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27514

authentic food

annual report  
2006

panzanella

Cathy Jones: Perry-winkle Farm  
Photo By: Debbie Roos  
Chatham County Cooperative Extension Agent

\$1.83 million purchased from local producers in 2006



WEAVER STREET MARKET'S

# first annual

## Cooperative Community Fund Grants

### WEAVER STREET MARKET'S Cooperative Community Fund

is established as a permanent fund whose interest will be given annually to local groups working on issues relating to sustainable agriculture and organic food, hunger and social issues, environmental protection, and cooperatives. We expect that the CCF will grow rapidly to become a major factor in the achievement of our co-op's mission to be a vibrant, sustainable commercial center.

In our August newsletter, we put out a call for applicants for our first grant cycle from the Cooperative Community Fund. We had over a dozen qualified applicants, and also an intrepid committee to make the final choices that we're presenting here:

#### 2006 CCF GRANT WINNER

##### **ANATHOTH COMMUNITY GARDEN**

Anathoth Community Garden is a ministry of Cedar Grove United Methodist Church that seeks to be a healing presence in the community by mending relationships with the land and with each other. Cedar Grove is a place broken by racial and economic divides. The land itself has suffered decades of misuse through unsustainable tobacco production. Our hope is that by bringing people of diverse backgrounds together to grow organic food for one another, that these divides will begin to crumble. The garden is as much about building community as it is about growing healthy food.

We work primarily in three areas: Through our CSA (Congregation-Supported Agriculture) we provide fresh organic produce for low-income families in and around Cedar Grove, NC. We serve a varied population: Asian, Hispanic, African-American, and Caucasian. We invite anyone who is interested to join the CSA. Rather than individual plots in the traditional community garden model, our work is done communally.

Another focus is providing a work-site for kids from Volunteers for Youth. We host anywhere between 5-15 kids/week on one of our two workdays.

A third focus is education. Next year we will be teaching classes on organic gardening to local residents. We will need to purchase books and supplies, as well as some extra tools. We will also be funding an apprentice for the growing season. ❖

#### 2006 CCF GRANT WINNER

##### **ORANGE COMMUNITY HOUSING & LAND TRUST**

Orange Community Housing and Land Trust is a nonprofit developer of affordable homes in Orange County. The Land Trust sells single-family homes, townhomes, and condominiums to homebuyers who live or work in Orange County.

Typically, a 3-bedroom 2-bath Land Trust townhouse with an appraised value of \$165,000 sells for around \$105,000. This is made possible by housing subsidies and because the ownership of the land and improvements remain with the Land Trust. Homeowners sign a 99-year ground lease that conveys to them the rights and responsibilities of ownership. When they sell, a resale formula keeps the price affordable for the next homeowner.

The Land Trust was formed in July 2001, and the first Land Trust home was a Carrboro mill house, at 305 Pleasant Drive. Today, Land Trust properties are scattered throughout Orange County, including 12 in Carrboro. Currently, the Land Trust has a contract on a lot at 104 Broad Street, Carrboro. If negotiations are successful, we will build a new single-family home within easy walking distance of Weaver Street Market and Carrboro's vibrant downtown. ❖

#### 2006 CCF GRANT WINNER

##### **PA'LANTE**

Pa'lante was formed in 2003 as a Spanish language youth media program to involve youth in integrating Latin American immigrants with the greater community in Orange County. We do this by teaching and supporting youth to create Spanish language media that enables them to express themselves and provide access to information on community services and events.

Currently, about twelve teens regularly produce Radio Pa'lante, a music and public affairs show airing on WCOM and podcast on our website, [www.radiopalante.org](http://www.radiopalante.org). The teens interview community members; play music; and broadcast a calendar of events.

Research shows that programs that offer youth the opportunity to serve their community retain more youth, and youth who are involved in afterschool programs are more likely to graduate from high school. The youth take their role of informing the community very seriously and that is often the first thing they mention when they talk about why they are involved in Radio Pa'lante.

The teens currently are working on two documentaries, one about helping friends avoid joining gangs and another about conversations teens and parents should have about sex. The youth are now editing clips, writing voice overs for the English language interviews and writing scripts for the documentaries.

Learning to read and write in Spanish offers the youth another avenue through which to connect to their heritage, a connection which helps build self esteem and a strong sense of belonging to a community. ❖

# october is national cooperative month

## events:

### sunday jazz brunch

Every Sunday thru October 29  
11 am - 1 pm Carrboro Lawn

### owner specials

October 11 through November 7  
Watch for Owner-only specials throughout the month!  
Some of your favorites!

### Weaver Street Market annual meeting

Sunday, November 5  
Noon - 3:00 pm at the Century Center  
Lunch provided . . . see invitation to the right . . .

