

First Alternative Co-op's History 1970-present

Year	History of Events
1970	<ul style="list-style-type: none"> • Sales = \$5000 • FA opens in a house on 4th St. with 100 members.
1971	<ul style="list-style-type: none"> • Sales = \$137,000 • All products priced at 10% markup. • No discounts given • Store run entirely by volunteers, including managers.
1972	<ul style="list-style-type: none"> • Sales = \$185,000
1973	<ul style="list-style-type: none"> • Sales = \$257,000
1974	<ul style="list-style-type: none"> • Sales = \$324,000 • Raised markup to 20% • Started 10% discount policy for anyone who volunteered, co-op and other. • Began paying managers (\$20/day). • Moved to present storefront on 3rd St.
1975	<ul style="list-style-type: none"> • Sales = \$406,000
1976	<ul style="list-style-type: none"> • Sales = \$433,000 • Raised markup to 22%
1977	<ul style="list-style-type: none"> • Sales = \$508,000 • Started quarterly financial statements. • Growers Market sets up a produce stand in front of the store.
1978	<ul style="list-style-type: none"> • Sales = \$584,000 • Started membership system to raise down payment to buy our present site. • Started 5% non-member surcharge. • Bought present site on 3rd St. for \$100K, \$20,000 down payment from membership sales.
1979	<ul style="list-style-type: none"> • Sales = \$691,000 • Absorbed Growers Market and added produce dept. to store. • Hired Growers Market produce manager to run department. • Added 1000 square feet to store, using mostly volunteer labor. Cost = \$26,000. • Added second checkout line. • Hired paid clean up crew. • All paid staff started to receive same wage.
1980	<ul style="list-style-type: none"> • Sales = \$939,000 • New addition creates big sales jump • Paved parking lot, borrowed money from a generous member. • Double-digit inflation • Feature article in GT about FA. • Crystal Lake Dr. sidewalks and street widening. • Started annual budgeting process.
1981	<ul style="list-style-type: none"> • Sales = \$1,050,000

- First coop in Oregon to reach \$1 M in sales.
 - Food Stamp violations for selling non-food items with Foods stamps, FA loses license for 3 months.
 - To solve Food Stamp problem, started separate department for non-food items.
 - Evanite Fiberglass Corp. buys property to East of FA and continues leasing building to owners and operators of Stein tavern (now the Evanite training center).
- 1982
- Hired Evening Manager 5-8pm M-F. Day Managers (2) worked 8-5 M-Sat
 - Sales = \$1,040,000
 - Hired first Volunteer Coordinator.
 - Began construction of 1700 square foot addition in the Fall, after a community process to determine the design that took a year to complete.
 - Sales by Dept: bulk 40%, Cheese 21%, Grocery 16%, Produce 9%, and Non-foods 5%.
 - Another feature article in the GT about FA.
 - New competition for FA: Waremart remodels and adds bulk section, Fred Meyer opens nutrition center.
- 1983
- Sales = \$1,010,000 (down 2.8%)
 - Completed 1982 addition, new floor plan, new bulk bins, new oil system, new cheese department, new checkout counters.
- 1984
- Evans builds big, blue, metal building on lot to East of FA.
 - Sales = \$973,000 (down 3.7%)
 - Another feature article in the GT in January.
 - Changed staff pay-structure.
 - Started variable markups in Dairy dept.
 - Raised Co-op volunteer discount to 15% and lowered other volunteer discount to 5%.
 - Bought first shopping carts.
 - Purchased first produce wet racks in November.
 - 3-year drop in sales due in part to competition and our slow reaction to a changing market.
- 1985
- Sales = \$1,030,000
 - Added beer and wine in June.
 - Started first advertising campaign.
 - Created 10-15% variable co-op discount
 - Dropped other volunteer discounts in October.
 - Hired first paid clerk (1 FTE) in October.
 - Raised average markup to 23%
 - More variable pricing instituted.
 - Installed first outdoor sign.
 - 3rd checkout station added.
- 1986
- Sales = \$1,200,000
 - Sales by dept: Bulk 26%, Cheese 14%, Grocery 23%, Produce 13%, Non-foods 8%.
 - Six more new shopping carts.
 - More variable pricing added.
 - Newsletter becomes consistent, published monthly (almost always).
 - Staff structure: Six-person manager/buyer team and three clerks, plus volunteers.
- 1987
- Sales = \$1,336,000
 - Raised markup to an average of 26% overall

