



# 2017 ANNUAL REPORT



*you're invited!*

SUNDAY,  
SEPTEMBER 10  
2 - 5 PM

WSM FOOD HOUSE  
HILLSBOROUGH

**CO-OP**

— FAIR —

**10% OFF  
COUPON!**

WHEN YOU  
COMPLETE THE  
OWNER SURVEY  
IN THE ANNUAL  
REPORT

MAKE YOUR  
RESERVATION ONLINE



# We Sustain Healthy Communities Together

## From the Weaver Street Market Board

Healthy communities have always come together around the market. Over the years, markets have grown, yet we've grown further apart--from what we know about our food, where it comes from, the companies that sell it, and our own communities. Weaver Street Market brings us back together by:

- Selling quality goods that are fresh, healthy, and sustainable.
- Sourcing local products from independent producers in our own backyard and around the world who share our values.
- Creating vibrant spaces where people come together.
- And sharing the journey of creating a marketplace at the center of a thriving community.

The Board wants owners to know that these four pillars of **Trusted Quality, Locally Sourced, For the Community, and By the Community** are the foundation of what we do today and guide our plans for the future.



*Weaver Street Market Board*

*From left: Jon McDonald, Ruffin Slater, Linda Stier, Dave Bright, Hank Becker, Alicia Altmueller, Charles Traitor.*

## Trusted Quality

**Trusted quality** means that we carefully curate our selection to ensure everything we sell is fresh, healthy, and sustainable. Our goal is for you to pick out any single item and trust that it will be good for you, your family, and the environment.

**In the past year**, owners have taken advantage of our produce quality to purchase more fresh produce. Our Food House again won awards for product quality. And we introduced more local artisan cheese and meats.

**In the coming year, we plan to:**

- **Refine the product assortment to focus on quality.** Our buyers will go through each category to ensure we have the highest quality goods and remove duplication. Our Food House will go through the entire product line to make sure every product tastes great.
- **Communicate the WSM story.** Inside the stores, you will see new displays and signs that communicate our unique high quality products.

## Locally Sourced

**Locally sourced** means Weaver Street Market partners with independent producers in our own backyard and those around the world who share our values. We form lasting relationships to bring the best products from their communities to share with ours.

**Today** 50% of our goods that we sell are sourced locally or from small producer co-ops. The scale and impact of our local purchases are shown on page 4.

**In the coming year, we plan to:**

- **Improve our supply chain for self-distributed products.** This will enable us to offer more local and co-op produced products, and cut out 20% of cost by becoming our own wholesaler.

## For the Community

**For the community** means WSM is more than simply the place where we buy our food. Each of our stores creates spaces that strengthen the bonds within our shared communities. That's why when you shop at Weaver Street Market you always walk away with more than just the contents of your grocery bag.

**In the past year**, we have put on more fun events than ever. We expanded the Co-op Fair to twice a year, added a session to the Curds and Crafts Festival, and added an additional farm tour in the eastern Triangle. Owners contributed \$166,100 to community food partners. See the impact of your donations on page 8.

**In the coming year, we plan to:**

- **Improve cafes and outdoor areas.** These are an extension of your living room, and we want you to feel proud of the ambiance. Southern Village and Hillsborough now have new patios, and we plan to improve the outside in Carrboro too, as well as upgrade the cafes in each store.
- **Use the roundup as a year-round way for owners to directly reduce food insecurity.** 100% of roundup contributions go directly to buying food in each store's local community.



## By the Community

**By the community** means that Weaver Street Market is a co-op, owned by its members and employees. When we're successful, everyone in the Weaver Street community benefits. Our owners help inform every decision we make, ensuring we stay deeply connected to the people we serve.

Together we play a vital role in ensuring the health of our communities. Not only through the food and products we buy and sell, but by being a responsible citizen and a catalyst for prosperity.

**In the past year**, we have raised worker pay and benefits. 100% of Weaver Street's workers are paid above the Orange County Living Wage. Shoppers now pay a lower price on hundreds of Co-op Basics staple foods. And last year's survey results indicated that we have a "Net Promoter" score as high as any grocery in the country!

**In the coming year, we plan to:**

- **Increase shopping by owners to over 90% by making it easier to become an owner.** The owner share price will be reduced to \$75 for all household sizes. Existing owners will receive founding shares in the amount they have paid over \$75, or receive a refund of the difference. Stay tuned for more information on how the transition will work.
- **Plan for opening new WSM stores.** We are planning to extend the benefits of Weaver Street to more downtown communities. We are developing partnerships with community groups who want a WSM store in their downtown.

