



# NCG Programs Update

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July – December 2019

# Greetings Valued NCG Partners!



National Co+op Grocers' 145 member co-ops are the destination for the most committed health and wellness shoppers in natural products retail. And we're also where you will experience the cooperative principle of "concern for community" in action daily. From cause promotions to climate change initiatives, NCG is working for the greater good with industry partners and brands like yours.

We recently partnered with Vita Coco on a "Pay It Forward" cause promotion, raising funds to build a classroom for students in a community in the Philippines where Vita Coco's coconuts are grown. During the World Fair Trade Day promotion in May, NCG co-ops sold more than \$1 million in products from fair trade brands, benefitting producer communities around the world. We also donated to Fair World Project's Grow Ahead initiative, a grassroots effort to fund reforestation projects at Norandino Cooperative in Peru to address climate change.

The Grow Ahead initiative dovetails with our key advocacy priority of taking meaningful action to mitigate climate change. In 2018, we hosted the inaugural National Co+op Grocers Climate Collaborative Awards, honoring eight companies, co-ops and individuals for their bold leadership. We're concluding the nomination process for next year's awards right now and hope you'll join us at Climate Day during Expo West 2019 to celebrate the winners.

NCG is also committed to building a stronger and more inclusive cooperative economy. We made a financial contribution to support Village Trust Financial Cooperative, a black-led credit union in the Twin Cities that is working toward a cooperative solution to long-standing economic disparities in our communities. And we directed the fundraising efforts of our annual Co+nvergence grocery and wellness conference to help rebuild cooperative businesses destroyed last year by Hurricane Maria. Through the Cooperative Development Foundation Disaster Recovery Fund, \$150,000 is being distributed by La Liga de Cooperativas de Puerto Rico in the form of small grants to assist a variety of co-ops on the island, where there is a robust cooperative movement.

These are but a few examples of our 2018 accomplishments — rooted in cooperative principles, driven by our mission, and made possible thanks to vital support from our industry partners. Learn more in the pages that follow, plus read about changes to your process for submitting products for NCG's New Item Program and get a preview of the 10th annual Co+nvergence.

Discover how partnering with NCG will connect you with causes and customers that share your values, and help your brand accomplish its goals beyond the bottom line. We look forward to working with you in 2019!

A handwritten signature in black ink, appearing to read "Jason Stein".

Jason Stein  
NCG Category Management Director



# Second Half 2019

## Business Planning, Fee and New Item Updates

### Wrapping Up 2019 in Partnership

NCG's category managers are eager to conduct Second Half 2019 (July–December) business planning with you. If you haven't submitted your full 2019 plan, now's the time to do so. Before submitting a promotional plan for review, please contact your category manager to set up a meeting via phone or in person.

You can find our promotional plan template nestled within the 2019 NCG Second Half Business Review Template at [Partner Co+nnexion](#), in the resources section under Co+op Deals Information. Detailed information for NCG's July–December 2019 programs and contact information for our category managers is available there as well. If you haven't received your credentials for our new Partner Co+nnexion vendor portal, please contact the Partner Co+nnexion help desk: [partner.connection@ncg.coop](mailto:partner.connection@ncg.coop).

There will be **no program fee increases** and there are no changes to our programs for the second half of 2019.

### We're Utilizing IX-ONE for New Item Submissions

NCG category managers review new products based on our New Item Review Calendar. With the shift to our new Partner Co+nnexion vendor portal, we've integrated IX-ONE into our new item selection process. IX-ONE is the natural products industry's single-source solution for product data and images.

After your category manager has expressed interest in your new products and has invited you to submit a New Item Proposal to Partner Co+nnexion, you will also submit product information and images to IX-ONE for a process called "pre-capture." The pre-capture process collects detailed product information needed by NCG and the co-ops participating in our New Item Program to make a determination on adding these products to our assortment.

Once your items have been confirmed for introduction through our New Item Program you'll be required to join IX-ONE and pay the fees to have products scanned and put into the IX-ONE exchange.

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This new requirement went into effect with new items being introduced to co-op shoppers in April 2019. **The deadline to submit your New Item Proposal and product information for June 2019 introduction is Friday, January 11, 2019.** Find a complete copy of NCG's [New Item Review Calendar](#) [here](#). Follow these steps when submitting new items:



**1 Present new items to the NCG category manager.** Use the New Item Review sell sheet and submit new items based on the deadline for your product's category.



