

General Manager FYI  
 November 27, 2023  
 No action needed



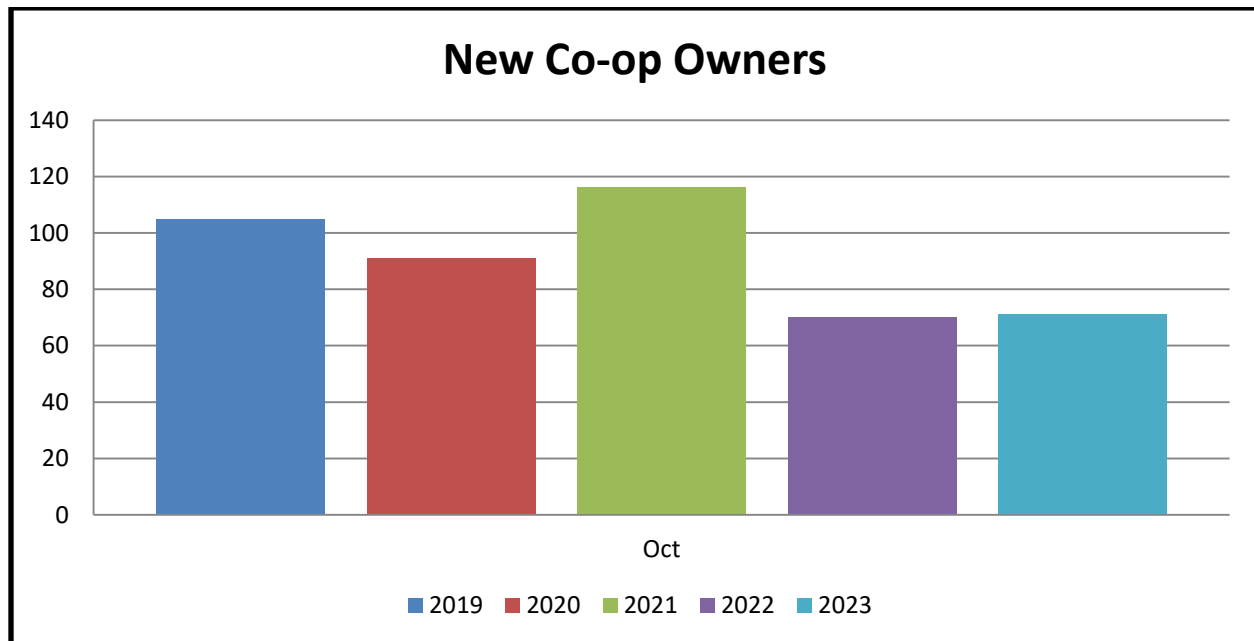
**OPERATIONS UPDATES**

SALES: Department sales recap. The difference reported is between the current year and the prior year.

- The Western Corridor average sales growth for October was 1.3%
- 61 NCG Co-op locations (27.2%) experienced year-over-year sales declines in October.
- NCG Co-op growth continues to outpace US grocery industry growth, reported as 0.9% in October.

