



**“A pivot is not any simple change based on a hunch, but a structured experiment to test a hypothesis about the future growth of the business.”**

**- Applied Frameworks**

**By General Manger Nate Furler**

First, some context: My career with the Oneota Co-op started in July 2007. It was the summer before the move to the current location of the Co-op at 312 W. Water Street. One of the first projects I worked on was a mural of photographs that would cover the front windows of the new space during construction. It was a brilliant look into the past of the organization and the people that poured their souls into it. When I wasn't assisting with marketing and design efforts, I spent the majority of my time working (cooking) in the shared Waving Grains Bakery/Oneota Deli kitchen space in the main level of the Old Armory building.

Deli offerings in the prior Co-op storefront at 415 W. Water Street consisted of a smaller grab-n-go cooler with sandwiches, salads, and drinks, as well as hot soup and a hot lunch entree each day. You may recall such favorites as African Peanut Soup, Chickpea Chermoula Salad, Hungarian Mushroom Soup, Ionian Potato Salad, Island Beef Stew, Pasta Rosa, Mac-N-Cheese, Salsa Verde Enchilada Pie, and Savory Sweet Potato Pie. I had experience cooking prior to my work at the Co-op, but my stint in the Co-op deli kitchen expanded my palate beyond anything I expected.

At that time, our Co-op deli was on a growth trajectory. Because of this the move to our new space at 312 W. Water Street would see an expanded kitchen that was all our own and a service counter that included a larger hot bar and salad bar - along with hot made-to-order sandwiches. I recall the large amount of time and energy that went into the planning and execution of these offerings. At that time, my position was deli counter manager and I had a front row seat to that expansion as I worked closely with deli management and staff.

Fast forward to 2019 and our store planned and executed a remodel of our sales floor, with a strong focus on expanding our deli hot bar and salad bar. Industry trends showed continued growth of our deli sales and warranted the installation of a hot bar/salad bar/soup island, as well as a larger grab-n-go cooler - all focused on expanded deli offerings. We were one of many food co-ops across the nation expanding deli options at this time. All signs pointed to continued growth of the deli department and we were excited at the potential of these enhanced facilities and offerings.

In reality, a challenging nine months followed. Deli sales did not increase at the projected level we anticipated following the remodel; budget goals were not met. Then the pandemic punch hit. In March 2020 our deli production literally came to a halt as we closed our doors to the public and moved sales strictly online due to the unknowns of pandemic life and business.

When the Co-op reopened its doors to in-store customers in June 2020, we immediately focused on our hot slide sandwich service, take-home entrees, sandwiches, salads and desserts. This is what we could realistically accomplish amidst the changing labor landscape that the pandemic presented. Our hot bar/salad bar island became a display fixture for our other departments. Many food co-ops did likewise. While we remained hopeful to one day reopen our hot bar, we did learn that a reallocation of this space had unforeseen positives. We gained the opportunity to merchandise current Co-op Deal grocery items in this area. We'd stopped setting up our "holiday house" display area in 2019

to provide our produce department with additional space; we quickly discovered that our hot bar made for a convenient, and noticeable, merchandising location for seasonal items. These seasonal, non-food and what we term "gift" items began to occupy more and more of this space. A large number of these products are created sustainably, are inclusive-branded, or in some manner align with our merchandising goals.

We learned that during the pandemic shoppers gifted themselves - and others, in escalated efforts of self-care. 2021 saw an increase in these items due to shopper demand, and they continued to be merchandised on the hot bar. This resulted in a significant sales upswing. 2019 saw \$73,000 in sales from this department. 2021 sales were \$137,000 (an 88% increase) and 2022 grew to \$150,000. These numbers have contributed to the Co-op's navigation of the pandemic, and the ripples left in its wake. Your Co-op management and staff did an amazing job of making lemonade from what was a global lemon.

Here's where we're at today: Now, it's 2023. And unfortunately on the eve of our 50th year in existence management agrees that the option of resuming our hot bar/salad bar island operations is one we need to let go of. Coming at it from this end of the discussion - with the space already being closed and staffing levels continuing to be a struggle - risking our stability on this particular piece of real estate (and the work it would take to sustain) is too great an ask for the store as a whole. It is something I am deeply saddened to admit, but it is the truth. Once again, as we've been doing since March 2020, we'll pivot. We'll change the way in which we do something in response to the circumstances in front of us.

So what lies ahead you ask? You will see our hot bar/salad bar island being removed and (hopefully) sold to someone that can give it a new home and life. In its place will be additional shelving that will be utilized by various departments. This will improve product placement and overall shopper experience. How quickly we can do this is still dependent on staffing levels and our ability to secure fixtures - some of which take much longer to procure than they did just a few years ago.

As your GM, and as someone whose co-op experience was founded in the deli, please know I deeply empathize with the myriad of possible emotions this decision may elicit. This is one of the many things I could not have envisioned when I became GM in January 2021. We know the former salad bar/hot bar island's availability and variety of offerings has been missed by many. A number of you have expressed sentiments regarding missed items and preferences and we remain grateful for shopper engagement. Know that we are exploring new (and potentially previously-loved) deli items which may utilize our existing cooler space and counter areas.

Finally, I leave you with this: Though we may continue to pivot, our mission remains the same and our passion for great food, strong community, and a sustainable future is at the heart of this decision. We are doing what is best for the Co-op at this time. We are excited at the next phase of our cooperative journey, and we look forward to setting the stage for our next 50 years.