. These structures help to “provide a workplace that fosters opportunities for participation, empowerment, and growth” as stated in AFC's mission.

Education, Training, and Information

The mission of the Community Oven is to provide information and culinary instruction to the community using whole foods and holistic health practices in an informed, understandable, unbiased, inspired and entertaining format, using local culinary and health care professionals as instructors. In 2005, the program offered 49 cooking classes, of which 27 were actually taught and 22 cancelled due to insufficient interest. One of the new classes, “Pantry Basics,” is offered free to Co-op owners and supports the ability of owners to eat healthy foods on a budget (part of AFC's mission). There were also 40 Monday night lectures on health and wellness topics.

The AFC newsletter, *More Than Food*, not only serves as a way to communicate co-op matters to the owners, but also as an educational tool about food, nutrition and health. In the 6 issues published in 2005, there were 16 articles on these topics, which is a decrease from the 26 articles appearing in 2004. Although there were fewer articles, the ones published went into greater depth.

AFC provides an assortment of free magazines and informational brochures focused on nutrition and health. Some of the topics covered in the brochures are food allergies, food safety, natural cleaners, soy foods, grains, and sweeteners.

Customer Service and Basic Pricing

Last year's report mentioned parking and prices as the two issues most frequently mentioned in the owner survey conducted in 2004. There was no further progress on the parking issue in 2005, so higher customer counts led to increased congestion in the parking lot during peak hours. The board did form a growth committee that has begun to explore a variety of options for how to accommodate AFC's rapid growth. Owners will be hearing more about this throughout 2006.

AFC did make significant progress on keeping prices low for basic foods in 2005. After extensive dialog with owners in late 2004 and early 2005, changes were made to the senior/disabled discount policy on July 1, 2005. The changes led to large cost savings, which were mostly passed on to owners in the form of lower prices in bulk and produce, as well as an expansion of the number of items on the basic pricing program. Approximately \$145,000 dollars went towards discounting basic foods in 2005, as compared with \$80,000 in 2004. Pricing and the basic pricing program are discussed in greater detail in Joe Golton's financial overview article in this annual report.

Serve Owners

AFC converted to a cooperative on January 1, 2003. Since then, sales to owners have steadily increased.

Owners have continued to join at a rate of over 70 per month, a much faster than expected pace. It is reasonable to conclude that this rapid increase in ownership reflects well on the value AFC provides to its ownership.

OWNER NUMBERS CONTINUE TO GROW

Year	Year-end Owners	% sales to Owners
2003	2,081	39%
2004	2,922	51%
2005	3,869	59%

One of the biggest AFC success stories in 2005 was the increased involvement of the ownership. A fun, well-organized annual meeting at Emigrant Lake drew over 180 owners, over 2/3 of which were not AFC staff or board members (only 20 owners came to the 2004 annual meeting). Owners were able to ask detailed financial questions at one table, and interview board candidates at another table.

Board election voting increased from 326 (13%) to 526 (16%) owners. Owners were also able to help craft the changes to the senior/disabled discount policies through a series of focus groups held early in the year.

Local, Organic, and Ecologically Sound Products

In 2005, 54% of AFC's product vendors were located in Southern Oregon or Northern California, as compared with 65% in 2004. 36 out of 38 fresh produce vendors were located in this same region, as compared with 34 out of 35 in 2004.

AFC also participated in the Rogue Flavor marketing program which promotes Rogue Valley foods and the Oregon Bounty program which promotes Oregon wines, cheeses, and produce. While management continues to believe that organic and local products are a high portion of AFC's sales, data is not available to compare with other natural/organic food retailers.

In addition to continued meetings of the product standards committee, AFC took a fresh look at product packaging. AFC commissioned an intern from SOU to study packaging issues. The results were reported in 2005. One highlight of the study was the sizeable resource and energy requirements for producing paper or plastic grocery bags. In conjunction with this study, AFC sourced custom-made cloth shopping bags and has made them available to shoppers for \$2.50. The first shipment proved so popular that it sold out within weeks. These bags will continue to be stocked and shoppers will be encouraged to use them.

Serve Community

AFC has a variety of charitable endeavors targeting the local community. Generous shoppers contribute at the register by having a certain dollar amount added to their purchase. AFC also gives out numerous \$25 donations of either food or gift certificates to local events, fundraisers and schools.

In response to the devastating hurricanes in the Gulf States, AFC joined with the entire cooperative business sector to raise money for hurricane relief. The Cooperative Development Foundation created the Katrina Cooperative Recovery Fund to receive donations. AFC added the Katrina Fund as an option for donating at the registers.

Through the Co-op Community Grant program, AFC donates a portion of profits each year to local nonprofits equal to 10% of after-tax profit plus 10% of the patronage refund. In 2005, 44 non-profit organizations received \$35,000 in Community Grants. Individual grants are up to \$1000.