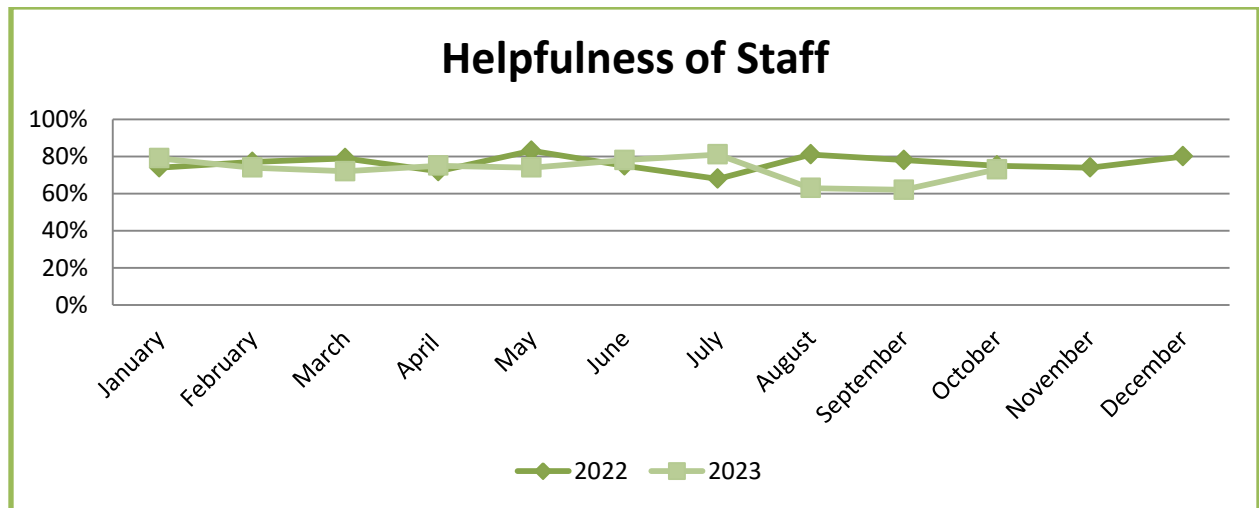
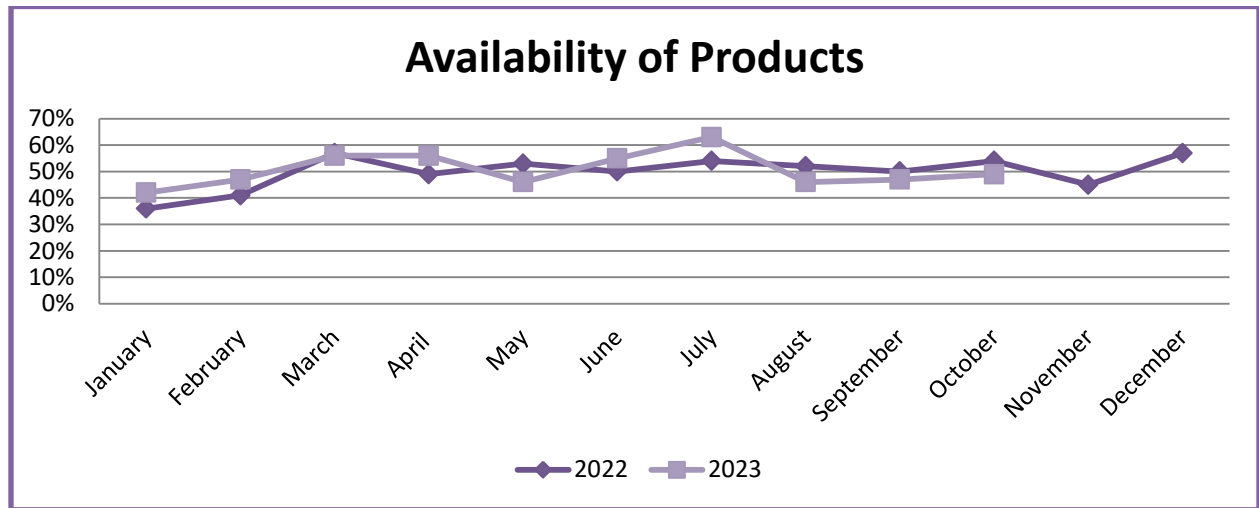
October	2021	2022	2023	Difference
Total Sales	\$1,011,092.91	\$1,007,067.84	\$1,026,716.98	1.9%
Grocery	\$469,717.50	\$456,380.17	\$443,174.91	-2.9%
Wellness	\$143,555.91	\$117,216.71	\$117,331.74	0.1%
Prepared Foods	\$144,963.45	\$175,822.04	\$195,458.80	10.5%
Bakery	\$55,299.14	\$57,191.98	\$66,890.47	17.0%
Meat	\$83,243.96	\$79,356.96	\$76,678.83	-3.4%
Produce	\$106,658.21	\$108,505.88	\$118,479.29	9.2%
Campus	\$10,879.95	\$15,883.71	\$15,528.74	-2.2%
Customer Count	31,648	34,555	33,958	-1.7%
Basket Size	\$30.17	\$28.07	\$33.00	17.6%