### tastings

Throughout October  
Carrboro & Southern Village

### ghoststories

Ghoststores under the stars . . .  
Spooky Seasonal Music . . .  
Costume Contest . . . Tricky Giant Puppets  
. . . Cider . . . Cookies  
Friday, October 27 5 - 8 pm  
CARRBORO

### trick or treat at wsm

Spooky Seasonal Music . . . Tricky Giant Puppets  
Flaming Hoola Hoopers . . . Cider . . . Cookies  
Saturday, October 28 3 - 6:30 pm  
SOUTHERN VILLAGE

## Weaver Street Market Annual Meeting invitation

Sunday, November 5  
at the Carrboro Century Center

12 Noon: **lunch** (provided)

12:30 pm: **annual meeting**

- \* Engage in lively dinner conversation about the Co-op of the future!
- \* Hear the "State of the Co-op" reports from the General Manager and the Board of Directors!
- \* 1st Annual Cooperative Community Fund Awards!
- \* Meet the candidates for Board of Directors!
- \* Vote for a candidate for the Board of Directors!
- \* Door prizes!

## all month long . . .

Great Owner Specials . . . Raffles for Great Prizes  
. . . Balloons . . . Samplings . . . VOTE  
Carrboro Southern Village Panzanella

4th Annual

## heritage turkey dinner

Thursday, November 2

Featuring locally-grown, free-range Bourbon Red heritage turkeys grown by Alex & Betsy Hitt.

10% of proceeds benefits American Livestock Breeds Conservancy  
5:30 - 9 pm Reservations accepted for parties of 6 or more.

PANZANELLA



co-op ownership

# election

## Meet the Candidates

for Weaver Street Market Board of Directors

george hoag

### Current professional work:

Retired but I still read stories to children twice a week at Barnes & Noble.

### Previous professional work:

College teaching & research (Sociology), Managing community improvement (Public schools), Sales ( School library books, reference materials & library supplies), Retail (Meat & fish, prep chef, sandwiches, food serving-Wellspring/Penguin cafe), Bookseller & Cafe (Barnes & Noble)

### Current community involvement:

Last thing was supporting Carrboro Farmer's Market benefit for post-Katrina New Orleans Farmer's Market. I organized & made the muffaletas.

### Previous community involvement:

Public school improvement, neighborhood activities

### Why would you like to serve on the Board of Directors?

I would like to bring a mature point of view to the Board. Given my age--71-- and diverse experience I think I could make a contribution. I have lived in CH-Carrboro since 1983 and have seen the changes in the community that a growing retirement community has engendered. I am not a "golden years" activist but I think this age group should be included in all significant aspects of food & nutrition services.

### Briefly, describe any experience you have had with worker or consumer cooperatives or with other small business.

I have had no experiences of any note with cooperatives other than as a recipient of services.

### In your personal life or when working with organizations what strategies have you used to bring about understanding and consensus when dealing with complex issues?

I try to listen carefully & restrain jumping to conclusions. Sometimes I fail & get passionate if it's an important issue. Letting long winded-self-important presenters die a natural death is a good strategy.

### Briefly describe any experiences you have had with the following:

- a) Value-based policy development
- b) Planning
- c) Organizational evaluation

I suppose all policy development should be value based & the values made explicit in the process so that decisions & directions that may issue from the process are genuinely supported by the participants. It doesn't always work so smoothly as that in my experience. In both community work & business contexts I have seen a variety of planning styles & techniques attempted. Some actually worked. Planning is an empty & self-deluding process without proper subsequent execution. Evaluation is probably the most difficult of the standard model, but maybe the most important & potentially useful phase if the results are used in a creative way to advance the whole enterprise.

### Include anything about yourself that you may like others to know:

I have a well developed sense of the absurd & have never voted for a Republican. ❖

david moser

### Current professional work:

From November through April, I am continuing for a fourth year as a First Reader for Duke University's Undergraduate Admissions, reading both international and domestic applications as part of the process to create the entering freshman class community.

### Previous professional work:

Three decades working in the Triangle J Council of Governments' seven-county arena. Until retiring in 2003, my activities involved planning, administration and advocacy. As Director of the Area Agency on Aging I had many opportunities to focus on clear and balanced solutions to issues of aging confronting older adults, non-profit and governmental providers of services, elected officials. One example: participating as a member on the Steering Team for Orange County's Master Aging Plan.

### Current community involvement:

Treasurer for two non-profit organizations—the statewide Friends of Residents in Long Term and Durham's Senior PHARMAssist. Also a community volunteer for Durham's Keeping In Step/Senior Issues Team (KIS/SIT). This group grew out of a strategic planning model project I helped to secure in 1990 and now serves as an advisory body for the Durham County Commissioners and Triangle United Way.

