The hottest and wettest summer on record continues to move through the Midwest and much of the globe. In the meantime, I have hope since I read that Minnesota is eight years ahead of its renewable energy goals and that 3M Corporation helped its customers void 15 million metric tons of CO2 emissions in 2018 alone. Yet, in the same local paper, the front-page article was about fraud in organic imports. So, what does this have to do with INFRA and our members? What it says to me is that our communities need us now more than ever, which is hard to see sometimes when the challenges of competition keep knocking at our doors...it all seems overwhelming or like a losing battle. It’s hard to watch these waves of super natural chains come into a region and spread their wings. It is exhausting we as we hold core values of product integrity pretty darn high. Not all those who are selling real food have those same ethics throughout our supply chain. So, it becomes a question of “how do we position ourselves as a virtual chain to affect what really matters to us and what makes us different and keeps our customers coming back”?

INFRA was founded 14 years ago with the initial concept being that of “could independent retailers have a private label brand”? That very first meeting at Expo West in 2004, when I was still the Executive Director for two cooperative grocers’ associations and Board Chair of the National Cooperative Grocer Association, the barrier to being able to even consider a private label brand was twofold:

1. There was no business entity to “house” this kind of activity for independent retailers.

2. All of the discussions with distribution at that time was “not enough volume to slot the product,” i.e. we can’t deliver for you.

Yet, here we are 14 years later with a strong cooperative business model. (March 2004 - August 2005 feasibility and business plan, 8/11/2005 incorporated.) Yet, even at 240 members with 395 doors and just around $1.6 Billion in aggregated sales, our distribution business was too spread out to even contemplate next steps towards some of these earlier ideas. And yes, the marketplace has changed over the past 14 years like we knew it would. It’s a good thing we didn’t wait for things to be perfect to launch INFRA, and an even better thing that we are not waiting for things to be perfect to make significant changes with our strategy.

While, at this time, a private label brand is not in the INFRA strategic direction, the ability to really “own” the outcome of our future is. At every turn we are seeing the impact of competition and a saturated marketplace. No INFRA member is unique or exempt from these pressures, the pot just simmers at different times, in different regions. Your Board of Directors’ big bold decision to shift gears and negotiate a national supply agreement on behalf of the membership is the right decision (see ‘board corner’). We are now truly positioned to tackle the ideas that we have for so long wanted to be able to make a reality.

Over the next 12-18 months the INFRA team will focus on discovering and putting systems in place for launching new and unique products to support members’ differentiation. We are purposely seeking out producers and manufacturers who meet our product criteria as well as those with sustainable practices to meet our climate change concerns. We will be actively pursuing producers and vendors who are interested in sustainable economic models, as it is evidenced all around us that volume alone is not going to win in the long run.

(continued on page 2)
We have to adjust and support those companies who are making a conscious commitment to a green economy. Additionally, we are confident that with one primary supplier we will be able to really focus on a cobrand that will help us get quality organic and natural staples to our most price sensitive customers. This is just the beginning of the possibilities that being on a national supply agreement will allow us in order to try and “lead the movement”.

We fully respect that not all current members are thrilled with the decision, and we also respect the diversity of the membership and each member’s individual decision on whether to participate in the INFRA Supply Agreement. To date we have been so incredibly fortunate to be able to deliver to our members a range of opportunities inside the cooperative, each with their own type of ROI attached.

INFRA members do not have to be on the supply agreement to be an INFRA member. Your cooperative has built many tools that strengthen your operations far beyond purchasing. None of us can keep doing business the way we used to if we are going to be around in the future. We are independent for a reason, we should thrive on this independence and run at the cutting edge. We need to change our models to meet the next generation where they are, and be positioned to lead the movement, drive the industry, and feed communities.

Let’s go do that heavy lifting together and let’s do the right thing to take care of our planet while we are at it. There’s no one I would rather be working towards this with than the INFRA Community.

In Collaboration,
Corinne

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INFRA Member Sales Growth
by John Fieldstrom, Member Services Manager

In case you are curious about why INFRA asks our members for data and feedback through the census each year, I’d like to share some of the topline data we collect and why it is important to how the Association plans its support programs. Due to the impressive response rate and data received from this most recent annual census, I am pleased to report that INFRA store sales have grown 3.3% year-over-year from 2017 to 2018, from $1.5 billion to $1.55 billion, among stores that have been members of INFRA since 2017 or earlier.