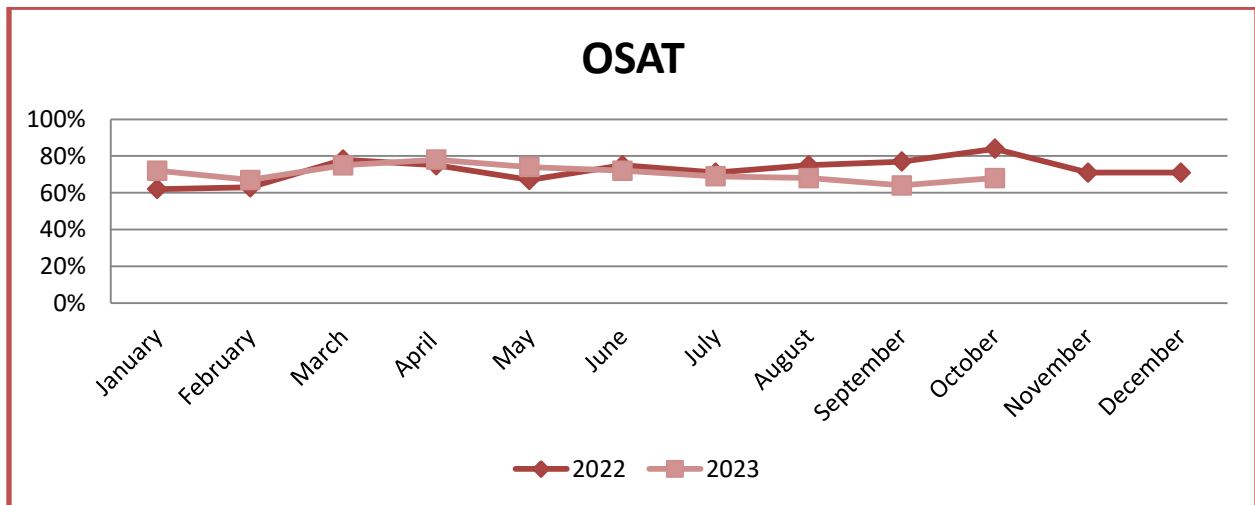
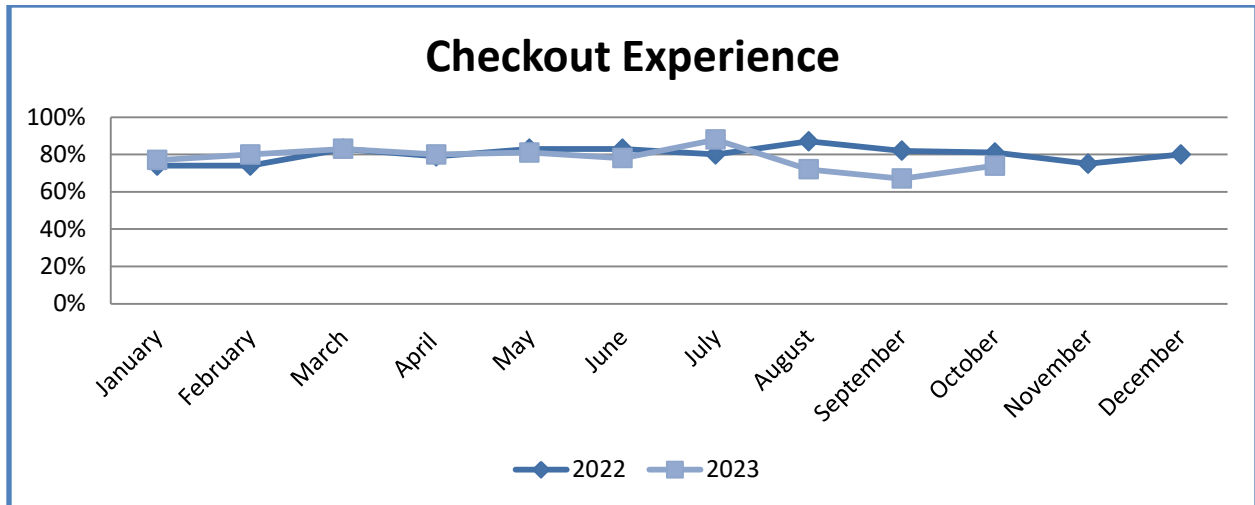
- New Ownerships:



**CUSTOMER SERVICE** – following the Fall NCG Meeting and based on the information presented, we’re tracking different metrics. Please see the October FYI for a refresher if you need one.

**Key Drivers of Overall Satisfaction (OSAT):** availability of products, helpfulness of staff. And checkout experience.





NCG CXS Trends for October

- October OSAT for Co-ops was flat compared to October 2022 and continued the decline seen since a peak in April
- The OSAT range for October is from 47% to 87% an average of 74%
- The top reason cited by less-than-satisfied customers is consistent across all departments: perception of product availability.

