Community Supported Enterprise: If You Can't Recruit 'Em, Build 'Em!

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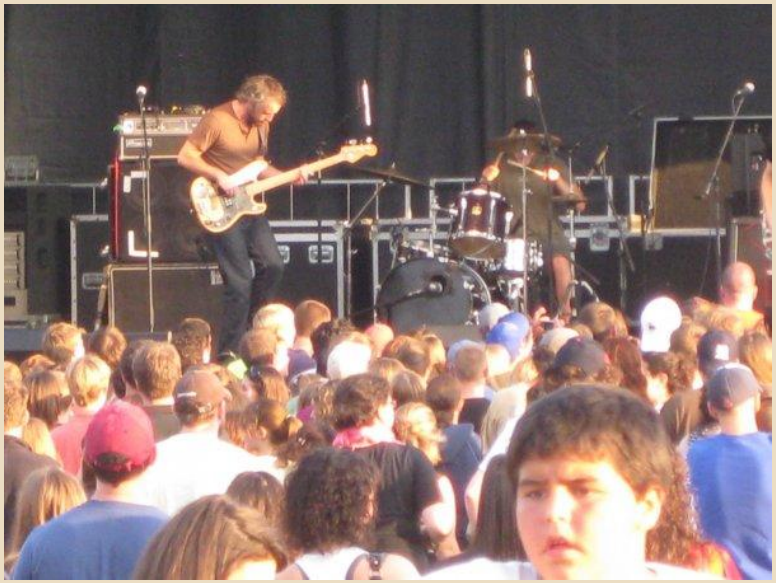
Agenda for Today's Presentation

- Context: Overview of Waterville Main Street / Downtown Waterville – Shannon
- The Origins of Barrels – Shannon
- Feasibility Study – David
- Barrels Market Today – David
- Barrels as a Model for Downtown Retail – Shannon
- Plans for Growth – David
- Lessons Learned

Profile of Waterville, Maine



- Population: 15,605
- 57% Low to Moderate Income
- Primary Employers:
  - Health Care: Inland Hospital, MaineGeneral Health
  - Education: Colby College, Thomas College
- Arts & Cultural Hub
- KV Connect - network of young professionals

Waterville Main Street

- Waterville became a Main Street community in 2001
- 18 member Board of Directors
- 100+ funders
- 100+ volunteers
- 1 full time Executive Director, 1 part time Administrative Assistant

Waterville's Reinvestment Statistics

- 32 net new businesses
- $46.2 million in new public and private downtown investment
- Over 15,360 volunteer hours
- 171 net new full-time jobs
- 3 net new part-time jobs
- **For every $1 invested in the Waterville Main Street program, an additional $48.56 has been invested in downtown Waterville**
- 71 building rehabilitation projects
- 17 public improvement projects
- 1 new construction projects
- 70 Housing Units created (all types)

Renewed Interest in Downtown

- 2004-05 Façade Grant Program
- Hathaway Creative Center
- Waterfront Development
- Streetscape Improvements
  - Silver Street Outdoor Dining Area
  - New Streetlights
  - New Sidewalks
- 2009 CDBG Downtown Revitalization Grant

The Origins of Barrels

- Successful Farmers' Market
- Survey results indicating need for grocery store / specialty foods store
- Strong interest in pursuing the idea of a food co-op in Downtown
- The stars align… Shannon meets David

Feasibility Study – June 2008-March 2009

- Funded largely by Colby, augmented by private donation and Inland Hospital
- Interviewed and confirmed core group of 30 farmers, 50 craftspeople as suppliers
- Met with similar/related private businesses
- Surveyed ~200 potential consumers
- Outlined involvement from area colleges
- Completed start-up and operating budgets, confirmed by business consultants
- Secured funding
- Established 10-member Advisory Board

Feasibility Study – June 2008-March 2009

- Solidified key partnerships with 20+ organizations
- Set up sound legal and accounting structure and systems
- All with the goal of creating a financially sustainable business model
- Completed business plan with start-up and operating budgets, met with consultants to review and edit these
- Hired graphic designer
- Signed 6 mo. lease, with 3-year option for renewal, for retail location
- Released RFQ for development of well-integrated IT system (inventory control, on-line ordering, contact management)