INFRA’s biggest regions, the Northeast and the Southwest, saw impressive year-over-year growth at 5.5% and 5.9%, respectively, while the Southeast saw smaller total growth at 2.9%. Small INFRA members saw 10.5% year-over-year growth, far out-pacing medium and large members.

With this information we are able to break out store performance by region, member size, and countless other factors to focus our efforts on what is most effective for the membership. The census and scorecard help us refine all that INFRA offers by evaluating the programs you use and value the most, as well as what programs are the most effective and offer the best value to you and to the Association as a whole.

In 2017, INFRA implemented the Associate Retailer program in order to effectively and efficiently onboard prospective members into INFRA as full members. The Associate Retailer program serves as a pathway to guide retailers into the INFRA community and hit the ground running as informed and active INFRA members. Since its implementation, INFRA has graduated 31 retailers from the Associate Retailer program to full membership, and INFRA currently has 34 Associate Retailers in the program.

As INFRA continues to grow, so too must our support programs, both in quantity and in sophistication. That is why member feedback is so critical. In order to evaluate the effectiveness of the programs we offer and support, INFRA needs to know which programs are being utilized and to what extent. We review the programs that provide the most value and to better understand where to invest the Association’s resources. Some of our deliverables such as CoMetrics and SPINS are both a support program and a tool that help us aggregate data that represents the cooperative and guides decisions. We are constantly looking for ways to evaluate and expand the programs that members respond to and experiment with new ideas that can help to support our members in new and creative ways.

Just after the Annual Conference, INFRA hit a new high-water mark of 240 members, making up 392 storefronts in 41 states. As we continue on this growth path it is important to share your census information so that we can better inform our decisions and steer the cooperative and the industry toward a brighter future!
Going Far, Together

by John Pittari, INFRA Board Member

While sitting in the shade on my deck, cooled by the pine scented breezes, I mindlessly shuffled through a stack of black bottle caps. I tend to hang onto the caps that have quotes printed on them, but only the ones that strike some chord in me. I stopped when I held a cap that read “If you want to go quickly, go alone. If you want to go far, go together,” which Honest Tea credited to an African proverb. Ah ha, a chord was struck. For me, this proverb nicely framed and gave context to the decision that I believe every INFRA member, at some level, had to make when they joined the cooperative. To go together, in order to go far!!

As a cooperative, we have gone far but not so fast. INFRA has grown exponentially over the last several years. With much intention, deliberation, and focused work we have incorporated the LBMX platform, reworked the Board’s governance process and culture, strengthened our IT infrastructure, expanded our staff, created new bylaws, changed our tax filing entity to a Subchapter T, and most recently, negotiated and signed onto a national supply agreement with KeHE.

With this list, you might think that INFRA has been and is continuing to go fast. But from my viewpoint as a Board Member, this extensive list of accomplishments is the result of very many years of planning by the Board and CEO and the building of the INFRA culture through members attending share groups, intensives, annual conferences, and visits with their region managers.

In the early days of INFRA, I recall that most conversations with members and the Board were either about “in the weeds” tactical and operational subjects (e.g., vendors and suppliers, pricing, organizational structure, margins and refrigeration) or were at a very high level, infused with ideals and lofty goals, about changing the food system for the greater good and correspondingly what is needed to bring about that change and our obligation to do so. These two types of conversations appeared to be separate and unrelated since we hadn’t yet, as a group, formed the mindset that collectively aligning our individual tactical efforts was the way to move toward our lofty goals.

In January 2011, it was decided that INFRA’s Big Hairy Audacious Goal was to become the #2 account in the natural foods industry by 2017! This became the catalyst for the Board and the CEO to seriously grapple with how INFRA could secure a supply agreement. After much deliberation, the Board sanctioned the concept of regional supply agreements. Since the Northeast already had enough volume and a concentration of members interested in joining an INFRA supply agreement, we chose to begin this initiative with the Northeast. The tactical and strategic discussions were starting to come together. Since INFRA had not demonstrated the ability to execute as a group, it took three years of unrelenting work by the INFRA staff, Board, Supply Agreement Committee, NE share group attendees, and our distributor partners to launch the Northeast Supply Agreement in September 2013. This event became both the catalyst and model for the other four regional supply agreements and, I imagine, many of you can relate to the amount of work those five agreements entailed.

