



Food
co-op
PORT TOWNSEND
EST. 1972

2017 The Food Co-op Impact Report



2017 IMPACT REPORT: INTRODUCTION

The Food Co-op has always had a strong commitment to being good stewards of the environment. And while we take measuring and reporting on our sustainability metrics seriously, we don't think that means reading about it has to be serious or hard, just meaningful.

Every year since 2012, The Food Co-op has tracked and reported on our environmental impact—we note where we have made improvements and state what we want to do differently in the next year. In 2017 we set some serious goals for ourselves, knowing that we would be challenged by our construction project, but in spite of those challenges we were still able to make significant progress on most of our goals. For instance we increased our waste diversion rate (meaning we recycled more), we increased our sales of organically grown goods and we collected almost \$12,000 in beans for local non-profits- that's a LOT of recycling!

My thanks to all of our staff at the Co-op; for caring about being good stewards, for helping us reduce our impact and for truly making a difference! And a special shout out to those who serve on our green team-SURF- and for those who helped collect the data for this report.

While this version you're reading focuses on the highlights, for those want more detail, our full report is available on line (www.foodcoop.coop/sustainability/). Please feel free to contact us if you have any burning questions or comments.

In cooperation,



Kenna S. Eaton, GM, (gm@foodcoop.coop)

ORGANIZATIONAL FRAMEWORK

To provide a common framework for metrics, the Sustainable Food Trade Association (SFTA) identified eleven key areas of sustainability, which we use to organize our report:

1. Organics
2. Local
3. Energy Use
4. Climate Change and Emissions
5. Water Use and Quality
6. Solid Waste Reduction
7. Packaging and Marketing Materials
8. Labor
9. Animal Care
10. Sustainability Education
11. Governance and Community Engagement

The Food Co-op became a member of the SFTA in 2012, and this is our sixth annual member report. To compile the report, General Manager Kenna Eaton collects data quarterly from an array of staff through an internal reporting template.

Part of The Food Co-op's vision is that “our operations will be environmentally sustainable for the benefit of our members, community, and the planet,” and we call out this objective in our strategic plan as a long-range goal—known as an End—which states: “We will continue to improve the environmental sustainability of our operations.” Our strategic plan and its related Ends were updated and adopted by the board in the spring of 2018. These revisions will be reflected in next year’s report.

In 2008, we crafted a set of operating principles, similar to the SFTA’s eleven operating areas, to help guide and inform our daily work. (see next page)

THE FOOD CO-OP MISSION AND PRINCIPLES

Mission: *Seeking to uphold the health of our community and world, The Food Co-op, a consumer co-operative, serves our membership by making available reasonably priced whole foods and other basic goods and resources by means of our life-affirming democratic organization.*

In the spirit of this cooperative endeavor, we affirm and promote our mission by our principles:

- *Providing healthful, **environmentally responsible, and socially accountable food**, products, packaging, nutritional information, and education.*
- *Functioning as a member-owned cooperative, using a broad range of opportunities for member volunteerism, **participation, and involvement.***
- *Creating a model for economic, social, and **environmental justice, sustainability, democracy, and integrity.***

- *Generating an engaging workplace through the cultivation of the principles of **trust, fairness, transparency, democracy, and cooperation.***
- ***Supporting local farmers** and the development of regional food production systems and emphasizing seasonal availability of local and regional products.*
- *Operating in a **transparent fashion** to engender trust in all aspects of cooperative governance and operations so that member votes, opinions, and concerns are heard and weighted fully.*



1. ORGANICS

We've been selling organically grown food since before being organic was cool. In fact our produce department stocks almost exclusively certified organic fruits, vegetables, herbs, and fungi. In 2007 it became the first produce department to be certified organic by the Washington State Department of Agriculture and ten years later, we are still the only certified organic produce department on the Olympic Peninsula.

We direct our buyers to use our internal guidelines titled "Products we Choose to Carry". When sourcing new items for the store and give preference to organic products whenever they are available and if it is feasible to do so. You can find our product guidelines on our website: <https://www.foodcoop.coop/product-requirements/>

In 2017 the sales of organic products in the store rose to \$6,698,571, an increase of 6% over 2016 sales. We have seen sales growth of organics trend upwards 30% over the

past 6 years. Our goal for 2017 was to exceed \$6.5 million in sales of certified organically grown product, and we exceeded that goal.