Key Partnerships

- Colby College
- Unity College
- Thomas College
- KVCC
- Hardy Girls Healthy Women
- Maine General
- Inland Hospital
- MOFGA
- City of Waterville
- Farmers Market
- Freshwater Arts
- Hospice Volunteers of Waterville
- KVCAP
- Chamber of Commerce
- Johnny's Selected Seeds
- Fedco Seeds
- Local Businesses
- Waterville Rotary Club

Start-up Phase: March – June 2009

- Prepare the space
- Volunteer Teams
- Renovation/art teams
- Purchase and install equipment
- Stock the market
- Open House
- Media relationships
- Final fundraising
- “Soft Opening” decision

Fundraising

- $50,000 goal
- Solicited $25,000 anonymous private matching donation, $5,000 increments
- Key gift from Rotary Club - $10,000
- Farmscape fundraising
- Tiered membership
- Meeting challenges (small donations, small community, kudos)

Barrels – One Year Later (Present Day)

- Barrels Community Market opened June 21, 2009
- Waterville Main Street is the parent organization
- Hours: Mon-Fri, 10am-7pm; Saturday, 10am-5pm; open for all special events in Downtown
- Over 250 suppliers
  - Emphasis on local – within a 20 mile radius whenever possible
  - Produced through natural and sustainable processes
- Staffing:
  - 2 Full Time Employees
  - 25+ Active volunteers

Our Mission

Barrels Community Market buys and sells food, crafts, and tools that are produced locally and sustainably from naturally occurring inputs whenever possible. We also host events and classes designed to promote individual and community health, teach traditional arts and skills, and celebrate the unique spirit of our community and land.

Goals

- To support local farmers and craftspeople by providing an outlet for their products
- To provide local, affordable goods to the greater Waterville community
- To revitalize Downtown Waterville through an emphasis on local productivity
- To offer diverse educational and community involvement opportunities for any interested community member

Buying Parameters

- Within 20 miles of Waterville, or at least state of Maine
- Minimal to no chemical inputs
- Locally and/or naturally sourced inputs whenever possible
- People *really* relate to this. Ability to ask us questions, rather than rely on certifications.

Traffic

- Averaging 80 customers/day (2-3 times that in people)
- Some people weekly shopping, others favorite couple items
- Fri & Sat are busiest; Mon & Thurs second; Tues & Wed slowest
- Seasonal fluctuations

Finances

- Need roughly $1,200/day to break even
- Currently at $1,000/day in sales average, 75% cost of goods (COG)
- Need to improve traffic a little and decrease COGS slightly

Volunteer Staffing

- 15-25 active volunteers
- Average shift 2-3 hours.
- Benefits are t-shirt, meeting people, 20% shift discount
- Also get valuable court appointees
- Cost benefit of management time vs. benefit of volunteer staffing

Suppliers

- Over 250 suppliers
- Challenge: labor intensive to manage
- Benefits:
  - presence in market,
  - flexibility
  - direct relationships

Public Relations

- Ensure consistent and positive experience
- Positive word of mouth
- Little paid advertising (frequent donations are advertising)
- Strong referrals
- Heavy emphasis on internet marketing strategies

Outreach

- Hall School program
- Muskie Center
- Hospital outreach
- Rotary presentations
- Morning Sentinel's Taste of Home Cooking School
- KVCAP – targeted demographics

Event Space

- Workshops & Lectures:
  - Composting workshop
  - Seed starting workshops
  - Artist / author talks
  - Film screenings
- Freshwater Arts
  - Art classes for adults & youth
  - Pottery studio
  - Vendor-driven workshops: quiltmaking, felting, etc.

Questions??