### Why I want to serve on the Board of Directors:

For a couple of decades—dating back to when the Carrboro Farmer's Market operated under the ancient tin-roofed rafters of its former location and Weaver Street Market (WSM) operated from a fraction of its present square footage—I've traveled regularly from my home in southwest Durham to fill a market basket from the outdoor stalls, then eat breakfast (or brunch) and make further purchases at WSM. I feel a deep sense of satisfaction from my coop membership in WSM. *Why?*

The answer has *something* to do with supporting local food production; a preference for WSM bread as the finest in this part of the country, bar none; feeling connected with those who gather on the lawn, with fellow shoppers and staff I've been around through the years; the quality of the food available at WSM and Panzanella....

The answer has *a lot* to do with the values underpinning the mission of the whole WSM enterprise. (Those nine meaningful words, admittedly

difficult to keep ordered in one's mind, for me retain alignment through the first letters of a couple of phrases: "Can't Lose Extra Pounds, Frankly, If I Eat Everything," and "Curiosity Lures Even Placid Felines Into Inelegantly Empty Enclosures.")

This is the backbeat and sharp pulse of it—these nine defining words: **Cooperative Local Ecological Primary Fair Inclusive Interactive Empowering Educational.** These are values I consider worth supporting with energy and effort. It is essentially why I'm interested in working with the Board of Directors, participating as an agent for you—the owners of WSM.

**Governance:** A WSM board member's primary functions are linking with all owners, evaluating the performance of the enterprise, and facing forward in the direction of proactive leadership. As a grateful and committed member of WSM's community of owners, I'm willing to perform these functions. I'm willing to engage in the Policy Governance model (which serves as the basis for WSM's board operations). It's a model I consider worthy, insightful and practical.

I hope that by reading these candidates' statements of interest you have a difficult choice to make. That likely means you're getting full value for your right of ownership in WSM to vote for a member of the board. I hope you will encourage other owners you know to vote as well. And naturally, as I've tossed my candidate's cap into the ring, I also can't resist hoping you'll be persuaded to cast your vote for David Moser. ❖

## robert short

**Current professional work:** I am the founder of and principal consultant with IT Pathways, a local coaching and consulting company. I work with corporate and non-profit clients to help them lead and manage their high-profile initiatives. IT Pathways provides executive coaching, leadership training, and meeting facilitation as well as consultative services for strategic planning and communication skills. In addition, I subcontract with the Triangle Training Center to facilitate groups (e.g. MBA students, churches, school staff and students) in developing leadership skills in an experiential learning environment.

**Previous professional work:** I was a senior systems architect with GlaxoSmithKline for eight years. In that role I was responsible for the alignment of systems with agreed standards and best practices while, simultaneously, developing strategies that would incorporate new technologies I developed and proposed an architectural vision that would increase the ability of the systems to exchange information and to respond rapidly to changes in the business. Working through individual project teams and internal governing boards I built consensus on this vision, which was subsequently adopted.

Previously, I worked for fifteen years as an environmental engineer with the US EPA in their Office of Air Quality Planning and Standards. In that role I was involved in science-based and value-based policy making on a variety of environmental projects. My last role with the EPA was a staff member supporting the EPA's Regulatory Negotiations committee, which engaged the EPA directly with both industry and environmental groups in the standards setting process. PA's Regulatory Negotiations process was based on the Policy Governance model.

**Current community involvement:** Working with SURGE and the ReCYCLEry, I have a leading role in kick-starting the Blue Urban Bike project, a community-based bike loan program. I am providing coaching and facilitation services to SURGE on a volunteer basis. I am providing executive coaching to a non-profit organization supporting state employees.

**Previous community involvement:** I was a WSM volunteer in the produce department. I taught health/fitness/exercise classes in the community and in companies in the mid-eighties. I was a member of a small food coop in

Durham in the late seventies and early eighties. I was involved in the food pickup and distribution.

**Why would you like to serve on the Board of Directors?** I have been a WSM customer-owner since early in its existence. As such I have experienced its growth from a small, single-store coop to become a focal point for community activities in a variety of diverse areas. WSM is continuing its growth in the community and expanding into a new market in Hillsborough. With its continued growth I want to ensure its sustainability financially and socially, and in its leadership role. I want to keep the WSM vision alive and fresh, and representative of the community it serves.

**Describe experience with worker or consumer cooperatives or with other community-minded businesses.** Strictly speaking I do not have extensive experience in this area. In working with the non-profit organization supporting state employees, I coach one of the executives on various organizational, policy, and staff issues as well as membership enrollment. On similar issues I provide coaching to SURGE, a non-profit organization for social and environmental justice.

**What strategies have you used to bring about understanding and consensus when dealing with complex issues?** In groups I use a variety of techniques to gain consensus; most are based on establishing common ground. In my experience common ground is built when everyone feels they can contribute in a safe environment and that their concerns are heard and addressed. When all information has been added to the pool of shared knowledge, consensus can be reached by building upon the common ground and looking for win-win solutions. This is based on the Crucial Conversations model. I also draw upon principles from Seven Habits of Highly Effective People.