The Board relies on the input of our 20,000 consumer owners and 200 worker owners in guiding Weaver Street Market, so please take this year's owner survey and talk to your Board at the Co-op Fair in September. Or email us anytime at [board@weaverstreetmarket.coop](mailto:board@weaverstreetmarket.coop). Thank you for sharing the journey of creating a marketplace at the center of a thriving community!

Complete  
the Owner Survey  
for **10% OFF**  
coupon here.



# WSM's Local Impact



## LOCAL ECONOMY

**\$9.7 million**

Additional **LOCAL economic impact** created by WSM compared to the same dollars spent at a chain grocery

**1.87 million**

WSM customer transactions downtown

**~130**

**LOCAL farmers & producers** working with WSM

## CONSUMER OWNERS & COMMUNITY

**17,400**

Consumer owners that shopped at WSM

**\$166,000**

Donated to **nonprofits** working to end food insecurity

**\$19 million**

Purchased in **local** and **co-op produced** products

## EMPLOYEES & WORKER OWNERS

**5%**

Average **annual wage increase** last three years, compared to 2% average for other businesses

**100%**

**Employees earning above** Orange County Living Wage

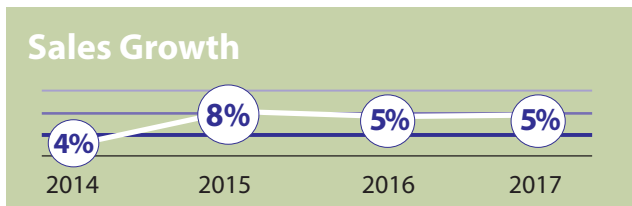
**217**

**Worker owners** out of 250 total employees

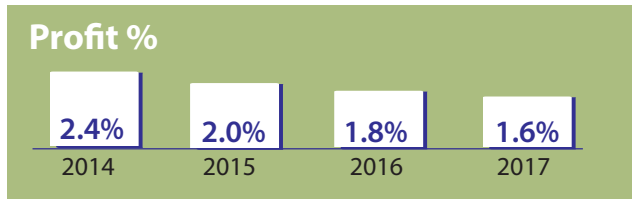


# WSM 2017 Financial Highlights

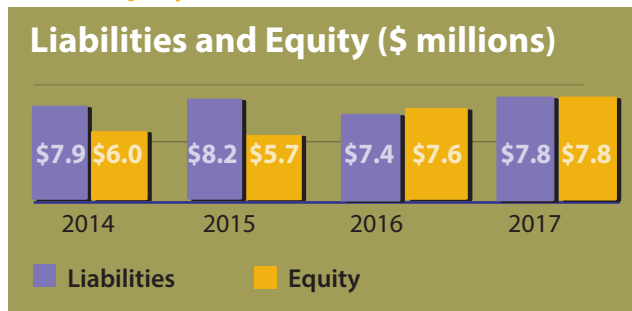
## Sales growth is steady:



## Profits are steady:



## WSM is saving more of our profits, which builds equity and reduces debt:



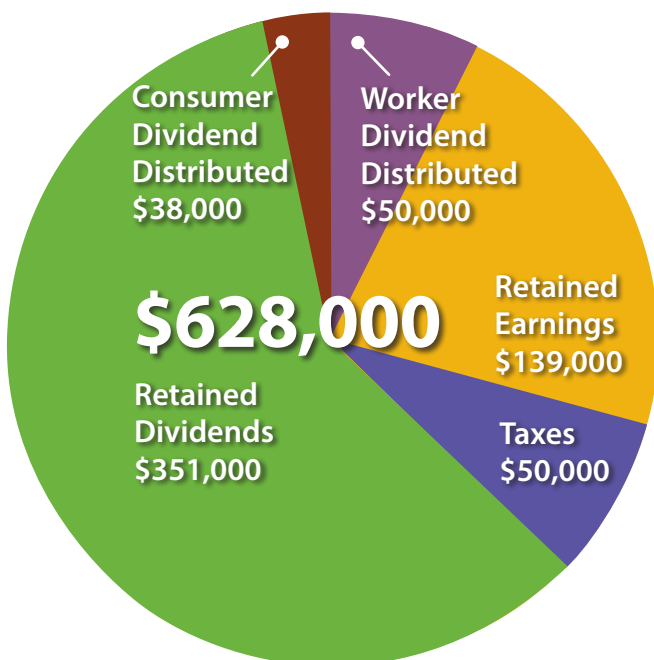
Income Statement	2017*	2016	2015
Sales	38,756,573	37,723,273	35,312,131
Cost of Goods/Occupancy	24,386,035	23,923,898	22,289,014
Gross Profit	14,370,538	13,799,375	13,023,117
Labor Expense	8,890,739	8,543,349	7,924,936
Operating Expense	3,600,600	3,351,519	3,035,130
Depreciation/Interest	1,250,809	1,233,845	1,363,031
Operating Profit	628,390	670,662	700,020
Profit as % of Sales	1.6%	1.8%	2.0%