**2 Secure acceptance from the category manager** to introduce your new items through the New Item Program.



**3 Submit New Item Proposal** to Partner Co+nection by the deadline in our New Item Review Calendar. Receive a login prompt then submit product information and images to IX-ONE for "pre-capture."

(Please note: Brands are not required to become members of IX-ONE or pay to have their products put into the IX-ONE exchange at this point.)



**4** If your new item proposal is confirmed and goes to contract in Partner Co+nection, **join IX-ONE** and submit product to IX-ONE to be scanned and placed in the IX-ONE exchange.

Find a detailed userguide and video tutorials online in [Partner Co+nection](#). To learn more about our New Item Program, contact your [category manager](#).

## Benefits of NCG's Holiday Pre-order Program

Promote your limited-production holiday items with NCG member co-ops nationwide! Take advantage of our Holiday Pre-order Program and enjoy these essential benefits:

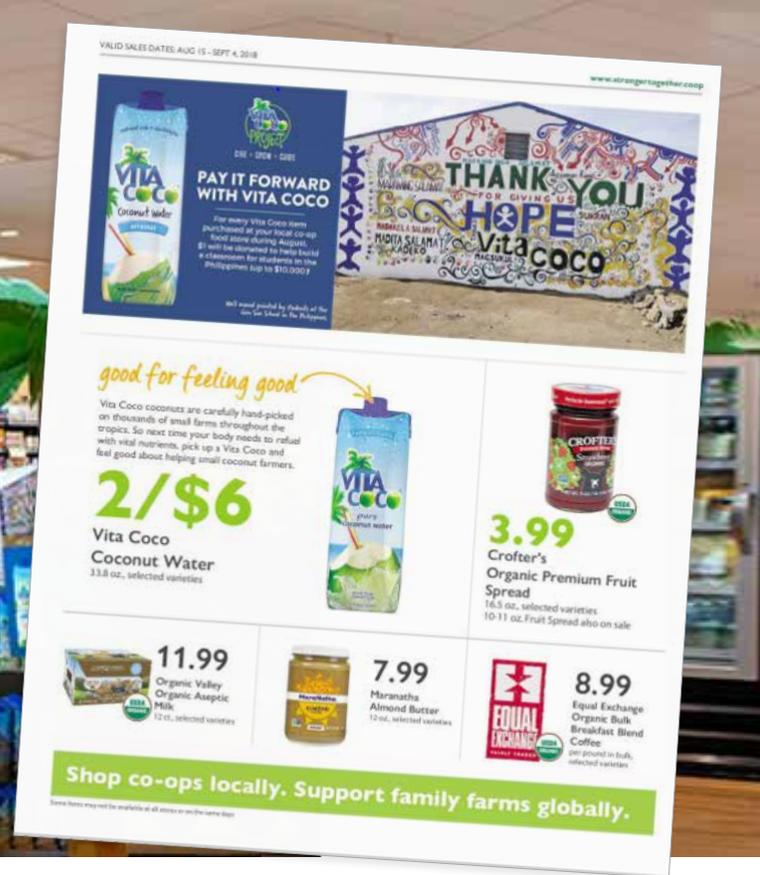
- Receive pre-order commitment quantities months in advance to secure sales and plan production.
- We sell your holiday pre-order products on your behalf to NCG stores.
- The holiday program participation fee now secures signage and promotional pricing for all holiday products.

Watch for more information in the new year about our 2019 Holiday Pre-order Program.



## Partnering with NCG for Bold Results

See [page 6](#) to discover how a holiday program with Willamette Valley Pie Company has transformed selling pies into a shared commitment to sustainability, environmental stewardship and fair trade practices.



# Values in Action — Join Us!

## Raise Awareness, Make an Impact with a Cause Promotion

Partnering with NCG co-ops on cause promotions is an excellent way to showcase your brand, raise awareness on issues that you care about and expand your positive impact. Vita Coco's Pay It Forward promotion demonstrates how brands can successfully engage co-op shoppers, excite store staff, foster positive brand image and drive product sales through an NCG cause promotion.

Vita Coco wanted to drive product sales and raise awareness about the Pay It Forward program, which would donate \$1 for every item sold to build a classroom in the farming community in the Philippines where their coconuts are grown. Last year, Vita Coco partnered with NCG and sought to do the same this year but with more shopper excitement!