So here we are with a new national agreement that has a range of execution dates based on regional conversions. If the end game of a national supply agreement was only better pricing, then the choice a retail member would be making is simple – do I get better pricing on this agreement or not! But the Board’s vision for the supply agreement was not limited to better pricing, but also to be an influential partner to procure products for the INFRA community.

Across the board our industry partners (distributors, manufacturers, brokers) have found INFRA’s regional model expensive to do business. The national agreement moves us from five different supply agreements and five different INFRA Deals programs to one unified program. This brings measurable cost savings for INFRA, manufacturers, brokers, and KeHE. This agreement contributes to everyone’s financial well-being, thus ensuring the long-term success for each party. With one distributor partner and one promotional program, INFRA can become a key account in the DCs supplying us. As a key account, our service levels will improve; we can achieve the product mix we want, including products exclusive to INFRA. The predictability of INFRA’s purchases can be leveraged to secure allocations from our manufacturers which increases our in-stock position. If we, as members, continue to align our efforts, our position to act on opportunities improves. In order to go far, we need to go together.
As we gear up for the fall season, it’s time to get back to school with INFRA! Check out some of the upcoming INFRA in-person events and take advantage of the inspiring education and peer-sharing opportunities coming your way.

**Succession Planning Share Group: Positioning for Savings, Tax Scenarios, Business Valuations, and Retirement Security**  
*August 20-22, 2019-Philadelphia, PA*

Presented by Gary Pittsford, Michael Kalscheur, and Catherine Hoffman of Castle Wealth Advisors, this Succession Planning Share Group will cover several business planning methods including business valuation techniques, saving on income taxes, retirement security, and much more. Dive deeper into your succession plan with breakout sessions that will review procedures for selling the business inside and outside of the family. To learn more about this event, please reach out to Quinn Meyer at gmeyer@infretailers.com.

**EXPO East**  
*September 11-14, 2019-Baltimore, MD*

EXPO East is just around the corner! It’s time to register for the two INFRA Events that will be taking place this year. Registration is for INFRA Retailers only.

**Catherine Marie Boat Cruise and Dinner, sponsored by KeHE and INFRA**  
*Thursday, September 12, 2019, 6:15pm*

Take part in a full dinner on a three-story yacht cruising the historic Baltimore Harbor at sunset. Boarding begins at 6:15pm and the boat leaves promptly at 6:30pm, departing from the inner Harbor, a short walk from the Convention Center. If we receive an overwhelming response, we will limit attendance to three people per store for the cruise.

**INFRA Retailer Meeting**  
*Friday, September 13, 2019, 8:30-9:45am-Baltimore Convention Center*

Join us for a light breakfast at the Baltimore Convention Center, Room 343. Open to all INFRA Retailers!

**Retail Leadership Intensives**  
*September 24-26, Alameda, CA, hosted by Alameda Natural Grocery  
October 1-3, Jonesboro, AR, hosted by The Truck Patch*

RSVP Coming Soon!

Do you have new leaders in your store or those who could use a refresh of their leadership skillsets? This intensive is developed for department, store, and operational leaders, and will take a deep dive into areas that help leaders on their paths to success.

Questions? Please reach out to Quinn Meyer at gmeyer@infretailers.com or your Region Manager. Registration for these events is for INFRA Retailers only.
Thanks for another successful INFRA Annual Conference!

Thank you to everyone who attended the INFRA Annual Conference this year! We are grateful year after year to celebrate the strength of our cooperative among our amazing community of fellow retailers and industry partners. This year we had an incredible turnout of INFRA Retailers, vendor and industry partners, and non-profit partners come to the table and share their dedication to the cooperative and a willingness to have a good time! Special thanks to our Conference Sponsors, Tabletop vendors, speakers and industry partners who make this event possible year after year, and congratulations to our 2019 award winners!