Customer Experience Survey Comments

- Comments are attached in an excel spreadsheet

**Store Operations Updates**

General

- New espresso machines are scheduled for installation next Tuesday, December 5<sup>th</sup>. We will not have espresso on campus or downtown until that afternoon, at the earliest. We expect to be up and running on Wednesday.
- Market Study Update
  - The report is on the Board's private website, which is password protected. Sarah emailed everyone with the link before Thanksgiving. Let us know if you can't access the report. Please remember that the information is highly confidential and cannot be shared with anyone.
- As part of the process for reviewing the Employee Opinion Survey data, I meet with each department manager to review department feedback. These meetings are scheduled for November 28, 29, and 30. This allows us to use the feedback to inform department work plans for 2024.
  - The consultant who conducted the survey also puts together a report for all staff members. This will likely be completed and available by December 1.
- Health insurance renewals – we met with the Murray Group about our 2024 package. Using feedback from the Employee Opinion Survey (about what specifically is valued by employees) and our usage of all the options we offer, we were able to renew for 2024 with almost no cost increase. This is significant because our health insurance premiums increase every year – in January 2023 we saw a 19% increase over 2022 rates.
- We completed our annual backflow testing and the reports have been submitted to the City of Moscow.
- I met with NCG's Louise Stitch about credit card processing solutions. We are going to work with UNFI on a cost savings analysis, but initial data points towards a savings of 7%-12% annually if we change processors. In 2022, we paid \$192,000 in processing fees. A savings of 7%-12% would be \$13,000 - \$23,000 in dollars (which would be incredible). It takes about six weeks to get everything switched over after we review the cost savings analysis and sign the contract.
- We were hoping to relaunch New Hire Orientation, but between the gas outage, the Board retreat, and the holiday, things did not go according to plan. We're working to schedule at least one session in December and we should be up and running in January.
- Press Release: UN resolution calls for a second International Year of Cooperatives in 2025

*The United Nations General Assembly has adopted a new resolution on cooperatives in social development calling for the proclamation of 2025 as an International Year of Cooperatives.*

*The text encourages all member states, as well as the United Nations and all other relevant stakeholders, to take advantage of the International Year of Cooperatives as a way of promoting cooperatives and raising awareness of their contribution to the implementation of the Sustainable Development Goals and to overall social and economic development. The resolution was presented by the Government of Mongolian and adopted on 3 November during the 47th plenary meeting of the United Nations General Assembly.*

*The initiative comes after the success of the first International Year of Cooperatives in 2012, which highly contributed to raise awareness of the important role of cooperatives in promoting sustainable development.*

*The resolution further draws governments' attention to the recommendations of the 2023 UN Secretary General report on cooperatives in social development, to focus support on cooperatives as sustainable and successful business enterprises by strengthening the entrepreneurial ecosystem for cooperatives enabling them to further contribute directly to:*

- *decent employment generation,*
- *poverty and hunger eradication,*
- *education,*
- *social protection - including universal health coverage -,*
- *financial inclusion and*
- *the creation of affordable housing options across a variety of economic sectors in urban and rural areas.*

*The text also recommends reviewing existing legislation and regulations to make the national legal and regulatory environment more conducive to the creation and growth of cooperatives by improving existing laws and regulations and/or by establishing new ones, especially in the areas of access to capital, autonomy, competitiveness and fair taxation.*

*In addition, the resolution calls member states to consult cooperatives in the preparations for the voluntary national reviews for the High-level Political Forum on Sustainable Development. It also invites governments, relevant international organisations, the specialised agencies and local, national and international cooperative organisations to continue to observe the International Day of Cooperatives annually, on the first Saturday of July, as proclaimed by the UN General Assembly in its resolution 47/90.*

*The ICA celebrates the adoption of this resolution, welcomes its recommendations, and encourages all stakeholders involved in the promotion and advancement of cooperatives to implement them.*

## UNFI

- I've attached five documents from UNFI for reference that provide context about our business supply chain issues- these are only included in case you're interested in more information:
  - November Category Insights – Natural
  - November Category Insights – Conventional
  - 2 Weekly Service Level Updates, Conventional and Natural