Supporting the campaign from all directions made it successful; in-store, print and digital marketing were all covered. Vita Coco placed a Co+op Deals premium 4x flyer ad and set a hot price point of 2/\$6. It provided fun and exciting POS materials and unique display

enhancers for stores to get creative with their displays. Offering a display contest for co-ops to show off their merchandising skills got a great response from NCG members. Digital content helped stores get the word out and drive interest.

Additionally, having an engaging story to tell shoppers about a tangible cause that their purchase would support — building a classroom for children in the Philippines — was another key element.

The results were outstanding: The cause promotion raised three times the amount of Vita Coco's original goal. Unit sales on Vita Coco Coconut Water were up 232% and dollar sales were up 159%, with close to \$50,000 in incremental sales.

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Co-ops have an affinity for brands built on a commitment to sustainable food, fair treatment of people, and a healthy environment — and co-ops understand mission-driven retail like no other grocers. That makes NCG the perfect partner for your cause promotions. To initiate a cause promotion in second half 2019 and beyond, complete the application form on [Partner Co+nnexion](#) and submit it to Allison Hermes at [allison.hermes@ncg.coop](mailto:allison.hermes@ncg.coop). Contact Allison with questions.



## Finding Ways to Make a Difference

### It all started with pie

What began with an essential item for our holiday program has grown into a superior year-round offering that aligns with our shared values and strengthens our commitment to sustainability, environmental stewardship and fair trade practices.

One year ago, NCG began a partnership with Willamette Valley Pie Company, creating a turnkey solution for our co-ops with a holiday pie program. It was a huge success, with NCG co-ops selling 150% more pies than forecasted!

Given the immediate, strong interest in this product line by our co-ops — and their shoppers — we worked with Willamette Valley Pie Company to develop an everyday program offering more varieties of their all-natural, handmade pies. We also approached them with a request: that they start using Palm Done Right palm oil as an ingredient for our pies.

### A better ingredient

Done right, palm oil can be one of the most sustainable oils in the world, nurturing animals, people, communities and the environment. Palm Done Right is working to draw attention to agricultural practices often used in palm oil production that are dangerous to orangutans and the environment, as well as economic practices that are unfair to farmers. Palm Done Right sources all of their palm oil from Ecuador and they advocate internationally for better methods and higher standards, supporting regenerative agriculture and fair trade. Palm oil that meets Palm Done Right standards is organic, sustainable and responsible, and is subject to the highest level of vetting and certification in the palm oil industry.

Willamette Valley Pie Company was excited about the opportunity to make a better choice for one of their ingredients — so excited that they expanded this change to their entire product line. Starting this year, all pies they supply will be made with Palm Done Right palm oil.

### The impact

Willamette Valley Pie Company will use over 300,000 gallons of Palm Done Right palm oil this year. The regenerative agriculture practices used to produce that amount of palm oil will result in carbon sequestration of 375 tons of carbon annually. That means that less carbon dioxide is released into the atmosphere, with the goal of helping to mitigate global warming. In addition, 475 acres of rainforest will be saved from deforestation every year and \$30,000 in fair trade premiums will be paid to farmers annually.

### Partners for change

By working with our supplier on our co-ops' behalf, we've ensured that every pie sold through NCG's pie program supports responsible palm oil harvesting. We're excited about the impact the change in one supplier's ingredients is making for farmers, wildlife and the environment.

If you're inspired to make a change in your brand's product line or supply chain that will have a positive impact, we'd love to talk with you. Contact your category manager to start a conversation about how we can work together to help make good things happen.



# NCG Events and Trade Show Activity

## Emerging Brands: Grow Your Business with NCG

Get to know us at Expo West! NCG will be at Natural Products Expo West in Anaheim March 5-9, 2019. Meet NCG staff in person, and learn all about the programs specifically designed for your brand to efficiently and effectively reach co-op customers nationwide at one of our Expo West information sessions:

