
Arena Market & Cafe Strategic Plan

2021 - 2023

Written by Lee Farmer
October 22, 2020

Adopted by the Board
on July 28, 2021

Summary

From June through October 2020 the co-op board discussed this strategic plan at length. The board reviewed the original business plan from 2009; conducted a community survey; updated strengths, weaknesses, and opportunities; gathered feedback during the annual member meeting; and conducted a competitive price comparison. In the following eight months, priorities shifted to deal with COVID-19 requirements and the cafe renovation project, even as we accomplished several objectives in the plan. In July 2021 the board updated and officially approved this document.

This strategic plan broadly presents our mission, vision, and key objectives for 2021 through 2023. Overall, we are building upon the original intent of the co-op to provide organic/natural food, emphasize local suppliers, and act as a critical resource to the community. We are in a strong position to continue serving our members and shoppers. At the annual member meeting in September 2021, we will share a more detailed narrative for this strategic plan narrative.

Vision

To build a nourishing, just, resilient, sustainable, and diverse local food system in the Mendocino South Coast that meets the needs of everyone in our community

To develop a local economy that encourages regenerative agriculture, links consumers more directly to producers, and addresses systemic food injustice rooted in race, class, and gender oppression.

To work together with the community to create this system, honoring the origin of the cooperative movement to form organizations run by the people, thereby replacing hierarchies based in capitalist exploitation.

Mission

To build the strength of the Mendocino South Coast food system by providing ethically-sourced, high-quality foods and creating a safe, inclusive community gathering space.

We prioritize local suppliers, strive to be a responsible employer, and engage deeply with the community to ensure that our co-op is run democratically, accurately reflects the needs of the community and builds deep partnerships with other relevant local stakeholders.

Strengths

Customer Service

High quality products

Supportive, engaged community

Strong financial controls & inventory management systems

Strong board & management team

Competitive pricing

Internal communications

Emerging strengths: social media presence, good equipment, better benefits packages for full-time employees, community engagement, cafe renovation

Weaknesses

Consistent stocking

Diversity & quantity of meat offerings

Inventory accuracy

Long-term planning and goal-setting

Relationships with and sourcing from BIPOC*, women, and LGBTQ+ community

Environmental Impact

*Black, Indigenous, and other People of Color

Opportunities

Bay Area continuing to flock to countryside with COVID-19 restrictions in the city making coastal areas a more popular destination

Local residents extra committed to supporting local during pandemic

Wildflower Hotel open

Regional partnership & membership opportunities

Threats

Strong competition from Surf, Anchor Bay, Gualala Super and S&B

Disruption in business as COVID-19 pandemic restrictions change

Long-term economic downturn

2021 - 2023 Objectives

- Objective 1: Improve commitment to supporting the local community
- Objective 2: Improve social & environmental responsibility
- Objective 3: Improve commitment to supporting & empowering staff
- Objective 4: Improve cafe as community gather space
- Objective 5: Improve inventory management
- Objective 6: Improve long-term planning and financial forecasting
- Objective 7: Improve financial health

Objective 1: Improve commitment to supporting local

- Maximize local producer purchases
 - 2021: Replace some refrigeration, create standing orders with Oz, Nature's Tune and Wavelength Farm. Ensure proper tracking & reporting of local good sales. Improve signage to highlight local products.
 - 2022-2023: Start setting annual targets for % of sales from local producers, broaden local produce to include more farms
- Utilize community partnerships
 - 2021: Partner with Charter School seniors on relevant research project. Raise money for & awareness for Food Bank. Foster relationship with Tribal Council. Look deeply into regional cooperative memberships/partnerships (ie Ukiah Co-op, CCCD)
 - 2022: Create regular donation process for Food Bank. Increase participation in the farmers market. Formalize at least one regional partnership.
 - 2023: Find a way to provide increased access to after-hours community space
- Continue to focus on strong, consistent communications with community

Objective 2: Improve social & environmental responsibility

- Decrease environmental impact
 - 2021: Conduct environmental impact assessment and build plan
 - 2022 - 2023: Execute plan
- Improve commitment to supporting low-income community members
 - 2021: Offer some lower-cost or sliding scale items in the cafe. Increase in-store bulk selection. Support Food Bank.
 - 2022 - 2023: Use 2021 lessons to create holistic plan for improving food access within the area. Consider way to expand pre-ordered UNFI bulk orders.
- Actively search out and promote products from BIPOC, women, and LGBTQ+ community

Objective 3: Improve commitment to supporting & empowering staff

2021

- Offer improved benefits packages to full-time staff
- Track costs & benefits
- Reinstitute monthly staff meetings by mid-summer, discuss strategy together
- Reinstitute regular in-person meetings with leadership team by mid-summer
- Pilot permanent volunteer roles

2022 - 2023

- Optimize benefits packages and expand as possible
- Formalize onboarding processes
- Finalize Employee Handbook
- Consider outsourcing for HR services, scheduling services, and more
- Develop flatter organizational structure

Objective 4: Improve cafe as community gathering space

2021: Renovate cafe, hold some co-op hosted events by late summer. Develop strategy for renting out space.

2022-2023: Begin renting out space for other community events, iterate on strategy

Types of events to consider:

- Catering events
- Small music events
- Parties
- Lectures, community meetings

Objective 5: Improve inventory management

- Purchase front-of-store meat freezer
- Increase deli production
- Monthly store-wide inventory adjustments
- Monthly check-ins with staff on inventory adjustments; shift inventory adjustments to after-close activity
- Begin renting out space for other community events, iterate on strategy

Changes should be implemented by 2021 and then continued through 2023 with whatever necessary changes arise.

Objective 6: Improve long-term planning and financial forecasting

- Board President, Treasurer, GM, OM, and Supervisors all create annual goals and quarterly goals. Quarterly meetings to check in on progress.
- Treasurer creates annual budget and financial targets with support of GM and Bookkeeper which are tracked quarterly
- Strategic Plan update at the end of every year
- Initiate annual community survey

To be created in 2021 and repeated through 2022 and 2023

Objective 7: Improve financial health

- Plan for seasonal sales by quarter: Q1 22%, Q2 25%, Q3 28%, Q4 25%
- Source goods and set prices to achieve gross margin of 40%
- Establish profitability of kitchen items in deli department
- Plan for payroll expenses of 26% of gross sales
- Target operational expenses of 14% of gross sales
- Reduce net loss in 2021 to \$0 and plan for net surplus of 2% in subsequent years

July 2021 Update

In the period between the October 2020 draft and the date of the plan's approval in July 2021, the co-op has made significant progress on our goals. Some of the major accomplishments are:

- Replacing refrigeration
- Creating standing orders with local farms
- Actively searching out and promote products from BIPOC, women, and LGBTQ+ community
- Conducting a store-wide inventory count
- Costing out all cafe & deli items
- Renovating the cafe
- Offering improved benefits to staff