We sign any products that we suspect may contain GMOs at the shelf and continue to monitor sales of those items while looking for replacements. And we do see more producers voluntarily labeling products that contain GMOs and applaud the transparency, even as we continue to look for replacements for those items. However, we see "certified organic" as the gold standard and prefer to select those items whenever possible.

2018 Goal

Grow sales of organic bulk to 70% of that sub-department sales. Our larger goal is to grow total sales of certified organically grown goods by 7% and exceed \$7 million.



...are organic, including
more than **\$2.84m.** in
Organic Produce

**109,153 lbs. Organic
Apples Sold in 2017**



2. ALL ABOUT LOCAL

The word “Local” is still pretty popular and we think it’s super important as buying local helps keep our community strong. However, not everyone has the same definition of local and we think it’s equally important that you know what we mean when we say “local”. The Co-op defines local as grown or produced within the five counties adjacent to and including our own—Jefferson, Clallam, Island, Kitsap, and Mason counties. We use “Local 5” to identify products produced in these five counties. Although we source from surrounding counties, over 77% of our local purchases come from our own portion of Jefferson County. The Co-op also distinguishes items grown or produced in Washington State outside the five-county local area with an “L-WA” label, which helps shoppers identify the extending spheres of local and regional production.

We measure our local impact both by the number of unique items that we sell as well as the dollar effect on our economy. There are new local items being developed

annually and in 2017 we saw the largest increase in unique items since 2014, while that number flattened out at a state level. Many of those changes reflect the availability of products that meet our guidelines and the regular ebb and flow of small businesses opening and closing their doors. Our purchases from local producers increased in 2017 for a total of \$1,637,204 or about 11% of annual store sales.

In 2017 we partnered with key stakeholders like the Jefferson County Farmers Market to create a marketing campaign to promote eating local. We also added a line item to our register receipts noting the amount of money spent on locally produced items on that shopping trip.

2018 Goals

1. Continue collaborating with key stakeholders to fund and develop an “Eat Local First” campaign, to launch in 2019.
2. \$ 2 million in local sales.



LOCAL 5

Products grown/produced in Jefferson, Clallam, Kitsap, Mason and Island counties.



LOCAL WA

Products grown/produced in Washington State.

831 Local Items

1,178 items from WA



Sales from local products total:

\$1.6M
in revenue dollars

11%
in total sales





29%
of energy reduced
over 5 yrs



Gallons of propane
reduced since 2013:

50%

3. ENERGY USE

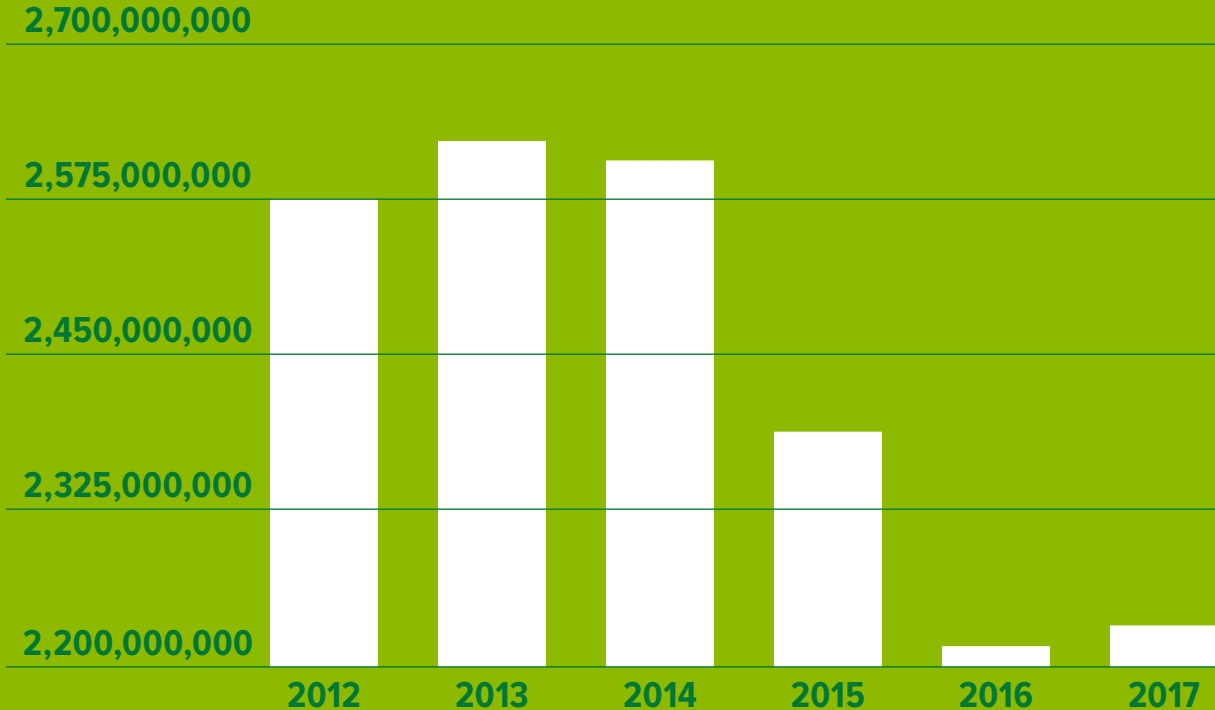
Reducing our energy use is part of our ethos here at the Food Co-op and every time we buy a new piece of equipment or change out a light fixture we look for more energy efficiency.