- Budget for new floor plan using merchandising expert's plan, repainted interior of store.
 - Used bag collection bins are removed from store and we begin providing new paper and plastic bags for customers.
 - Installed new reach in refrigerator doors on West wall of walk-in.
 - National interest in cholesterol levels
 - Open Sundays begins, 11 to 7pm
 - More paid hours to cover volunteer holes in the schedule and offer more customer service.
- 1988
- Sales = \$1,516,000
 - Cub opens and Waremart closes in October.
 - FA hires first GM.
 - Hired more paid clerk hours and started paid sub labor to cover volunteer coverage holes in schedule.
- 1989
- In the national news: EDB, ALAR and Aflatoxin scares.
 - Sales = \$1,948,000
 - Sub labor to cover volunteer holes and keep consistent level of customer service, is out of control.
 - Expanded store hours in April; M-Sat 9-9 and Sun 10-8.
 - Installed new (used) 3-door retail freezer.
- 1990
- Sales = \$2,204,000
 - New staff structure implemented, doubles paid staff. Consisting of: One GM, five managers/buyers, assistant buyers, cashiers and stockers and volunteers. (Note: This is the first time that staff was scheduled for volunteer positions, which changed the paid staff function from supporting volunteers to primary coverage and volunteers positions were used to fill in holes in the schedule.)
 - Margin increased 4% to cover cost of additional labor.
 - Major store remodel-new shelving, moved cheese area, and new store layout.
 - Four new electronic cash registers purchased and installed, including new checkout counters and layout.
- 1991
- Sales = \$2,354,000
 - New 6-door retail freezer installed, replaces used 3-door.
 - Long time financial coordinator, John Tappan leaves FA.
 - Product selection guidelines are updated and approved by membership vote in December.
- 1992
- Sales = \$2,319,000 (down 1.5%)
 - 3rd St. widening and by-pass project begun in spring. Traffic delays have major impact on sales.
 - GM leaves, is replaced by an interim co-GM team.
 - Staff structure process begins at Board/Membership level.
 - Accounting system is computerized.
- 1993
- Sales = \$2,410,000
 - New wage and benefits package, including health insurance for staff begins in January.
 - Volunteer Accounting System (VAS) begins in June
- 1994
- Sales = \$2,566,000
 - New produce wet racks purchased and installed in July.
 - Heating system upgraded including first time air conditioning system.

- New health insurance plan for employees started January.
 - Permanent GM hired in June.
 - New financial coordinator hired in October.
 - Stein tavern closes and Evans remodels building to use for training and community meeting room. FA begins using facility for staff and membership meetings and special trainings for staff and customers.
 - Fall Membership meeting begins to seriously address the issue of growth.
- 1995
- Sales = \$2,796,000
 - New store remodel and layout completed in the summer.
 - 25th Anniversary Health and Food Fair.
 - Community project with City of Corvallis nets FA outside murals.
 - Member committees formed to look at growth options
 - 1- present site
 - 2- second site
 - 3- new single store site
 - Reports brought to fall membership meeting for review and input. Straw poll shows that two-store scenario is most popular.
 - Float positions hired to improve customer service.
 - 1% for Corvallis started in Jan. '95.
 - Operational audit questions the use of volunteers in the store. Management is assigned the task making the volunteer system legal.
 - MOD position added
- 1996
- Sales = \$3,225,000
 - Discontinued operational volunteers at FA and began paying minimum wages for the work done. Now called Operational Member Workers.
 - FA still uses volunteers in support positions, now called Support Member Workers.
 - Committee formed to look at future of volunteering at FA.
 - New staff structure implemented to spread supervision from upper management to a new middle management level. This reduced the number of upper managers needed.
 - New pay structure implemented in Jan., first step in a three-year plan to get pay scales up to competitive levels for our market area. Results were from a professional study done in 1995.
 - Customer service window opened in September.
 - 2nd annual food fair held in the summer and 1st annual variety show (a spin off from the annual volunteer appreciation party) held with proceeds donated to a non-profit.
- 1997
- Sales = \$3,501,000
 - GM resigns in Feb. and interim GM is hired from current managers until Board can hire position.
 - New GM hired in Sept. after national search.
 - Staff structure changes; include hiring a Store Manager.
 - Policy Governance model researched for Board.
 - Committee formed to write vision and mission statements.
 - Committee formed to begin work on Member Equity and By-laws revision.
 - Market study done by a consultant.
 - Financial analysis completed by consultant to begin to develop plans for growth.

