



**Ontario Natural**

**Food Co-op**



**Membership**

*Communique*

Everything Good  
Under the Sun  
For Over 30 Years

## Expansion

by Randy Whitteker, General Manager

Several years ago ONFC decided to extend the lease on our Etobicoke warehouse with the option to exit early if needed. As our growth in the past few years has far exceeded forecasts, we have decided to take that early exit option. Plans are well underway to move into a larger facility at the north end of Mississauga. The timing of this move will be at the end of June. Details will be made available to our customers and the rest of the trade in the coming days.

This move will be quite a bit different than the one we made twelve years ago, in 1995.

The scale of this project is being matched by the amount of focus and planning that is going into it. Our goal is to make this as seamless as possible for our customers. Every effort is being made to maintain the steady flow of goods with the absolute minimum of disruption. We're starting to get excited as we edge closer to move date.

It's only after experiencing the trials of operating in too small a space that you

come to appreciate the possibilities and inevitable benefits of being in a right-sized facility. The business of distribution is about moving products efficiently through the supply chain. This larger, well-planned distribution centre will improve the logistics of our operation, allowing us to bring a greater selection of products to our customers in an even more accurate, reliable manner. Though occupancy costs are lower in a smaller building, costs start to rise as product handling increases. Order fulfillment rates will improve with inventory better aligned with our capacity, allowing for continued growth.

In the coming weeks, the staff of ONFC will be working diligently towards a smooth move while maintaining high service levels.

### *Organic Council of Ontario (OCO)*

The OCO has held its first Annual General Meeting at the Arboretum on the University of Guelph campus. A good number of attendees (50-60) came to learn more about the Council and to see a presentation given by AC Nielson



regarding their organic market survey in Canada. All the members serving as the interim Board of Directors will serve for at least another year.

The Board is comprised of representatives from each sector of the supply chain from grower through to retailer and points between. I will continue to represent the distributor sector. All directors will take up the challenge of building our diverse membership sectors in order to have more complete representation for the Ontario market. A major objective for the coming year is to complete a strategic plan for presentation at next year's AGM.

The work of the Council, in part, dovetails with the recommendations that have now come out of the Ontario Premier's Agri-Food Summit. Last year the province appointed a committee to research the opportunities in the organic and niche foods sector. This committee has presented a series of recommendations to support, amongst other things, the growth of organic and locally (i.e. provincially) grown foods. The province clearly recognizes the enormous opportunity to partner in building an organic and more sustainable local food system. To that end, the recent provincial budget allocated

\$200,000 to the Organic Council of Ontario to support its efforts.

#### *Co-op D'Alentour*

ONFC and Co-op D'Alentour of Sherbrooke, Quebec, are presently engaged in exploring ways to work together. We have agreed to take on a couple of small projects that will lead to cost savings while considering further opportunities to build synergies within our co-ops.

Co-op D'Alentour runs a similar distribution business serving the province of Quebec with a growing range of natural and organic products. They have started to develop a controlled brand, Artisan Tradition, that is also being carried by ONFC and Horizon Distributors in B.C. ONFC will work with Co-op D'Alentour to effectively expand this brand in our markets.

The two co-ops have also begun a pilot project, working with several key vendor partners with the intent to co-buy and build these brands through joint marketing programs.

We look forward to this joint co-operation to find cost-effective ways to bring new products and services to our members.



***RSVP by April 20***  
**Members'**  
**Annual General Meeting '07**



***Keynote Speaker: Bruce Cole***  
***"Successful Retailing"***



**Sunday, April 29, 2007**

**1:00 PM**



**The Assembly Hall**



**1 Colonel Samuel Smith Park Drive**  
**(Kipling Ave. & Lake Shore Blvd. W)**



# Where Will the ONFC Be in 10 Years? Planning for a sunny day...

by Graeme Hussey, Board President

As a mission-based co-operative business, we need to ask long-term important questions about society and how the ONFC can contribute. What makes us healthy? What makes us happy? How do we improve the environment? How do we create a just society, eradicate poverty, and create fair trade? And how can we plan ahead to get closer to this vision?

Looking forward, the ONFC's strategy will be to continue with our financial growth, focus on member and customer service, and look to increasing the number of products sold under the Ontario Natural private brand, promoting local and organic food.

Building on the ONFC's financial success, we are moving the ONFC's warehouse and office this summer to a larger location in Mississauga. The move to a new warehouse is the most visible indicator of the ONFC's financial viability. It is the result of many years of planning from staff and board members to develop the market potential of the ONFC to its current state as the leading organic and natural food distributor in Ontario and Eastern Canada.