**Describe experience you have with value-based policy development, planning, and organization evaluation.** Most of my experience with value-based policy development and planning dates back to my years with the EPA in their Energy Analysis Branch and their Economic Analysis Branch. In both we needed to combine scientific data with societal values in analyzing the costs and benefits of proposed policies. The standards setting process inevitably involved negotiations with the Department of Energy for consideration of national energy policies and other government agencies. My current role with IT Pathways involves evaluation of projects, processes and, to some degree, organizations to provide a measure of success (e.g. is the project on-track) or effectiveness (e.g. is there a need for process improvements or organizational changes).

**Anything else that you may like others to know.** I have three children in the Chapel Hill-Carrboro school system (one each in FPG, Culbreth, and Chapel Hill High School) so I will continue to be an active participant in the community for years to come. And in late breaking news... today my oldest son joined the student chapter of SURGE at Chapel Hill High School, and I did not suggest or ask him to join. Apparently I am a role model for him. ❖

**VOTE**  
by 12 Noon  
Sunday,  
November 5

### Consumer-Owner Representative Ballot for Weaver Street Market Board of Directors

Your owner number is: \_\_\_\_\_

**Each share size is entitled to the following number of votes:**

1 person share (\$75) - 1 vote    2 person share (\$135) - 2 votes  
3 or more person share (\$175) - 1 vote for each adult listed on your share.

**The person(s) on this share cast a vote of:**  
(Please write number of votes on line provided.)

Number of votes: \_\_\_\_\_

**George Hoag**     **David Moser**  
 **Robert Short**

**Ballots must include a valid signature  
and owner number to be counted.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Owner Number

# year in review

BY: RUFFIN SLATER GENERAL MANAGER



Weaver Street Market's Mission Statement sets out our desired impact: "A vibrant, sustainable commercial center for the community of owners and potential owners." We measure our progress toward this mission by using the triple bottom line of financial, social and environmental sustainability.

## FINANCIAL BOTTOM LINE

One of our major goals in 2006 was to protect the co-op's financial position in the face of increased competition from Earthfare. We're pleased to report that we experienced a minimal reduction in sales growth in spite of the increased competition. Our sales increased 12% at Southern Village, 6% at Carrboro and 8% at Panzanella Restaurant, compared to 2005.

We achieved a net profit of \$138,000-- slightly less than a penny of profit for each dollar of sales. Our profit declined from \$266,000 in 2005, mostly due to the addition of staff positions which are needed to improve our operations in the future.

A basic benefit of our cooperative structure is that it allows us to promote the economic well-being of our consumer owners and worker owners by returning money back to you. Our consumer owners receive a cash register discount, which totaled \$357,860 in 2006. Our worker owners receive a patronage dividend based on hours worked, which totaled \$67,761, or 55 cents for every hour worked during the year.

## SOCIAL BOTTOM LINE

An increase in our sales also means an increase in the portion of our food dollars that stays in our local community. About 50 cents of every dollar spent at Weaver Street Market remains in our community, compared to about 15 cents of every dollar spent at a chain store. One reason for this is the amount that we purchase from local farmers and food producers. In 2006, we purchased almost

\$1.85 million from local producers. When you total the food we make in-house with the food we purchase from local producers, almost half the food we sell is produced locally!

In addition to purchasing from local producers, we promoted local food products in innovative ways. We made an investment in Growers Choice, a newly formed chicken producing co-op in Chatham County. Over the summer, Panzanella Restaurant hosted three dinners in which the ingredients were produced in North Carolina, and four dinners in which the menu was based upon the products from a nearby farm. Panzanella Restaurant also had a special wine-tasting that featured wines from North Carolina's burgeoning wine industry.

Another way we contribute to our social bottom line is through the events we sponsor. We hosted 247 community events throughout 2006--an average of four per week. Our enjoyable public space and our frequent events provide the community with opportunities to visit with neighbors, sample new products, listen to local musicians and discuss what's happening in our community and the world.

We recently experienced a threat to the use of the lawn in Carrboro when the Carr Mill Mall management banned Bruce Thomas from dancing. The amount of attention the issue received reflects how passionately the community feels about the lawn. As of this writing, it appears that the issue has been resolved in a way that will allow Bruce, and others, to dance once again. The Carr Mill Mall management also implemented policies that will allow the community to use the lawn responsibly, and they have agreed to a monthly meeting with Weaver Street Market to address any issues that might arise, to prevent them from spiraling out of control.

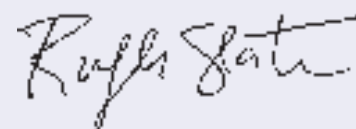
We made substantial donations to non-profit groups that contribute so much to our community. We contributed over \$48,000 in direct donations to local non-profit organizations and schools. In addition, we helped the Carolina Farm Stewardship Association raise over \$19,000 from the annual Piedmont Farm Tour, and helped many non-profit groups raise funds at our Thursday night After-Hours events. Our own foundation, the Cooperative Community Fund, also gave out its first grants. All told, we directly or indirectly provided over \$100,000 to community groups.

