



Incorporated May 8, 2004

**2006**  
**Annual Report on**  
**Finances and Activities**  
**&**  
**Membership List**  
  
**[www.mooncoop.com](http://www.mooncoop.com)**

**MISSION: Our goal is to empower the members of our community to live a more sustainable lifestyle. We hope to accomplish this by:**

1. Providing a retail outlet for products that are produced in ecologically acceptable ways
2. Utilizing local & regional producers to strengthen the local economy & reduce transportation costs
3. Educate consumers and producers about sustainable principles and choices
4. Informing consumers about where their food comes from and how it is produced
5. Providing a place for the sharing of diverse foods and cultures.

MOON Co-op  
c/o Bernadette Unger  
1 Oakhill Dr  
Oxford OH 45056

# **WELCOME CO-OPERATORS!**

2006 MOON Co-op Annual Meeting

## **2006 ACTIVITIES**

- Obtained Liability Insurance
- Received \$10,000 Grant
- Held 2 Dinners
- Developed a timeline
- Received scholarship to attending national co-op conference. All expenses paid!
- Participated in mentoring telephone conferences and webinars with Food Coop 500
- Established Membership Team and strategies
- Wrote new brochure and started work on new logo
- Converted accounting to Quickbooks program

## **1. WILL A STORE REALLY OPEN, AND IF SO WHEN?**

- We hope to open during the 2<sup>nd</sup> half of 2007.
- *When* and *if* depend on the number of members
- The Market :
  - Our professional market study says Oxford is under-served.
  - Nationally, the market in organic food has increased 3%-5% annually
  - Kroger and Wal-Mart sell organic produce grown on factory farms thousands of miles away. Butterfield's is selling regional produce.
  - There is a still need to sell local, sustainably-produced and organic food and earth-friendly household and personal care products.

## **2. HOW MANY MEMBERS DO WE HAVE? HOW MANY DO WE NEED TO OPEN?**

- Currently we have 181 members and 208 certificates
- Some households purchase more than one certificate (but still only get one vote)
- We will apply for a business loan from The National Co-op Bank (NCB). It is recommended that we have no less than 300 members when we apply and no less than 500 members when the store opens.
- Membership levels are an indicator of community support and of sales potential. The bank assesses if the "sales-per-member" will be sufficient for the store to succeed.
- In 2007, MOON will be starting a campaign to get member-loans for the store. The amount of member-loans is another strong indicator the bank looks at.

## **3. HOW WILL THE NEW MEMBERS BE FOUND?**

- Increasing our membership is our top priority. We have temporarily suspended the search for a store location and any lease negotiations.
- What we did in 2006: Held 2 Dinners, Spoke to Rotary and Kiwanis, Asked members to recruit, Developed *Pocket Guide*, "Branding" MOON with development of new logo.
- Created Membership Team to spearhead membership efforts
- Plans for 2007: Mass mailing new brochures, Building relationship with Butler Rural Electric Co-op, Ox Press, & Farmers Market.
- What members can do to help:
- **Talk about MOON every chance you get. Be positive, proud and enthusiastic.**
- **INSPIRE PEOPLE TO JOIN. If you can't –Who can?**
  - "How are you?".... "Well I'm really excited about creating a co-op store"
  - "What's new?"...."There is going to be a really cool co-op, and I'm one of the owners!"

## 6. WHERE WILL STORE BE LOCATED? HOW BIG WILL IT BE?

- Key elements: center of town, loading dock, parking
- We use two sizes for budget projection purposes.
- 3,500 sq ft. of which 2,400 sq ft will be retail floor area (~49 ft. x 49 ft.).
- 3,000 sq. ft. of building area of which 2,000 sq. ft. will be retail (~45 ft.x45 ft.) is the smallest size recommended size to be able to have a viable cash flow.
- At the national conference the most frequent advice from other start-ups was– Don't start too small. "You will outgrow it within 20 minutes of opening your store." Avoid the inefficient complications of expansion financing and relocation.
- We started negotiations on the former Miami Lumber (behind Stewart Square). We withdrew because we were so far from our membership goal it would have been irresponsible to commit.