One way to measure energy usage is to track the British Thermal Units (BTU's) used annually. In fiscal year 2017 we continued our 4 year trend of keeping our total BTU's down and mitigating our climate impact (see chart). We credit our flat line in BTU usage to continued replacement of our older Heating Ventilation Air Conditioning (HVAC) units, which use both electricity and propane. As a result our propane usage decreased for the second year in a row.

2018 Goal

Replace outdated refrigeration equipment and increase our energy efficiency in order to reduce our BTUs/energy usage by 3%.

☞ TOTAL ANNUAL ENERGY USED IN BTU'S ☞



4. CLIMATE CHANGE AND EMISSIONS

Climate Change is both the greatest threat our planet has ever faced and also the greatest opportunity we've ever had to make positive change through leadership and innovation. That's why we partnered with other Food Co-ops and joined the Climate Collaborative in 2017. Through this program companies commit to one or all of a set of innovative and practical climate initiatives.

The most common way to measure our impact is by tracking our greenhouse gas emissions. Typically there are three scopes; Scope 1 - direct emissions (propane), Scope 2 - indirect emissions (electricity) and Scope 3- other indirect emissions not covered in Scope 2 such as landfill waste.

Data shows our Scope 1 emissions dropping as we replace our old HVAC equipment, and our Scope 2 slightly increasing

as we increase the power we buy from the PUD. Scope 3 is holding steady. The Co-op buys Renewable Energy Credits to offset 60% of our electrical usage and 100% of our propane usage and will continue to do so.

2018 Goals

1. Offset Scope 1 emissions (propane) with RECs from PUR Project to equal 60 tons.
2. Offset Scope 2 emissions (electricity) with RECs from Jefferson County PUD equal to 60% of emissions in 2017.

We are an EPA Greenchill Partner



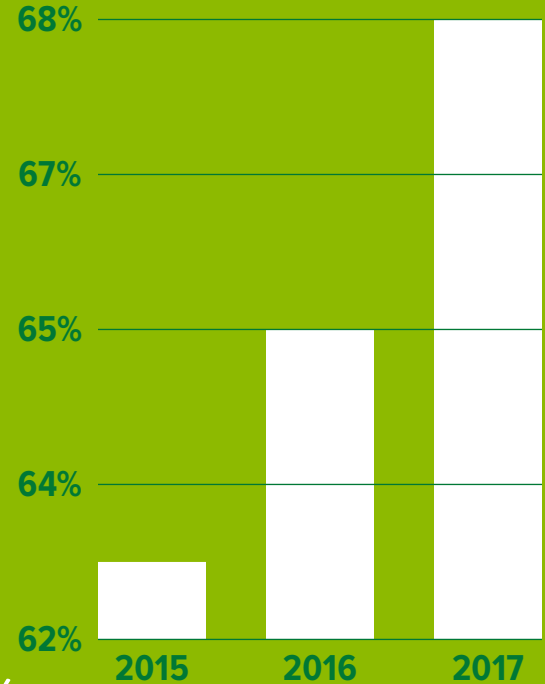
5. WATER USE AND QUALITY

The Food Co-op is located on Townsend Bay, part of the Salish Sea. Our drinking water comes directly from the Olympic Mountains and is dependent on the annual snowfall, and as a result we cannot take fresh water for granted. In fact, research shows that we can expect that water supply to decrease as our planet warms up.

The Co-op continually looks for ways to reduce our water use but, interestingly, we see water usage at our business slowly increasing over the years in spite of our best efforts. And we do expect to see water usage, especially of bulk water, increase post-expansion as we increase our square footage and sales. This year we began thinking about creating a long-term goal for water reduction but we are not there yet.