While difficult to measure, the co-op serves as a community gathering place where residents love chatting with each other while shopping, eating at the deli,

OUR CHARITABLE DONATIONS

Year	2004	2005
Community Grants Program	\$22,483	\$35,000
Scan Against Hunger (ACCESS)	\$6,323	\$4,895
Scan 4 Our Schools (Ashland Schools Foundation)	\$2,720	\$566
Katrina Cooperative Recovery Fund		\$2,781
Other donations (gift certificates and food)	\$3,566	\$5,000

or sitting outside. Many note that the co-op has a nice “feel” or “vibe.” The store also serves as a venue for various organizations to present issues related to the co-op’s mission. Some owners, board members, and management team members wonder if AFC’s “feel” can be maintained in the face of continued rapid growth.

Conclusion

This year’s report provides strong evidence that AFC continues to successfully implement the socially responsible aspects of our mission. Employee compensation continues to increase faster than inflation. A number of improvements occurred in the areas of education, basic pricing, owner involvement, and ecologically sound products. AFC will institutionalize its social responsibilities in 2006. AFC’s biggest challenge is how to provide a high level of customer service (especially parking) and maintain its special store “feel” in the face of high and rapidly growing sales. But that’s a pretty good problem to have!

Report from the General Manager

By Richard Katz

As you can tell from Joe Golton and Christina Oliver's articles, 2005 was a year packed with good things for AFC. The number of owners has increased over 30% in 2005, our third year as a consumer-owned cooperative. Sales to owners continue to grow at a rapid pace, rising above 2004 figures by nearly 20%. Sales growth overall continues to rise as well, still in double digits at 11.6%. As is sometimes the case with "too much of a good thing", there are also pressing issues on the other side of this equation that we will need to face in the near future. Our success as a destination natural food store for the growing interest in organics and health, and population growth in the Rogue Valley have served to fill our store to near capacity much of the day. This is great for our sales volume, but it does create jams in our parking lot, crowded aisles, and lines at the registers. Our Board of Directors has been working hard to grapple with strategic planning and to develop a clear long range plan. At this time, Medford Market is garnering more and more support for its grass-roots effort to start a Co-op in Medford, and we want to assist them in their effort.

You may have gleaned from past articles in *More Than Food*, we have a Growth Committee to brainstorm possible solutions to our enviable problem of **growth**. Our facility has been built out to its limit in the latest remodel of 2001. Parking in the Railroad District is becoming more difficult with more shopping, and downtown employees looking for a place to park. What used to be wide open space ten years ago is now a busy shopping and service area for Ashland residents. We're talking with the City about including the Railroad District in the new version of the Ashland Downtown Plan, which is clearly necessary if we truly wish to make Ashland more liveable for the next fifty years. In the meantime we continue to confer with our neighbors and nearby property owners about our common problems, and we explore any and all possible solutions. The ideas of building a larger facility or opening a second location are now being considered, just five years after a significant remodel and expansion.

There are many goals that we've recognized in 2005 and expect to move ahead with this year. We hope to have a new Point of Sale (cash register) system up and running before the end of the year. This will make it possible to streamline some of our transactions such as replacing paper \$5 off and 10% owner appreciation coupons with electronic coupons, as many owners have requested. A new POS system will prepare us to move forward with the concept of an online shopping program in which customers can order online and pick up their order the next day. We have also just begun to use email to reach out to owners, providing them with information and asking for feedback. This worked very well in gauging support for ideas about changing OAD's (Owner Appreciation Days) to OAC's

(Owner Appreciation Coupons). We would like to use email more to “publish” sales flyers and newsletters on line rather than on paper. This can save substantial amounts of resources and may also be more convenient. We expect to have Certified Organic produce and bulk sections by the end of this year, and perhaps have the entire store certified in 2007.

As you can probably tell by reading this Annual Report, we are all quite proud of our achievements as one of the largest food co-ops in the country, and one of the leading businesses in Ashland. We are fortunate to have the synergistic effects of our success since we began in 1972. We are able to offer great service and low prices because of our fantastic community support, allowing us to reinvest our income each year to make the Co-op better and attract more shoppers, providing the resources needed for continued growth and improvement. Our terrific staff of more than 130 is ready and able to make your shopping experience a pleasure. Of the 85 staff employed more than one year, the average time of employment is over 5 years. For managers, the average is about 10 years. Our Board raised the 401K matching contribution from the store to qualified staff from 3% to 5% of wages to enhance retirement opportunities. We care about our owners and customers, our community, and our employees. We are a community resource that can prosper and grow, and give back at the same time. Thank you for your exceptional and gratifying support.

"As you can probably tell by reading this Annual Report, we are all quite proud of our achievements as one of the largest food co-ops in the country, and one of the leading businesses in Ashland."

Want to Join a Co-op Committee?

Owners who are interested in serving on one of the standing board committees should obtain application materials and job descriptions at the Information Desk and apply by June 30. The committees are finance, outreach, board development, and social responsibility. The owners to serve on these committees will be selected by committee chairs by the end of July and are expected to serve a one year term.