Balance Sheet	2017	2016	2015
<b>Assets</b>			
Current Assets	5,721,310	4,725,416	4,232,533
Property/Plant/Equip	9,320,638	9,946,955	9,109,495
Other Assets	597,697	386,914	600,830
Total Assets	15,639,645	15,059,285	13,942,858
<b>Liabilities</b>			
Current Liabilities	3,294,369	2,968,612	2,679,377
Long-Term Liabilities	4,516,079	4,478,911	5,502,226
Total Liabilities	7,810,448	7,447,523	8,181,603
<b>Equity</b>			
Total Liabilities/Equity	15,639,645	15,059,285	13,942,858

\* 2016 numbers exclude extraordinary gain

\* 2017 numbers are preliminary and pre-audit

## Co-op Profits Stay within the Community



**Consumer Patronage Dividend Distributed.** WSM distributes a percentage of profits based on how much a consumer owner spends in a year.

**Worker Patronage Dividend Distributed.** WSM distributes a percentage of profits based on how many hours a worker owner works in a year.

**Retained Dividends** help WSM save for the future and build equity. The Board decided to retain 80% of both the consumer and worker dividend in 2017 to save for future needs and to build co-op equity.

**Retained Earnings** are the profit generated from non-owner business. It is not eligible for the patronage dividend.

**Income Tax.** WSM pays Income Tax on Retained Earnings but not on Patronage Dividends. Increasing sales to owners reduces taxes and helps keep more money in the local economy.

See a **dividend FAQ** by clicking [here](#).



# Cooperative Community Fund

Helping organizations connect the underserved in our communities with healthy, locally grown produce.



Thanks to your generous contributions, six local nonprofit organizations will receive a total of **\$7,100** in grants from our Cooperative Community Fund. Weaver Street grows the endowment fund through contributions from owners and shoppers, including the purchase of Hope for the Holidays products, proceeds from the April and October wine shows, and donated owner dividends and shares. A committee of worker and consumer owners selected these recipients for their innovative and collaborative community projects.



**\$1,850** to build a commercial vegetable processing station at Transplanting Traditions Community Farm in Carrboro.

Farmers will use the processing station to prepare vegetables to be marketed through a 135-member CSA and three local farmers markets. The station is a crucial piece of a three-acre expansion project that will enable existing farmers to expand their businesses and also allow new farmers to enter the program. This grant was funded through WSM Wine Show raffles, which were sponsored by Coastal Federal Credit Union.



**\$1,350** to expand the PORCH Cooks educational program in Chapel Hill-Carrboro.

Families in PORCH's Food for Families program will receive copies of award-winning cookbook Good and Cheap, Eat Well on \$4/Day. The cookbook, which is available in English and Spanish, provides 152 recipes and teaches cooking skills for delicious, healthy meals on \$4 per day, the amount provided by the SNAP/EBT program.



**\$1,130** for a weighing station for the food pantry at Orange Congregations in Mission (OCIM) in Hillsborough.

The station, which will include a floor scale and ramp, will increase efficiency when receiving large donations and create a safer environment for OCIM's volunteers. OCIM relies significantly on volunteers to receive and process donations and pack food orders. The weighing station will make the difficult parts of their job easier.



**\$1,000** for improvements to the Bilingue Elementary Garden at Frank Porter Graham in Carrboro.

Improvements include a three-compartment composting system to improve the sustainability of the garden and structural elements to make the space safe and inviting for the students and community guests, including six wooden benches placed throughout the garden and a picnic table for community lunches.