## ENVIRONMENTAL BOTTOM LINE

In the environmental area, we focused on green energy. We fuel our truck with bio-diesel from the Piedmont Biofuels co-op, and purchase 10% of our electricity from green energy sources.

We also hired a Recycling Coordinator whose job is to identify ways to improve our recycling programs. We now recycle 15 different waste streams: corrugated and waxed cardboard, metal cans, plastic bottles, three colors of glass, three types of paper, packing peanuts, plastic bags, small wooden packing crates, cooking oil, and food waste for compost. Our Recycling Coordinator is working on improved systems and signage to encourage increased and efficient use of recycling systems at Weaver Street Market.

All in all, we are proud to say that 2006 was a challenging but successful year in terms of progress toward our Mission, as measured by our contribution to the financial, social, and environmental sustainability of our community.



Ruffin Slater, General Manager

co-op ownership

# year ahead

BY: RUFFIN SLATER, GENERAL MANAGER

W

eaever Street Market endeavors to act as your buying agent for foods that match your values. On a day-to-day level, this involves evaluating products and selecting foods that have the best combination of price, quality, and social and environmental attributes. On a broader level, this involves tracking industry trends and positioning our co-op to be able meet your needs into the future. This second role is critical: as the business of natural and organic foods changes rapidly, we need to react to keep our product selection meaningful. We want to report on the trends that we see and the changes that we have planned in response to those trends.

## ORGANIC IS BECOMING A COMMODITY

Wal-Mart announced earlier this year that it would greatly expand its organic selections and offer rock-bottom prices—only 10% more than its already-cheap conventional food. Wal-Mart's entry into organic food signals that organic food has become a commodity. Like every other commodity, Wal-Mart's organic food will now come from wherever in the world it can be produced most cheaply, including China. As giant businesses like Wal-Mart enter the organic arena, we are already seeing lobbying pressures to dilute organic requirements, and attempts to circumvent the standards that do exist.

These changes to the organic food industry mean we risk losing important values traditionally associated with organic farming, such as improving the environment, keeping family farmers in business, and treating farm workers fairly. We also risk losing a labeling distinction that has helped us make meaningful choices on your behalf.

## OUR RESPONSE: AUTHENTIC FOOD

Our response to this trend is to continue to emphasize products that meet a higher standard, those that we call 'authentic food'. Authentic food means organic products from small farms that embody the spirit of organic farming, rather than factory farms that do the minimum to get by. Authentic food means products from local producers who contribute to a sustainable food system, retain artisan production techniques, and allow family farmers to stay in business. Authentic food means Fair Trade—fair payment to farmers in the developing world who produce crops

such as coffee and chocolate that can only be grown in warmer climates. Authentic food means products from our own kitchen and bakery, where we can control ingredients, quality, and freshness.

## OUR PLAN TO BRING YOU AUTHENTIC FOOD

1. Product sourcing for authentic food has become more complex. We can no longer rely on labels such as 'organic' to tell us how food is produced. We need to do our own investigation, get to know the producers, and visit their operation. We need to develop the capability to buy directly from small producers in economically viable quantities. We need to assist small producers to meet our needs for quality and consistency. In order to accomplish these things, we have hired a Head Merchandiser to lead our product-sourcing efforts, and we have rented a warehouse in Hillsborough to enable us to buy directly from small producers.

2. In order to have sufficient space to stock and to highlight authentic food products, we need to expand our retail floor space. This fall, we will remodel the Southern Village store and expand it by 25%. This will allow us to stock most of the products we sell in the Carrboro Store. We are also working with the Carr Mill Mall management on a plan to expand the Carrboro store in 2007. We want to fill the space between our building and Carr Mill Mall with an addition that will serve as our stockroom. This will allow us to expand our retail space into what is currently the stockroom.

3. We lack the kitchen and bakery space to effectively produce what we are making currently, let alone to increase the variety of products that we make ourselves. To address this need, we are planning on building a "Food House"—a large kitchen and bakery with an attached warehouse. We have signed a letter of intent to rent space in the Hillsborough Business Center, a business incubator in a former mill next to the Eno River in West Hillsborough. The space is very economical (\$3.50 per sq.-ft. compared to the \$17-\$19 per sq.-ft. we are now paying in Carrboro). It is also in a neighborhood of mill houses similar to those in Carrboro, and next to the planned River Walk along the Eno, so we will be able to create a workspace with a sense of character.

4. Although mainstream organic products may not have all the advantages that we seek, they are still better than non-organic products, and we will continue to carry them when there is no small-scale alternative. As prices for organic foods fall at the competition stores, we need to ensure that our cost structure allows

us to price these products competitively. To manage our cost structure, we need to make our operations more efficient. As part of the store remodeling plans, we are investing in back room and loading facilities that will make the work flow smoother. We are also investing in logistics software to make sourcing prepared food from the Food House more efficient.

