

An Open Letter to my Fellow Board Members

I'm really concerned about the vitality of our store's cooperative culture, and in particular, the link between the Board and Ownership.

It is no secret that very few Owners are engaged with the Board. One could chalk this up to how most folks don't have a lot of time to spare, or take it as a sign that things are going well—after all, people predominantly show up when something's gone wrong. However, I think it is a massive red flag. I think it speaks to both a lack of understanding among the Owners as to their rights and responsibilities to influence big store decisions, and more critically to a fundamental failure of the Board to conduct its strategic visioning responsibilities in a cooperative manner.

Over my 4.5 years on the Board, I have observed many strategic visioning discussions, and have concluded that the Board – through all its recent iterations – has a bad habit of top-down thinking. When we talk about expansion, we mostly talk about what *we* think would be good ways for the Co-op to expand and what *we* would like to see, rather than about how we can consult the Ownership to point us in the right direction. Perhaps the most infamous example of this was actually before my time, when the Board decided to initiate research into opening a second full-sized location in Pullman without first gauging Owner interest, but everything that has followed has confirmed for me that this was not a fluke.

I think this needs to change. Every time we announce a decision without involving Owners in the decision-making process, the Board loses a little bit more trust, and we shift the culture to be a little less cooperative and a little more corporate. We lose what makes us special as a Co-op. And that doesn't just make the Co-op weaker, I think it threatens the Co-op's very existence long-term.

We already know that the Co-op faces a lot of competition and has been in a sales growth slump since 2016. And then there's the pandemic. Those conditions are threatening enough to the Co-op's longevity, but there is reason to expect that it will get a lot worse. The Palouse continues to grow in population with no sign of slowing down, and I am concerned it is only a matter of time before a natural foods giant rears its head and decides to set up shop in either Pullman or Moscow. In the best-case scenario, this would be a massive shock to the Co-op's sales. But if we're not able to differentiate ourselves from the natural foods giant – if we merely have a reputation as a natural foods store ourselves – then it becomes a mortal threat. To survive, we need to be known among our customers for the one thing that Whole Foods and its ilk cannot possibly replicate—being a cooperative.

For these reasons, I believe that rebuilding a strong cooperative culture is a prime responsibility of ours as fiduciaries. This is not to say that some of the responsibility doesn't lie with our fellow Owners, just that it starts with us—we must lead by example.

I don't think I've ever made this completely clear, but this line of thinking is the reason why I campaigned so hard for us to make a Board-Owner communication plan—I think the way we lead by example is by following such a plan, however roughly. (And I do mean *however roughly*—building the culture is far more important than following any calendar.) Forums, surveys, updates, improved transparency, regular communication about Board activities—this is how we do it. I know I speak in dire terms, but I take hope from the fact that we have all the tools for success already at hand. We know what to do. We just need to do it.

As I prepare to depart from the Board, I wanted to lift up this concern and make it a focal point. *Do you agree with my assessment, my assertions, my solutions? If not, why, and what would you have us do instead?* I know our time as Board volunteers is finite, but I urge us to make this discussion a first priority nonetheless.

In cooperation,

Cheyne