## 5. HOW DOES MOON RELATE TO OTHER ORGANIZATIONS?

- "MOON Co-operative Services" is our legal name. Our goal is to open a member-owned store. We currently have an educational programming component and a Buyer's Club component.
- The Buyers Club (BC) is organizationally and financially linked to MOON Co-op. However, not all participants of the BC are MOON Co-op members.
- MOON and the Uptown Farmers Markets are different organizations with many overlapping goals and participants. Each has its own by-laws, board, and budget. We look forward to working together.
- Avoid confusion and refer to us as "**The Co-op**" or "**MOON Co-op**"
- We belong to co-op organizations and are being mentored by Food Co-op 500 National Co-op Bank.

**SPECIAL WORKSHOP FOR ALL MEMBERS – NOV. 5 - Sunday from 10-2:30. LCNB. Bill Gessner from Co-operative Development Services consulting firm in Minneapolis will be teaching us how to create a successful co-op store. All members are encouraged to attend all or part of the workshop.** Agenda available at annual meeting. Email if you might participate: [Unger@brecnet.com](mailto:Unger@brecnet.com) RSVP not required but helps.

## 6. THE COMMUNITY DINNERS

- The Board is seeking volunteers to organize and run the dinners. Step-by-step checklists and volunteer list already exist. Contact Amy Pace if you would like to "step up to the plate" and take charge of this well-oiled cooperative machine.

## 7. THE SEVEN INTERNATIONAL CO-OPERATIVE PRINCIPLES

*The guidelines by which co-operatives put their values into practice.*

1st Principle: Voluntary and Open Membership

2nd Principle: Democratic Member Control

3rd Principle: Member Economic Participation

4th Principle: Autonomy and Independence

5th Principle: Education, Training & Information

6th Principle: Co-operation among Co-operatives

7th Principle: Concern for Community

## 8. The Future

- **Increase Membership numbers and Member participation - Membership Team**
- Recruit Board members & Conduct Board training
- Start the Member Loan Campaign
- Complete Business Plan
- Apply for Bank Loan
- Hire Project Manager / General Manager
- Site selection, lease negotiations, design, renovation

## 9. Hello/Good-Bye

- Board members (departing) - Susan Callan (founding member); Steve Dana; Linda Simmons (founding member); Diane Stemper, Sharmila Pradhan
- New Board members – Marshall Burke, Beth Eacker, Charles Ganelin

## 10. Your Questions and Comments

**MOON Cooperative Services, Inc.**  
**Balance Sheet**  
 As of June 30, 2006

	Jun 30, 06
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1110 · LCNB checking	7,747.23
1120 · LCNB Savings	6,023.92
1130 · Member Loan Funds	5,085.10
1140 · NCB CD	10,284.54
1150 · NCB MMDA	22,977.43
<b>Total Checking/Savings</b>	52,118.22
<b>Total Current Assets</b>	52,118.22
<b>Other Assets</b>	
1500 · Other Assets	
1520 · Start-Up Costs	5,857.34
1530 · Organizational Costs	500.00
1540 · Accumulated Amortization	-1,065.41
<b>Total 1500 · Other Assets</b>	5,291.93
<b>Total Other Assets</b>	5,291.93
<b>TOTAL ASSETS</b>	<b>57,410.15</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2300 · Other Current Liability	
2310 · Accrued Interest	25.00
<b>Total 2300 · Other Current Liability</b>	25.00
2320 · Deferred Revenue	10,000.00
<b>Total Other Current Liabilities</b>	10,025.00
<b>Total Current Liabilities</b>	10,025.00
<b>Long Term Liabilities</b>	
2400 · Long Term Liability	
2410 · Member Loans	9,000.00
<b>Total 2400 · Long Term Liability</b>	9,000.00
<b>Total Long Term Liabilities</b>	9,000.00
<b>Total Liabilities</b>	19,025.00
<b>Equity</b>	
3100 · Memberships	28,425.20
3200 · Retained Earnings	4,228.42
Net Income	5,731.53
<b>Total Equity</b>	38,385.15
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>57,410.15</b>