Barrels as a Model Downtown Retailer

- Special Events
- Special Attraction: Community Portrait Collage
- Creative Marketing & Promotion
- Extended Hours & Participation in Community Events
- Outreach
- Pride in Products / Vendors
- Friendly, welcoming environment
- Free samples!
- Happy and helpful staff & volunteers

Special Events: Get Up Downtown

- Target audience: college students
- Event elements:
  - Free samples
  - Live music
  - Media coverage
  - Part of a monthly series hosted throughout Downtown

Special Event: Holiday Open House

- Target audience: area residents
- Event elements
  - Free samples
  - Live music
  - Vendors in the store
  - Media coverage
  - Wine & beer

Special Event: Meet the Reps

- Mid-Maine Chamber of Commerce event
- Target audience: Chamber members, young professionals, U.S., state and local representatives
- Event elements
  - Wine & beer
  - Free food
  - Held 3-4 times throughout legislative session

Community Portrait Collage

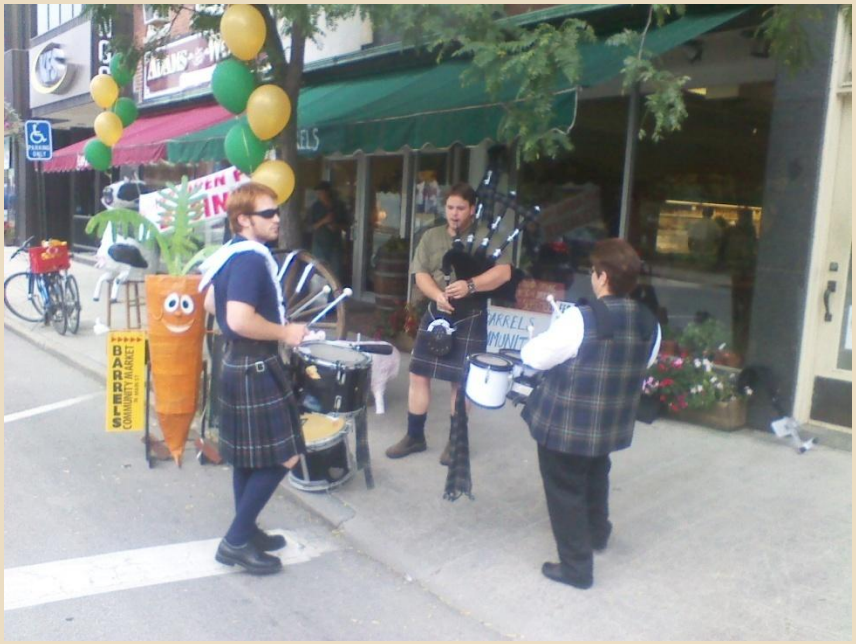
- $10,000 grant from New England Foundation for the Arts
- Public artist Tim Gaudreau in residency
- Hundreds of photos and personal stories

Marketing & Promotion

- Frequent Shopper Cards
- Referral Program
- Membership Program
- Downtown Employee Outreach
- Media coverage
- Web site with event calendar
- Constant Contact: new products, sales, vendor profiles
- Facebook & Twitter

Pride in our suppliers

Is there any gimmick we won't try?



Pride in our products!

Presentation is key!

Family friendly

Friendly, welcoming environment

Lots of free samples

Happy staff & volunteers

Plans for growth & expansion

- Regular calendar for Event Space
- Outside deliveries to help move produce (restaurants, camps, businesses, and ultimately donations)
- Commercial kitchen for prepared foods
- Institutional sales and education/outreach (schools, hospitals, homes)
- Sponsorships
- Grants
- Additional employee, especially register
- “Glocal” approach to supplying fruits/veggies from warm-weather farms in winter (stuff we can’t grow in Maine)

Lessons Learned

- Structure:
  - Non-profit model with Board meetings and small management circle helped streamline decision making and opening, a little less buy-in is tradeoff
- Financials
  - Close to break-even, but need memberships, events, donations, grants, etc. (planned to break even after 3 years)
- Community Buy-In:
  - change layout, e-news, constant deliveries, bread and baked goods, events, word of mouth, actual shopping experience (feel, smell, socializing, staff interactions), creative signage and specials

Lessons Learned

- CONSTANT dialogue and education is needed:
  - Why does local produce spoil faster? Why not organic?
  - New/strange varieties of things
  - Seasonal availability
  - Extra cost of local
  - Comfortable atmosphere
- Community dynamics
  - Tension of nonprofit market competing with for profit businesses
  - Waterville Main Street – promoting Barrels as its own business vs. promoting other Downtown businesses