- Board authorizes ad hoc committee to review by-laws and articles of incorporation to convert to a cooperative.
- 1998
- Sales = \$3.737M
 - Properties to the South of store purchased to prepare for possible expansion at present site. Building are used for rentals until expansion plans are determined
 - Deli area remodeled. New cases, counters and products added. Staff is also added to provide for full time coverage. This replaces dependence on owner-worker labor.
 - Professional market study done for FA to determine potential sales in present location and one farther north.
 - Team structure implemented in grocery, nonfoods, produce, and bulk departments.
 - Health Notes computer added to supplements aisle.
- 1999
- Sales \$4.028M
 - Office/front end remodel started and completed. Includes new retail space and customer service area.
 - "Shop" on purchased property to the south is partly converted in to office space and meeting room.
 - Board approves committee work (started in 1997) to convert to a true cooperative. Proposal is sent to membership and approved.
 - Board changes membership fee structure to member shares and raises cost from \$15/family to \$70/family. Members are now called Owners.
 - Start tracking owners' purchases on the POS in September.
 - Thymes editor leaves the position and it becomes an in-house staff position.
 - Board hires a project manager and member outreach person to begin developing new building project. Includes a New Building Development Committee made up of staff and owners at large.
 - Professional phone survey of owners completed on growth issues.
 - Fifth register at customer service area is set up for overflow checkout.
 - December is first \$400K sales month, partially due to Y2K concerns.
 - Owner Appreciation Sale Days are tried with progressive discounts to owners depending on how much they purchase.
- 2000
- Sales=\$4.314 M
 - GM resigns, Board considers another national search, but decides to look for internal applicants. Store Manager is hired as new GM.
 - After much research, planning and discussion, the Board decides to expand at the present site, by enlarging the present building.
 - The Board accepts the GM as project manager.
 - Plans for the addition are drawn up, financing is discussed and the process begins.
 - After much concern from owners about the GMO issue, the Board commissions an Ad Hoc committee to review the Product Selection Guidelines for update.
 - Building plans are hung up with the city as the year comes to a close.
 - Owner Appreciation Sale Days sales are very successful and 6 are planned for the next year. The concept is used to promote owner share sales.
- 2001
- An in-house kitchen opens to service our deli departments
 - South Store expansion and remodel of the store was completed at a cost of \$700,000.
 - Owner loans of \$300,000 and a Department of Energy Loan financed the project
 - The square footage of the store doubled.

2002

- Lease for the Evanite Fiberglass Corp. Training Center adjacent to the store.
- The Evanite warehouse was converted into a commercial kitchen, and receiving and storage area with offices. This allowed First Alternative to have an on-site kitchen offering prepared foods, soups and baked goods for sale under the name "Feast Alternative."

2003

- In May the North Store is opened
- Combined sales for the two stores were \$7,783,000.00.

2004

- A demonstration kitchen was added to the Co-op Meeting Room to be used for classes.
- First Alternative received awards from the City of Corvallis for store landscaping.

2005

- The Co-op celebrates it's 35th year in business
- Sales in 2005 totaled \$11,137,131.00
- First Alternative received awards from the City of Corvallis for store landscaping.

2006

- Expansion of the North Store
- First Alternative was the winner of the Best Grocery Store in Corvallis in a poll of Gazette Times readers
- Won the Business of the Year Award from the City of Corvallis
- Sales reached \$12,036,954.00.
- Staff structure changes so that department managers oversee both stores

2007

- The Co-op purchased the property behind the South Store that had been leased up to that point from Evanite Fiberglass Corporation.
- Talk of a store on Circle in the existing Richey's location ended with the Rite Aid space perhaps being leased to Market of Choice, a chain crossover store from Eugene.
- The recycling make-over at the South Store was a huge success with better access and a more organized area for users.
- The Co-op also began leasing more parking area from Evanite for staff to use.
- Installed a rain water catchment system at the South Store

2008

- Market Study completed to analyze the effect of looming competition and potential for greater market share
- Survey by OSU graduate students find that the majority of owners are in favor of expanding the North Store
- Energy Audits done by the Energy Trust of Oregon at both stores
- Reopened our expanded recycling center and began charging for Styrofoam recycling
- Board approved expansion at the North Store
- New HR manager, Finance Manager and North Store Manager hired
- Bought the house next to the North Store and began to lease it
- Invested in expanded solar arrays at both stores
- Reached over 6,000 owners, over 10% of the Corvallis population
- Broke ground on North Store Expansion Project

- Feast Alternative celebrates its first month in the black
 - Reduced our paper bag use by 50%
 - Trash reduced to a quarter of the previous year's
- 2009