**\$870** for improvements to increase sustainability of Hope Gardens in Chapel Hill.

Improvements include repairs and maintenance of the existing fencing, a new spring seedling program, and an expansion of the bee keeping business. The improvements will increase the sustainability of the gardens and make it possible to expand the garden's nutritious meal program, Hope Cooks, which provides a weekly meal for families at the Homestart women's shelter.



**\$900** for continued support of TABLE's field trip program, TABLE On the Go.

During the 2017-2018 school year the program will provide field trips for 80 of TABLE's kids to visit Transplanting Traditions Community Farm and 1870 Farm. The funds will be used for SnackChef picnics and educational materials for the field trips.



**Co-op community fund endowment grows in 2017**



Fall & Spring Wine Shows

**\$17,300**



Hope for the Holidays Purchases

**\$10,900**



Donated Dividends & Shares

**\$5,100**

**Endowment now TOTALS:**

**\$210,600**





# COMMUNITY FOOD PARTNERSHIPS

**SCHOOL**  
**162K**  
POUNDS  
OF FOOD  
DONATED  
THIS  
YEAR

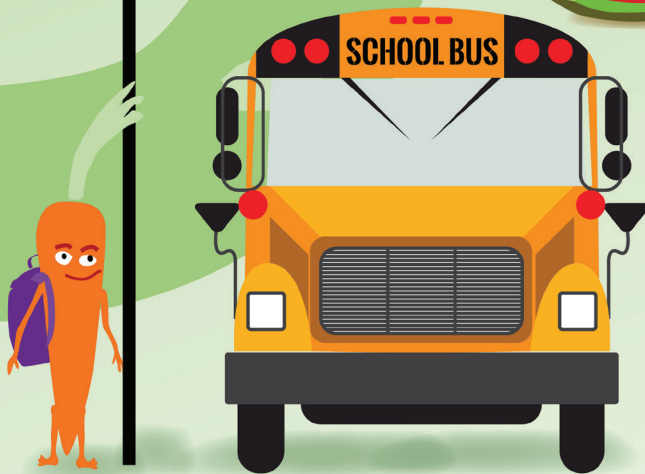
**54,509**

POUNDS  
OF FRESH  
PRODUCE  
FOR FOOD BANKS

**4,648**

BACKPACKS  
OF FOOD

FOR 500 KIDS



**20,350**

POUNDS  
OF FRESH  
FOOD

TO 150 REFUGEE FAMILIES



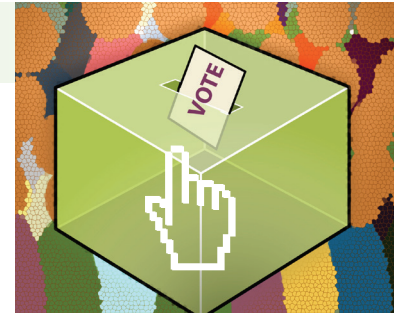
# It's Election Time at the Co-op!



Consumer owners, vote in the Board elections from August 23 to September 10.

## Three ways to vote:

1. Vote online [here](#).
2. Print a ballot [here](#). Bring the ballot to one of our stores or mail in.
3. Vote at the election displays at **our stores** or **at the Co-op Fair**.



## Candidates' statements

### Alicia Altmueller



"Weaver Street Market is the heart of our community: providing healthy foods, working with local providers, supporting workers and continuing to enhance our economy. I would love to serve

a second term to help support this mission."

Watch Alicia's video [\*\*here\*\*](#). ▶

### Alice Ammerman



"The vision of Weaver Street Market aligns with what matters to me most, personally and professionally: Assuring that everyone has access to nutritious food that supports local food systems

and environmental sustainability."

Watch Alice's video [\*\*here\*\*](#). ▶



# Consumer-Owner Candidates for the Weaver Street Market Board of Directors

Two consumer owners are running for WSM's Board of Directors.  
**Your vote matters! Remember to vote by September 10.**

Thanks for your participation!



**Alicia Altmueller**

**Describe your occupation and community involvement.** I am currently in my final year of a two-year term on the Board of Directors of Weaver Street Market (WSM). Prior to my board involvement, I had been an active volunteer at food sorts and been involved with the Cooperative Community Fund since 2008. My other volunteer efforts include: Chapel Hill Carrboro Public Schools,

Book Harvest and Judea Reform Congregation. I am also on the Board of PORCH Chapel Hill-Carrboro, a local grassroots hunger relief program. All my involvement is closely tied to working alongside my family toward just causes such as food insecurity, public schools and equality.