Waste diversion at the Co-op



6. SOLID WASTE REDUCTION

Our green team (SURF) has conducted many waste audits over the past three years and we know that our staff does a great job of redirecting our waste away from the landfill and into alternative places. For instance, the Produce team collects all their leftover produce and gives it to local farmers who in turn make it into compost for their farms. Our dining room collects food scraps and sends them to local pigs. Our kitchen staff collects coffee grounds and gives those to Port Townsend High School & Oatsplanter Farm. So redirecting our waste from the landfill is one area we have continued success.

In 2017 we diverted 68% of our waste from the landfill with 12% of that being composted and 53% being recycled. We have a wide variety of ways in which we recycle, from collecting used plastic bags to be turned into Trex to collecting (and cleaning) jars for re-use in the store.

2018 Goals

1. Increase amount of waste being diverted from the landfill to 70%.
2. Continue to work with community partners to address commercial composting needs in east Jefferson County.



SURF Team conducting a waste audit



234,040
bags reused
in one year alone!

7. SUPPLIES^{///}

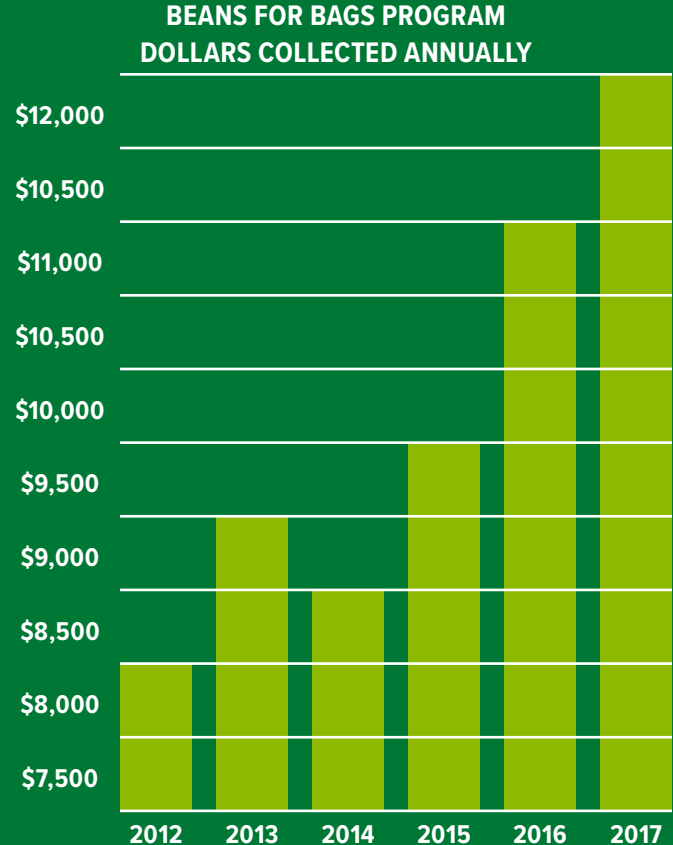
Staff are constantly exploring ways we can improve and reduce our purchases of store supplies such as bags, pens, and paper, from reusing very small pieces of paper for notes to finding a way to recycle our plastic waste (while not a lot of weight, plastic by volume is significant). We stock empty cardboard boxes for customers to reuse. We collect all packaging supplies—Styrofoam peanuts, bubble wrap, etc.—and put them out for reuse by customers. The list of ways we reuse, both little and large, is lengthy, and we actively look for more ways we can keep the cycle flowing.

Even before the City of Port Townsend enacted a plastic bag ban, we had a program that gave our shoppers a five cent refund for every bag or jar they reused, or an option to take a bean instead. Those beans are collected and converted into cash (equaling five cents each) which is in turn given to a variety of local nonprofits over the year, in an award-winning program called “Beans for Bags.”

It's easy to be green and do good at the Co-op. Simply bring in your own shopping bags and cups, and get a credit for every reused container. Choose to donate that credit as a bean and help a local non-profit do more good! In 2017 we collected 234,040 beans- -that's a lot of reused bags and cups everyone!

2018 Goals

1. Increase the number of beans that we collect to 260,000
2. Start tracking plastic bags used and set goals for reduction.