### Expo West Info Sessions

**Wednesday, March 6 and Thursday, March 7**

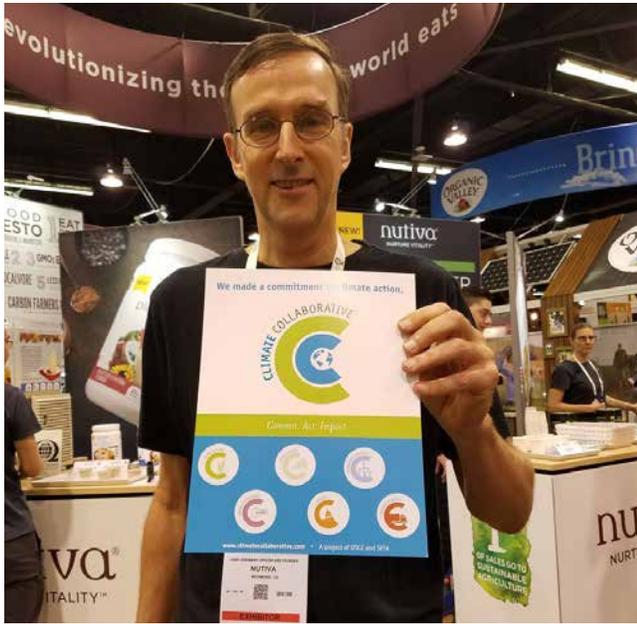
**8am / 10am / 1pm / 3pm**

Contact [Heidi Traore](#) for location

We'll also be at the Winter Fancy Food Show in San Francisco January 13-15, 2019. Want to know more about NCG or have questions about our programs? Contact [Heidi Traore](#) to set up a time to stop by your booth and talk NCG.

Can't meet us in person? We invite you to attend one of our short "Get to Know NCG" information sessions via webinar, designed to help you understand how our programs can assist you in meeting your business needs. [Register here](#) to join us at our next session on Monday, January 21, at 10:00 am CT, or register for a future session.

Across the natural products industry, brands know NCG is an essential partner. Co-ops are where new brands gain a foothold at retail, develop loyal customers and become successful, well-established brands. Our "Get to Know NCG" information sessions — at Expo West and via webinar — are an ideal entry point for emerging brands new to working with NCG and unsure where to start, as well as for those new to their role and ready to learn about all that we have to offer. It's our pleasure to work with you to grow your business in the natural products marketplace — we're here to help!



## Join us for the 2019 National Co+op Grocers Climate Collaborative Awards

Nominations for the 2019 National Co+op Grocers Climate Collaborative Awards closed at the end of November — we can't wait to learn about the innovative projects and environmental initiatives of the brands and influencers nominated this year. Thanks to everyone who submitted a nomination; you're helping to unite our community around a common goal.

Speaking of community, the **Climate Collaborative** is sharing executive interviews featuring last year's award winning companies. **Check them out** for an exclusive look at what motivates your peers to take on climate leadership. Then, please plan on joining us on **Climate Day** at Expo West 2019 in Anaheim, where we will announce and celebrate our award winners. It's going to be inspirational, don't miss it!

**We'll see you at Climate Day on March 5, 2019, at Expo West!**

## Countdown to Co+nvergence 2019

If you attended Co+nvergence 2018, you were a part of NCG's biggest event yet! More than 275 natural products companies and nearly 350 cooperators participated in our annual grocery and wellness conference. NCG co-ops purchased more than 80,000 cases of product during our exclusive Vendor Showcase. Together with our generous sponsors and UNFI, NCG raised \$150,000 to support the CDF Disaster Recovery Fund to help cooperatives in Puerto Rico recover from the devastation of Hurricane Maria. We are grateful for your vital contributions!

What does 2019 hold? **Mark your calendar to join us for our tenth annual Co+nvergence on June 24 – 26 in St. Paul, Minnesota.** The conference is your best opportunity to connect with grocery and wellness managers and buyers from more than 200 co-op locations. Our Vendor Showcase is scheduled for Wednesday, June 26, and the application process for the show will open in January 2019. Please contact **Jon Fogarty** with any questions. We look forward to your participation with Co+nvergence 2019!

### Praise for Co+nvergence

*NSS clients have always looked forward to the annual Co+nvergence. The show has proved to be a valuable and necessary resource for networking with NCG members that are in purchasing roles at store level. I highly recommend Co+nvergence to all my NSS clients.*

Paul Barry, Customer Manager  
Natural Specialty Sales, Inc.



# Living Our Mission

## Advocacy and Sustainability

### NCG and B Corps: Using business as a force for good

We're pleased to announce NCG recently achieved B Corp recertification from B Lab for meeting the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. NCG is among 2,655 B Corps in 60 countries that seek to drive a global movement of people using business as a force for good.