I have worked for over twenty five years in building community programs in the areas of health, technology, human rights and the environment. Since moving to North Carolina over twelve years ago, my professional experience has included working at a research center at UNC and a local nonprofit. At the university, I worked to bring together community and university partnerships. That position was followed by a non-profit supporting children with life challenging medical condition. Each role had commonalities - building community programs through leadership, development and outreach.

**Why do you want to serve on the Board of Directors?** I would love the opportunity to serve a second term on the Board of Directors as a way to continue

to give back and support Weaver Street Market. Being on the board, has given me a deeper understanding and appreciation for all that goes into the success of Weaver Street Market. I strongly believe in Weaver Street Market's values and its mission to strengthen community.

Weaver Street Market has greatly enriched this community and my family's lives. I would be honored to have the opportunity to use the knowledge I have gained as a Board Member to serve a second term.

**What experience do you have with the Weaver Street Market, cooperatives, or small community-minded businesses?** Growing up, my parents were small business owners. I spent many years working be-

(continued)



**Alice Ammerman**

**Describe your occupation and community involvement.** I am on the faculty in the Department of Nutrition, UNC-CH, Gillings School of Global Public Health and direct the UNC Center for Health Promotion and Disease Prevention, one of 26 CDC (Centers for Disease Control and Prevention) Prevention Research Centers across the country. My research and teaching is based on community engagement and is very applied (translating research into real world practice), with a focus on chronic disease prevention (heart dis-

ease, obesity, diabetes, and cancer), particularly among lower income and underserved populations. I teach courses in nutrition policy and in public health entrepreneurship. I am fortunate that my research involves many partnerships with community-based organizations that focus on health promotion, such as health departments, community health centers, and farmer support organizations. I serve on a number of advisory boards related to public health, and currently serve as Co-Chair for UNC's pan-university theme: Food for All: Local and Global Perspectives.

**Why do you want to serve on the Board of Directors?** As I learn more about the mission and vision of WSM, I am excited to see that the focus is very much in line with what matters to me most in my professional and personal life - assuring that everyone has access to nutritious food that is produced and distributed in such a way to support local agriculture and environmental sustainability. I am excited to see that WSM policies and principles are evidence-based in terms of healthful dietary practices and environmental sustainability, and that outreach to the community is a priority. I would be happy to work with others to keep moving the WSM mission forward, including new and innovative strategies to improve healthy food access for

all. A related area of interest is developing approaches to reducing food waste, as a way to reduce business loss, control prices, and improve healthy food access for others in the community.

**What experience do you have with Weaver Street Market, cooperatives, or small community-minded businesses?** I am proud of our low WSM membership number of 986, indicating that our family has been a member for many years - since nearly the beginning, I think! Prior to this I was a member of the Durham food co-op in it's earliest iteration, interestingly called "The People's Intergalactic Food Conspiracy #1." We have come a long way since those days when members cut the cheese and bagged the pre-ordered produce and grains, but the

(continued)

hind the counter of their store or working on the development and ultimate sale of the business. These experiences made deep impressions on my life; always leading me to support local businesses as part of a thriving community. Though my work ranged, I always looked to programs that had a local impact.

When we moved here, I immediately looked to ways to get involved in my community and Weaver Street Market was one avenue. Having experience in development and grant reviews, I became active in the Cooperative Community Fund (CCF). I have reviewed CCF grants, as well as, helped to refine the program.

**What experience, skills, or perspective will you bring to the Board?** Dedicated over 25 years of non-profit, small business and community work, makes me a strong match for the Board of Weaver Street Market. With a variety of skills ranging from building programs, grant development and organizational relationship building and strengthening I believe I can continue to make a significant and valuable contribution as a Board Member. My years of community work help me to be a supportive and constructive team member. Combining these skills and being a dedicated Weaver Street Market consumer owner and board member, I bring a perspective to the table that genuinely seeks to help ensure the mission of Weaver Street Market.