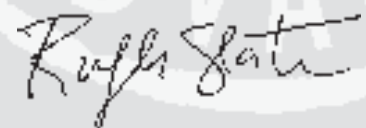
## REDUCING ENVIRONMENTAL IMPACT

As we remodel and expand our facilities, we will use green building techniques and invest in energy savings. One major source of energy savings will be the integration of our refrigeration and heating systems. This will allow us to use the waste heat from the refrigeration system to provide space heating in the winter and dehumidification in the summer.

## NEW STORE IN HILLSBOROUGH

Our plans are progressing for our new store in downtown Hillsborough, located on Churton Street as you cross the bridge over the Eno and enter downtown. Weaver Street Market will own the first floor of the building as well as the lawn across the south side of the building; this marks the first time that we will own one of our facilities. There will also be two floors of County offices above the store. The Hillsborough community has supported this project by purchasing ownership shares and committing to make loans to help fund the project. Construction is scheduled to start later in 2006, with the opening projected for early 2008.

Thank you for your continued support and patronage. In this rapidly changing business environment, the support of our owners is more important than ever. Every shopping trip you make to Weaver Street Market and not elsewhere is important; every product you purchase at Weaver Street Market and not elsewhere is significant. We rely on your business and your support. We continue to be committed to act as your buying agent for foods that are in keeping with the mission of our co-op, to seek out food that is produced in a sustainable fashion, that is locally produced, and that provides a fair return to producers. We are committed to making our downtowns vibrant and interactive. And we are committed to improving our environment. With your support, we'll continue these efforts far into the future. We are here to meet your needs. Please tell us how we can do it better by contacting me at [ruffin@weaverstreetmarket.coop](mailto:ruffin@weaverstreetmarket.coop).



Ruffin Slater, General Manager



# year in review

Photo by M. J. Sharp

## IN 2006 WEAVER STREET MARKET DIRECTLY OR INDIRECTLY PROVIDED OVER \$100,000 to community groups

INCLUDING HELPING THE CAROLINA FARM STEWARDSHIP ASSOCIATION

RAISE OVER \$19,000 FROM THE ANNUAL PIEDMONT FARM TOUR

### 2006 Donations

Eno River Festival  
 UNC Frisbee Golf  
 NC Botanical Garden  
 Operation Cat Nip  
 El Centro Latino  
 Commuter Alternative Program  
 OC Peace Coalition  
 ERUUF Social Justice Work  
 Child Care Services  
 Triangle Beagle Rescue  
 Carolina Women's Center  
 UNC Wellness Center  
 Masala Unity Festival  
 Smart Communte/TTA  
 Carrboro Community Health Center  
 Car Free Day  
 Mental Health Assn of Orange Co.  
 Nat'l Alliance/Mentally Ill  
 Arthritis Foundation  
 YMCA Pumpkin Trail Run  
 Operation New Life  
 NC Sierra Club  
 Culbreth Middle School Katrina Fund  
 Disability Awareness Council  
 Nat'l Literacy Conference

Friends of Bolin Creek  
 New Orleans' Musicians Fund  
 Chatham County Family Violence Prevention  
 Women's Birth Center  
 NC Warn  
 Orange County Rape Crisis  
 Chatham County Council on Aging  
 Students for Students Int'l Fund  
 Internationalist Books  
 Tri Vegetarian Society  
 Club Nova  
 Habitat for Humanity  
 UNC Jingle Bell Jog  
 Carolina Public Interest Law  
 Community Breakfast  
 Women's Prison Project  
 Nourish International  
 Hoop Dreams Basketball Academy  
 Oak Grove Animal Sanctuary  
 Fortitude Performance Ensemble  
 Head Start  
 The Women's Center  
 Water Partners  
 Agricultural Resource Center  
 The Chrysalis Foundation  
 UNC Dance Marathon

OC Human Relations Commission  
 Smith Booster Club  
 UNC School Of Public Health  
 SURGE  
 Campus Y  
 Community Dinner  
 Source Fource Easter Baskets  
 Roosevelt Institution  
 Haw River Assembly  
 Blue Deer Center  
 Kidzu Museum  
 Durham Battered Women's Shelter  
 UNC Lineberger Cancer Center  
 Carolina Environmental Sudent Alliance  
 IPAS  
 Earth Action Fest  
 Fair Trade Coffee Day - UNC  
 Shakori Grassroots Festival  
 Youth Aids Organization  
 Nicholas School of the Envrnmt  
 Habitat Hand-Me Up  
 Lloyd Street Community Center  
 Heads-up Therapeutic Riding  
 Leukemia Lymphona  
 Commuter Alternative Program  
 Orange Co. Tourism Week