In 2017, NCG's food co-ops sold more than \$86 million worth of products from **Certified B Corporations**. Additionally, we are participating in the Certified B Corporation **Inclusive Economy Challenge**, joining other B Corps to move toward an economy that creates opportunity for all people of all backgrounds and experiences to live with dignity, to support themselves and their families, and to help their communities thrive. Earlier this year, B Lab named

NCG among those receiving "Best for the World" honors for excellence in governance.

NCG first earned B Corp certification in 2012. In a business environment where most companies prioritize profit over people and planet, we are proud to be a part of a growing community adopting ways of working that are good for everyone. [Find out more about becoming a Certified B Corporation.](#)

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## Food Co-ops: Pioneers and Partners for a Regenerative, Resilient Food System

Did you know that many of the food co-ops NCG serves are pioneers of our industry? Dozens of our stores have been around since the 1970s, making them instrumental in creating the thriving market for natural products and organic foods we enjoy today. We didn't stop there, though.

Food co-ops are still working to help our food system evolve sustainably — we support a wide array of innovative supply chain solutions that speak to some of the world's most pressing environmental and social concerns. NCG advocates on Capitol Hill and through consumer education for organic and sustainable agriculture, healthy food access for all, clear and transparent labeling of genetically engineered foods, international and domestic fair trade and climate change mitigation.

As a cooperative, a triple bottom line (people, planet, profit) is built into NCG's operating principles and has been from the beginning. The food co-ops we serve are community-owned grocery stores, which means our shoppers expect and trust us to partner with brands and source products that meet high standards for sustainability. Brands like yours!

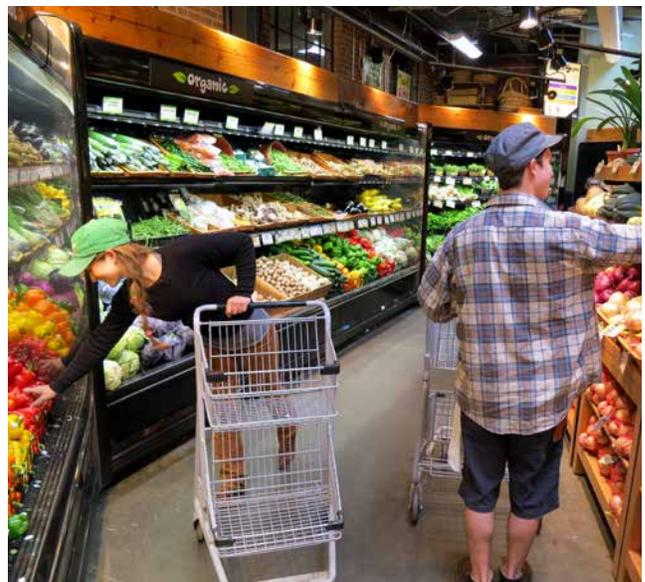
We invite you to learn more about the work we're doing to bring about meaningful, sustainable changes to our food system through supply chain innovation, funding of regenerative production practices, and consumer education. Check out our articles about NCG's recent activities, in partnership with many of your companies, such as [donations to rebuild co-ops in Puerto Rico](#), support for [fair trade climate initiatives](#) and our renewed [B Corp certification](#). In the new year, we'll publish a series of consumer education articles about the many ways natural products companies are utilizing sustainable technology to slow climate change.

Thank you for your partnership and for helping us build a food system that goes beyond sustainability for a thriving, resilient future for all!

## Share Your Big Ideas for GRO Organic

NCG prioritizes advocacy efforts that promote organic agriculture and preserve organic integrity. That is why we are participating in efforts to develop the voluntary industry-invested organic research, promotion and education “check-off” like program known as [GRO Organic](#).

Learn more about GRO Organic and [add your input](#) now through April 30, 2019.