The move also opens up opportunities in other ways. As a member co-op, we are continually seeking to increase member and customer service. The move to the new warehouse will help us carry a wider product selection and improve our efficiency in filling orders to members and customers. You can do your part by attending the Annual General Meeting this month; it is your opportunity to let the board and staff know how else we can improve your experience with the ONFC.

One piece of feedback that we've received from members is the popularity of our Ontario Natural branded tomatoes. These locally produced and processed organic products were a pilot project of the ONFC. Due to its huge success, and our new increased warehouse capacity, the ONFC is committed towards increasing the number of products sold under the Ontario Natural brand. In doing so, we not only contribute towards the ONFC's financial success, but also to the larger vision of doing our part to support local producers and improve the environment.

Moving our warehouse and office is a proud change for the ONFC and its Board of Directors. The challenge for the Board and management will be to use the momentum created from the recent success to chart a path for the ONFC's future over the long-term.

We look forward to continuing to work hard for the members in our new location. We would like to thank Randy Whitteker and all of the hardworking ONFC staff who provide such strong customer service and are true leaders in the organic and natural food industry in Canada. We are lucky to have you as our staff!

## Board of Directors' Opportunities

The summary of your 9 seat  
Board of Directors.

Group A Members (co-op retail and buying  
clubs) = 5 seats

- ✓ 3 Board Member terms end spring 2007
- ✓ 2 Board Member terms end spring 2008
- ✓ 3 candidates nominated

Group B Members (non-collectively structured  
retail) = 4 seats

- ✓ 2 Board Member terms end spring 2007
- ✓ 2 Board Member terms end spring 2008
- ✓ 2 candidates nominated

We welcome nominations from all the regions we serve. To qualify to be a candidate for the Board, you must be a bona fide Member representative. Any candidate can be nominated at the time of the AGM.

Early nominations are much appreciated.

If you are interested, please contact  
Kim De Lallo as soon as possible:  
email: kd@onfc.on.ca or tel. (416) 503-1144  
or toll free tel. 1-800-387-0354, ext. 233.

**Vote At Your AGM**

## AGM Keynote Speaker Bruce Cole: Here's What's Working for Successful Retailers

Bruce W. Cole is the editor, publisher and founder of *Canadian Natural Health Retailer* magazine, a business-to-business publication dedicated to providing traditional natural health retailers with news and information pertinent to their business.

Bruce came to the natural health industry in 1995 when he accepted a position with The Canadian Health Food Association as trade show manager and manager of communications. Two years later, in 1997, he founded *CNHR* magazine.

Currently, along with his duties with *CNHR*, Bruce also provides writing and editing services to a number of corporate clients and in recent years has become involved in helping authors prepare health-related books for publication.

These days, Bruce and his wife Donna work from a log cabin on their small family farm, high on a hill overlooking the tranquil Wye Valley, just south of Midland, Ontario.

In the ONFC AGM address, Bruce will be sharing some of the many success stories he has witnessed in his ten years of publishing *CNHR*.

During the past decade, traditional natural retailers have been forced into making changes and adapting to



current business practices. In his presentation, Bruce will be focusing on a number of these areas of change, and where many traditional natural retailers have met the challenges head on and succeeded.

Among the topics to be addressed will be: how retailers have improved the over-all customer experience of their stores; how the level of staff training has become more formalized to meet demands; how retailers are creating alliances with natural practitioners in their area; how independent retailers are sharing information and working together more; how the appearance and presentation of health food stores has changed for the better; how traditional stores continue by introducing new and innovative products to market; how traditional retailers continue to build relationships with customers through education; and how retailers are starting to create their own brands to protect their independence.

In addition, Bruce will touch on a few statistics about the natural health retailing sector from a study produced by Danny Wells and Associates.

Bruce will also be sharing photos he has taken during his decade of travelling Canada and visiting the best health food stores.

### Board of Directors

Group A Members (co-operatively structured):

Don Altman - Karma Co-op (Toronto); Steve Hickson - London Co-op Store (London); Graeme Hussey (President) - Karma Co-op (Toronto); Matt McAusland (Vice-President) - The Big Carrot (Toronto); Nancy Palardy - Gang Green Buying Club (Toronto).

Group B Members (non-collectively structured):

Gaille Lieberthal - Gaille Lieberthal (Campbellville); Rudi Mogl (Treasurer) - Tara Natural Foods (Kingston); Nan Sears (Secretary) - Nan's Bulk & Basic Foods (Bancroft); Susanna Yeung - Le Commensal (Toronto).