Carrboro Sustainable Workshop  
 Town of CH Employee Appreciation Day  
 Project Graduation  
 Potentialis Center  
 Orange County Red Cross  
 Comida No Migra  
 Eno River Association  
 Cucinando col Cuore  
 Southeast Social Forum  
 Americorps TEACH  
 Katrina Survivors Council  
 Carolina Farm Stewardship Association  
 Carrboro Music Festiful  
 MLK University/Community Scholarship Fund  
 Interfaith Council for Social Justice  
 Cooperative Development Foundation  
 CCCC Sustainable Farming Program  
 American Livestock Breeds Conservancy  
 El Pueblo, Inc  
 El Futuro  
 Counter Culture Nicaragua Project  
 American Red Cross  
 Project Safety Net  
 Music Maker Relief Foundation  
 Ronald McDonald House  
 Slow Food - RTP

## over \$25,000 to community schools



## Weaver Street Market in the news

### Earth Fare challenging Whole Foods

Despite the presence of Earth Fare and Whole Foods, WSM outshines both in terms of quality produce, commitment to local purchasing and bread.

- *Eat beat. The Independent, September 28, 2005 by David Auerbach*

### Dinner conjures nostalgia, funds

At least 100 people attended a dinner, hosted by Panzanella and WSM to raise funds for victims of hurricanes Katrina and Rita. While patrons enjoyed the authentic Cajun cuisine and open bar, administrators for the co-op volunteered their time running the floor and filling orders.

- *The Daily Tarheel, September 29, 2005 by Antonio Velarde*

### Citizen of the Year

... Other honors included the citizen of the year award, which was given to Ruffin Slater, WSM general manager. Zimmerman credited Slater with helping establish and support a sustainable economic community in Carrboro and surrounding areas.

- *The Herald Sun, October 10, 2005 by Jennifer Ferris*

### Market withdraws ownership change

Weaver Street Market has withdrawn a proposed change in the co-op's investment and refund system. Instead of discounts, the Market's board of directors proposed giving members "patronage refunds" at the end of the year based on the market's profits for that year.

- *The Chapel Hill News, October 11, 2005 by Meiling Arounharath*

### Fresher by a long way

Biodiversity on a plate. Panzanella showcases the diversity of produce from North Carolina and creates relationships with farmers that encourage experimentation with heirloom varieties, or unusual types of produce.

- *The Herald Sun, October 12, 2005 by Cynthia Greenlee-Donnell*

### Living Economy Award

WSM was chosen by Business Ethics Magazine to receive its 2005 Living Economy Award. The award is granted to locally based businesses that are "human scale, stakeholder owned, democratically accountable, life serving, and that seek fair rather than maximum profits."

- *The Herald Sun, November 7, 2006*

### Carrboro loan program builds record of success of over 20 years

Eighteen years ago, WSM was the first business in Carrboro to receive grant money from the revolving loan program sponsored by the town. WSM paid off the loan eight years ago. Now other businesses can benefit from the revolving loan program.

- *The Herald Sun, November 26, 2006 by Jennifer Ferris*

## in the news

### No Weaver Street in Hillsborough

Weaver Street Market's plans to open a grocery and café on Churton Street in Hillsborough were killed Wednesday. The town's Board of Adjustments denied a site plan change to the future Gateway Center, where the co-op natural food store was planning to buy the first floor.

- *The News & Observer, January 12, 2006 by Cheryl Johnston Sadgrove*

### Weaver Street Market denial draws outrage

A number of area residents are disappointed and angry that WSM may not be coming to town. By midmorning Thursday, Town Board member Eric Hallman said he had heard from at least a dozen local residents, many of whom he said were "irate" with a Board of Adjustment vote that rejected a request to change the planned Gateway Center so the market could occupy its first floor.

- *The Herald Sun, January 13, 2006 by Emily Coakley*

### WSM optimistic about Gateway store

The people from WSM came to town Thursday night saying they are optimistic they'll open a store in the Gateway Center on South Churton Street.

- *The Herald Sun, February 16, 2006 by Beth Velliquette*

### It's final: Market will be in Gateway

Under court order; Hillsborough panel approves site plan. The Town's Board of Adjustment, under court order, unanimously approved an amended site plan Wednesday night for the Gateway Center, the future home of a Weaver Street Market.

- *The Chapel Hill Herald, March 9, 2006 by Emily Coakley*

### Weaver Street concerts mark return of sunshine

A Carrboro tradition sprung back to life Sunday as residents gathered for the first weekly Music on the Lawn at Weaver Street Market. WSM hosts the event each year on Sundays from April until November. "It's part of our mission," said Alice Lamson, the Carrboro store manager.

- *The Daily Tarheel, April 3, 2006 by Alexander Trowbridge*

### We have a choice to invest in the lifestyle, community we want

Community members are urged to invest in the Hillsborough store as a way to revitalize Carrboro's sister city to the north, Hillsborough.