8. LABOR

We want to ensure that our Co-op is a great place to work and to that end we have worked with staff to create a Total Rewards Philosophy, a framework we use to advance our goal of being a thriving workplace. We support our staff with competitive wages, steady raises, generous health benefits (100% after the first 2 years) and a discount on all Co-op purchases. We have loads of training classes plus many opportunities for staff to be even more involved by serving on a variety of workplace committees. Whew! It's no wonder that our employees are proud to work at the Co-op and recommend it as a great place to work to their friends and families.

2018 Goals

1. Research 401(k) or similar retirement plan for 2019 implementation.
2. Complete the transition to pay for performance through accurate job descriptions and a new evaluation system.
3. Implement more training, especially for supervisors.
4. Continue to improve our recruitment process, making it easier and more effective to hire and train staff in a timely manner.

of full-time staff **74**
(30+ hours/week)

of part-time staff **24**
(<30 hours/week)

total staff **98**

9. ANIMAL CARE

In 2017 we set ourselves the goal of creating an animal products policy. That policy was adopted in 2018 (find it on our website www.foodcoop.coop under product guidelines) and sets the foundation for our protein purchases moving forward. With the expansion we plan to increase our offerings of locally and organically raised products including seafood, poultry, pork, lamb and beef.

Many shoppers love being able to choose their own eggs from our egg case. On the front of the egg case a chart is posted fully disclosing where the different suppliers are located, what their hens are fed, whether hens have access to the outdoors, and if the hens are caged. Egg certification labeling and handling changes frequently, and the ebb and flow of choices available to us fluctuates as well. In 2017 we sold over 48,460 dozen eggs with 12% being locally raised. 80% of eggs sold were certified cage free and on a vegetarian diet.

2018 Goal

Finalize and adopt an animal products policy.



**126,990 DOZEN
EGGS SOLD IN 2017**

Cage free

80%

Humane

63%

10. SUSTAINABILITY EDUCATION

Six year ago we formed our own green team we call SURF (Sustainable Users Resource Fellowship) whose task is to help improve our stewardship of the store and our grounds. The team loves to get down and dirty and has conducted lots of audits of the Co-op's trash: snapshots of what actually gets thrown away. The work is super important and super funky! But from that we know our staff does a great job of diverting what waste we can from the landfill. In fact we know that 40% of our waste is paper that has been soiled—paper towels for instance—and we would love to see a municipal wide commercial composting program, which we think this would be a great solution to this growing problem.

SURF also pays attention to our sustainability in other ways. For instance, we celebrate random acts of sustainability

(recognized & nominated by peers) by giving those people a \$10 Co-op card for their efforts.

This year our marketing team introduced a Zero Waste Living class for anyone interested in decreasing their impact on the environment, with plans to continue offering classes like this as long as there is interest!

New this winter we will partner with Jefferson County farmers markets in the Veggi Rx Program - offering free produce for qualifying families.

2018 Goal

Increase collection of food waste in dining room by 10%.



approximately

12,000lbs of good food

donated to the food bank

11. COMMUNITY SHARING

We believe in being a good neighbor and partner with different organizations to strengthen that impact. It is part of our mission to support the community and we have committed to sharing our prosperity in a variety of ways.

Our giving program identifies four pillars of focus:

1) Improving food access; 2) sustainable agriculture, land & sea stewardship; 3) healthy kids, healthy families, healthy pets and finally 4) supporting the cooperative model.

We give to our community in many different ways: food donations, sponsorships (financial and in-kind), round up at the registers and beans for bags. In fact, in 2017 we gave over \$33,687 back to our community!

One of our favorite programs is called the Farm 2 School program. In collaboration with Organically Grown Company

(OGC) we raise funds for fresh local food in schools through the sale of select three-pound bags of apples. This year funds raised were given to the Community Wellness Project who has been working to improve kid's access to locally grown food in Chimacum.

2018 Goals

1. Create a grant through our partnership with the Twin Pines Cooperative Community Fund. Grants will be offered to qualifying nonprofits with a local focus.
2. Contribute \$1,000 and 50 staff hours to launch a community-wide "Eat Local First" marketing campaign.

TOP 3 WAYS TO CONTRIBUTE TO COMMUNITY SUSTAINABILITY

1 SHOP THE CO-OP

When you shop at the Co-op your dollars go further. For every \$1 you spend, \$1.60 is cycled throughout our community.



2 SPEND THOUGHTFULLY

Help strengthen the local economy by keeping your shopping local.



3 BE THE CHANGE

Reduce, reuse, recycle!



To our owners, board, staff
and partners – thank you
for making it a great year.
We are stronger together!