**Include anything else about yourself that you may like others to know.** When choosing a North Carolina location to move my family, Weaver Street Market was part of that decision. Twelve years later, Weaver Street Market is even more central to our lives than expected. It is a destination as a family when we have a weekend breakfast in Carrboro after a bike ride. It is a meeting location in Southern Village when planning a program or a drink after a walk in Hillsborough. When not involved in a community project, I can be found either at my Carrboro home or walking around town with my husband and two daughters.

alicia@klaravision.com is the best way to contact me.

spirit of working together for the common good remains. Because I teach a course in public health entrepreneurship, I have a lot of contact with small community-minded businesses and often feature their founders and leaders as speakers in my class. I have learned a lot about the challenges and opportunities involved with successfully running a business, either non-profit or for-profit, that is economically sustainable and also contributes to the community. A particular focus of my class is the notion of "doing good while doing well," or the triple bottom line (social, environmental, financial), which I also think is an important mission of WSM.

**What experience, skills, or perspective will you bring to the Board?** Because my research and teaching focus in nutrition is applied (to humans in real world settings, vs. mice/rats or test tubes!), I keep up with the latest evidence on diet and health, which probably appears to many to be changing daily! I think I have a good perspective on weighing the evidence from research but also applying it to real world decisions about what foods to put together for an overall healthy (and enjoyable!) diet. This could be useful both for the purposes of making decisions about the types of products to be sold at WSM as well as helping customers/consumers make healthy choices within the store. I believe strongly that food should be a source of joy, sharing, and celebration, and as a "card carrying" nutritionist, try hard to avoid the label of

"diet police!" I also have a strong interest, some expertise, and many partnerships related to rebuilding the local food system. I have conducted projects/research working with a number of efforts designed to increase market opportunities for farmers while also making local food affordable for a broader segment of the population. Finally, some of my work has involved "behavioral economics" as a way of "nudging" people toward healthier/wiser choices without finger wagging. There could be many creative opportunities within the WSM stores to gently steer people toward the healthiest choices. Thankfully, relative to many food retailers, it's hard to go too far wrong at WSM. Finally, as an academic directing a "soft money" (funded only by grants and contracts) Center, I am very experienced with grant writing and a wide variety of funding agencies and opportunities. I think this could be a way to help WSM expand its reach with grant-funded programs addressing healthy food access for lower income populations.

**Include anything else about yourself that you may like others to know.** I am an avid cook and enjoy my regular Saturday morning routine of the farmers market and then WSM. My husband and I have lived in Chapel Hill for 30 years and raised our 3 boys here. My father, now 102, lives with us and is a big fan of WSM hot cocoa ;-).

My contact information:  
alice\_ammerman@unc.edu  
Cell: 919 259-6792

### Consumer-Owner Representative to Weaver Street Market Board of Directors

VOTE  
August 23 -  
September 10

Each person listed on the owner share is entitled  
to cast her or his own individual ballot.

VOTE  
by 10 pm  
September 10

#### Vote for ONE candidate.

- ☐ Alicia Altmueller  
☐ Alice Ammerman

Your Name: \_\_\_\_\_

Name should be as it appears on the share.

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

Number must be correct.

DEPOSIT: in Ballot Box near the check-out at any WSM store August 23 - September 10 OR

MAIL TO: Election at Weaver Street Market, 437 Dimmocks Mill Rd., Suite 10, Hillsborough, NC 27278 Must be received by 10 pm, September 10, 2017.

Thanks for voting! Your co-op welcomes your participation. Consider running in next year's election.







**SUNDAY,  
SEPTEMBER 10**

**2 - 5 PM**

WSM Food House,  
437 Dimmocks Mill Road, Hillsborough



Meet the Board  
Candidates  
at the Co-op Fair

**Vote by  
September 10,  
by 10 pm**

*come to the co-op fair!*

### LOCAL TASTE

The fair is held at our Food House facility in Hillsborough. You can tour the Food House, where you can try our new pretzels, and pickled NC shrimp. You'll meet the chefs and bakers.

Outside on the patio, we'll have some of our local and co-op vendors sampling their goods: sip Ri-jana wine or try a local Oktoberfest beer, sample Equal Exchange Fair Trade bananas dipped in chocolate, try cheeses from Cabot Creamery and Grafton Village, and cool off with a Locopop.

### CO-OP PLAN

In our administrative offices, you can meet and talk with board candidates running in the 2017 election. Browse informational tables about our Cooperative Community Fund, our Community Food Partnership, Transplanting Traditions, NC Catch, and the Latino Community Credit Union.



*get your ticket*  
**HERE**