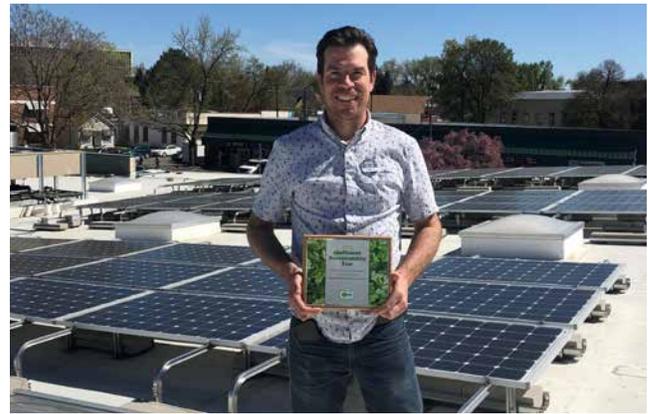
## Co-ops Receive National GreenChill Honors

These co-ops are climate leaders, honored with 2018 EPA GreenChill Awards for managing refrigerant gases and minimizing coolant leaks:

- **City Market / Onion River Co-op**  
*Best Emissions Rate*
- **Hanover Co-op Food Stores**  
*Most Improved Emissions Rate*

## NCG Celebrates Our Sustainability Stars

NCG recognizes co-ops that make extraordinary social, environmental and local economic impacts through our annual Co+efficient Sustainability Star Awards. From reducing carbon footprints to increasing staff diversity, NCG’s retail food co-ops consistently honor the co-op principle “concern for community” as part of their business practices. Join us in celebrating these eight community grocers making an impact.



**Boise Co-op**  
**Boise, ID**  
Reduced energy use by as much as 15% thanks to new, more efficient freezers.



**Marquette Food Co-op**  
**Marquette, MI**  
Store energy use per square foot is 25% less than the national average.



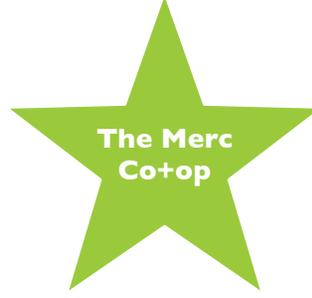
**BriarPatch Food Co-op**  
**Grass Valley, CA**  
New solar panels cut their carbon footprint by over 300 tons of CO2.



**Orcas Food Co-op**  
**Eastsound, WA**  
Awarded Sustainable FARM Fund grants to six local farms to support sustainable agriculture projects.



**Community Food Co-op**  
**Bellingham, WA**  
Achieved its goal for 90% waste diversion.



**The Merc Co+op**  
**Lawrence, KS**  
Installed 330 solar panels that will save the co-op \$1 million over 25 years.



**Concord Food Co-op**  
**Concord, NH**  
Exceeded its one-year energy reduction goal by 40%.



**Willy Street Co-op**  
**Madison, WI**  
Provided \$237,000 for healthy food access programs that assist community members in need.



# Co-ops are Growing for the Good of their Communities

## **NCG and Co-ops: Growing Together**

NCG co-ops are planning more new locations, expansions and relocations to share the power of cooperation with consumers in more communities across the country. Here's what is planned in the first half of 2019:

### **Astoria Co-op Grocery, Astoria, OR Relocation in Summer 2019**

Thanks to incredible support from the community and co-op owners for its capital campaign, Astoria will be building an exciting new store with four times the retail space of its current location. That will enable the co-op to offer a wider product selection and more local and organic foods, while state-of-the-art refrigeration, HVAC systems and LED lighting will reduce per-square-foot energy usage.

### **Berkshire Co-op Market, Great Barrington, MA Relocation in Spring 2019**

The co-op is set to become the anchor tenant of a brand new, energy-efficient, mixed-use development. This new location nearly doubles the space of the old store, with almost 8,000 retail square feet to significantly expand departments and increase product offerings.

### **Central Co-op, Tacoma, WA New Location in Winter 2019**

Fulfilling a commitment to serve the Tacoma community again, Central Co-op is reintroducing itself with a much bigger store in a new location. The larger footprint will support expanded retail offerings, including a robust grab and go section and deli department.

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**PCC Community Markets, Seattle, WA**  
***New Location in Summer 2019***

PCC is entering the fast-growing Ballard neighborhood of Seattle with a 25,000-square-foot store in a new retail development. The Ballard store will feature a “chop shop” with cut-to-order produce, PCC Taqueria, local spirits, plus a rooftop deck. PCC is known for its high product standards and is committed to community food bank, grocery rescue and school fundraising initiatives.

**People’s Food Co-op, La Crosse, WI**  
***Store Expansion in Winter 2019***

From a welcoming, redesigned entrance to a speedier checkout system, People’s is renovating to put customers first. Inside the store are wider aisles in wellness, more shelves for new products in grocery, and expanded deli offerings.