- *The Chapel Hill Herald, April 23, 2006 by Susan Gladin*

### Big Easy farmers to get help

Weaver Street Market and Panzanella Chef, Peter McCloskey donate food to the "Muffaletas and Gumbo" fundraiser for the Crescent City Farmers Market whose members were affected by Hurricane Katrina.

- *The Herald Sun, April 28, 2006*

### Panzanella shortens the path from farm to table

With over 22 dishes, beer, wine, and coffee, Panzanella creates a great dinner that supports local farmers, producers, and the Sustainable Agriculture Program offered by Central Carolina Community College in Pittsboro.

- *Chapel Hill/Carrboro Visitor's Bureau, 2006*

# year in review

## weaver street market balance sheet

### ASSETS

#### Current Assets

Cash	342,972
Inventory	569,139
Prepaid Expense	28,668
Accounts Receivable	68,134
Current Portion of Notes Receivable	13,202
<b>Total Current Assets</b>	<b>1,022,115</b>

Fixed Assets	3,450,620
Other Assets	128,938
<b>TOTAL ASSETS</b>	<b>\$4,601,673</b>

### LIABILITIES & EQUITY

Accounts Payable	354,321
Other Current Liabilities	500,925
<b>Total Current Liabilities</b>	<b>855,246</b>

Long-Term Liabilities	1,620,837
<b>TOTAL LIABILITIES</b>	<b>2,476,083</b>

### EQUITY

Worker-Owner Equity	321,295
Consumer Equity	909,638
Community Loans	412,720
Retained Earnings	344,365
Net Income	137,572
<b>TOTAL EQUITY</b>	<b>2,125,590</b>

<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,601,673</b>
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Photo by M. J. Sharp



## weaver street market income statement F2006

Sales	18,135,152	100.0%
Cost of Goods	10,255,646	56.6%
<b>Gross Profit</b>	<b>7,879,506</b>	<b>43.4%</b>
<b>Expenses</b>		
Personnel	5,187,126	28.6%
Occupancy	959,915	5.3%
Operating	465,060	2.6%
Administrative	96,422	0.5%
Governance	25,855	0.1%
Member Sales Discounts	450,447	2.5%
Promotions	196,178	1.1%
<b>Total Expenses</b>	<b>7,381,003</b>	<b>40.7%</b>
<b>Operating Income</b>	<b>498,503</b>	<b>2.7%</b>
<b>Other Income &amp; Expenses</b>		
Other Income	81,384	0.4%
Depreciation & Amortization	(324,592)	-1.8%
Interest	(117,148)	-0.6%
Loss on Disposal of Assets	(575)	0.0%
<b>Total Other Income &amp; Expenses</b>	<b>(360,931)</b>	<b>-2.0%</b>
<b>NET INCOME</b>	<b>137,572</b>	<b>0.8%</b>

# Cooperation

## The Cooperative Principles

### Statement of Cooperative Identity

The International Cooperative Alliance, established in 1895, is considered to be the final authority for defining cooperatives and the principles by which they operate. The organization has made three formal statements of cooperative principles over the past 100 years in an effort to keep them relevant to the contemporary world. At its 100th anniversary meeting in September 1995 in Manchester, England, the Alliance adopted the following "Statement of Cooperative Identity."

### Definition

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

### Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

## Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

### 1. Voluntary & Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

### 2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote), and cooperatives at other levels are also organized in a democratic manner.

### 3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

### 4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

### 5. Education, Training & Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of cooperation.

### 6. Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

### 7. Concern for Community

Cooperatives work for the sustainable development of their communities, through policies approved by their members.

**WSM Mission Statement**  
Weaver Street Market's mission is a vibrant, sustainable commercial center for the community of owners and potential owners, which is

**Cooperative** - control and profits stay within the community

**Local** - maximizes local resources to meet local needs

**Ecological** - works in harmony with the environment

**Primary** - provides for basic community needs

**Fair** - mutually beneficial and non-exploitative

**Inclusive** - accessible to the whole community

**Interactive** - creates opportunity for community interaction

**Empowering** - enables fulfilling work and customer experiences

**Educational** - develops an informed community

**And is reliant on community support** - to purchase goods and services, invest in the cooperative, and participate in governance

## Weaver Street Market Board of Directors

Michael Sligh  
consumer-owner

Jacob Myers  
worker-owner

Seth Elliott  
worker-owner

Linda Stier  
appointed

James Morgan  
consumer-owner

Tamara Fetters  
appointed

Ruffin Slater  
general manager

A circular logo with a purple center and a red border. The text 'WEAVER STREET MARKET' is written in gold, uppercase letters across three lines. Below it, in smaller white text, is 'Your Community-Owned Grocery'.

WEAVER  
STREET  
MARKET

Your  
Community-Owned  
Grocery

A photograph of a grocery store aisle. In the foreground, a woman in a black vest and a young girl in a pink shirt and yellow hat are looking at a large, ornate brass instrument. The woman is holding a white plastic bag. The background shows shelves stocked with various items.

*annual report*

2006

*panzanella*