**Putney Food Co-op, Putney, VT**  
***Store Expansion in Spring 2019***

Serving its community since 1941, Putney Food Co-op is expanding at its current location to evolve with customer needs. The remodel features an enlarged deli and dining area, a fully renovated kitchen and more office space.

**The Common Market, Frederick, MD**  
***New Location in Summer 2019***

The co-op is in the preliminary planning stages to expand into a second location. Look for more details on The Common Market’s progress in a future update!

**The Food Co-op Port Townsend, Port Townsend, WA**  
***Store Expansion in Spring 2019***

Having outgrown the sales potential of its existing space, the co-op is building onto its present location to add more retail square footage and maximize its efficiency. Port Townsend’s leadership in sustainability and reducing food waste highlights how the co-op lives its values every day.

**Ukiah Natural Foods, Ukiah, CA**  
***Store Expansion in Summer 2019***

An expansion at its current location presents Ukiah the opportunity to offer more robust food service options. The project follows recent investments in the co-op’s grocery, produce and wellness departments.

**Valley Natural Foods, Burnsville, MN**  
***Store Expansion in Fall 2018***

Valley Natural Foods purchased a property adjacent to its flagship store to expand its existing footprint by 8,600 square feet. The co-op is remodeling its entire facility, improving energy efficiency, expanding its popular deli, produce and wellness departments, adding more retail shelf space in all departments, and opening a coffee and juice bar.

**Weaver Street Market, Raleigh, NC**  
***New Location in Winter 2019***

Tailored for an urban environment, Weaver Street’s fourth store offers an exciting format with a focus on food service and a strong sense of community. Plentiful indoor and outdoor seating, a teaching kitchen and classroom will make the co-op a neighborhood gathering place.



## A Co-op Success Story: Viroqua Food Co+op Expands in Wisconsin

Welcome to the organic heart of the Midwest! The Driftless Area of southwestern Wisconsin is perhaps best known as the home of Organic Valley, the leading dairy cooperative in the United States. It's also where you'll find Viroqua Food Co+op.

People come to Viroqua from all around the Driftless Area seeking the organic foods and natural products that Viroqua Food Co+op offers. In this rural county seat with a population of 4,500 people, the co-op boasts 3,800 members! It has grown steadily and become an essential community gathering place since opening its first store in 1995. The co-op has also outgrown its retail space numerous times, recently leading to its most ambitious expansion yet.

Viroqua Food Co+op's grand reopening celebration in November marked the culmination of a project four years in the making. During the planning process, co-op owners made it clear they wanted even more natural, organic and local food options. Not surprising at a store where USDA Certified Organic products make up 42% of all sales. The co-op set out to provide that and much more, by expanding at its current location and more than doubling the size of the existing store from 4,400 sq. ft. of retail space to 9,250 sq. ft.

Viroqua may be a small co-op in a small town, yet it's a microcosm of co-ops everywhere. Co-ops are flourishing and membership is increasing.

Sustainability and environmental concerns are a priority for Viroqua Food Co+op, hence it incorporated numerous energy efficient features in the expansion. The co-op placed LED lighting throughout the store, added two electric car charging stations, and installed highly efficient coolers and freezers with a system that reclaims the heat they produce to generate hot water. 133 solar panels on the south-facing roof of the co-op will provide 14% of the store's electricity and save about 62,500 kilowatt hours per year — that's the equivalent of powering seven average U.S. homes.

Additionally, the co-op was determined to fill unmet needs of the community to better serve the people of Viroqua and the Driftless Area. It expanded offerings in the deli, bakery, meat and produce departments, and added more seating in dining areas and educational space.

Viroqua may be a small co-op in a small town, yet it's a microcosm of co-ops everywhere. Co-ops are flourishing and membership is increasing. Consumer demand for organic, natural, fair trade and local products continues to grow, as does interest in supporting strong ideals like sustainability and a healthy community. These products and values are intrinsic to co-ops, and shared by the natural products industry, making NCG a vital partner for your brand.

Now with twice the retail space to serve more customers, Viroqua Food Co+op can expand its product offerings and its buying power. Its growth will generate deeper support for small regional farmers and producers of the Driftless Area, as well as create new opportunities for national and specialty brands, increasing accessibility of fresh, local and organic food offered at the co-op.