2019 Award Winners

**2019 Sales Growth Awards**

**Small Store**
Nuts ’n Berries Healthy Market

**Medium Store**
Rainbow Blossom
Natural Food Markets & Wellness Center
_Middletown Location_

**Large Store**
Good Earth Organic and Natural Foods
_Mill Valley Location_

**2019 Leadership Award**
Michael Kanter, Cambridge Naturals

**2019 Innovation Award**
Marie Montemurro, Lovey’s Market

**2019 Legacy Award**
Dale Reece, Martindale’s Natural Market

**2019 Service to the Industry Awards**
Bob Kleszics, Harvest Market
Alex Beamer, LifeSource Natural Foods

Mark your calendars for the 2020 INFRA Annual Conference!
August 4-7 in Minneapolis, MN
Time to Celebrate the Season with Marketing & Food Service
by Meggie Smith, Marketing Manager, Branding & Communications

’Tis the season to start planning for the holidays! The INFRA team has put together another Holiday Toolkit complete with seasonal goodies including customer recipes, marketing collateral, and more! It is designed to enhance your holiday promotions throughout your store.

We are continuing to kick it up a notch by incorporating food service templates, recipes, and signage to support your food service efforts during the holidays. Additional food service holiday resources including a detailed workflow timeline, editable template for promoting your product offerings, and seasonal food service recipes are available. More information will be coming to your inbox soon. Please contact Meggie Smith at msmith@infretailers.com with marketing questions or Michael Paynic at mpaynic@infretailers.com with food service questions. Here’s to a cheerful and successful holiday season!

Non-GMO Month October Campaign

Join the Non-GMO Project and INFRA in celebrating Non-GMO Month this October. Now in its 10th year, Non-GMO Month is a celebration of the shopper’s right to GMO transparency. According to the 2018 Hartman Report more shoppers than ever are aware of GMOs and are actively seeking non-GMO choices when they shop. Non-GMO Month is a great chance to bring visibility to the GMO transparency your store offers shoppers.

Here are three ways to get involved:

1. To support your efforts, the Non-GMO Project will send you a FREE package of materials (poster, endcap topper, pocket guides, and infographic), but you do need to sign up to ensure you will get a package. To sign up, click here.

2. Each year many INFRA stores take part in the Non-GMO Project’s endcap contest. This is a fun way to motivate your team, educate shoppers, and to get great visibility on social media. You can find more details on the Non-GMO Project’s website, click here.

3. Please join the Non-GMO Project and INFRA for a webinar on Thursday, August 22nd at 2pm Central to learn more about the “Current State of GMOs: GMO 101, the Non-GMO Consumer, and Planning for Non-GMO Month”. Registration for this webinar is for INFRA Retailers only.

*Additional webinar dates can be found on the Non-GMO Project website in the links above.
Make the Most of INFRA’s Academy of Retail Training  

by Travis Brew, Marketing Coordinator

As our industry grows and competition continues to creep into the marketplace, it is now more important than ever for independent natural food retailers to find a competitive edge and prove their value to customers. Customer service is the cornerstone of running a retail business, and it all starts with educating your staff. In the ART platform, not only will you find resources to train your staff, but industry experts have shared their knowledge on various topics including Biodynamic Agriculture, merchandising your departments, as well as vendor courses that share an in-depth look into numerous brands and products on your shelves. Give your staff the tools they need to share their expertise with your customers!

Melody Meyer, President, Source Organic has written three new courses on the Organic and Natural Industry:

Course 105: Introduction to the Organic and Natural Industry: What is the National Organic Program and Why Should You be Involved?
Course 106: Introduction to the Organic and Natural Industry: What is the Relationship Between Climate Change and Soil Health?
Course 107: Introduction to the Organic and Natural Industry: How to Choose News and Information Sources to Cultivate a Balanced View of the Industry

In collaboration with our vendor partners, INFRA added 14 new courses to ART since the start of the year:

Course 422: Perfect Bar
Course 423: Nature’s Way
Course 424: Charlotte’s Web Whole Plant Hemp Extract
Course 425: SmartyPants
Course 426: Wake Up with Kicking Horse Coffee
Course 427: Lifeway Foods
Course 428: Madhava
Course 429: PlusCBD™ Oil
Course 430: Tony’s Chocolonely
Course 431: Applegate Farms, LLC, makers of APPLEGATE®
Course 432: Getting to know Terry Naturally® Brand Supplements
Course 433: Dr. Bronner’s
Course 434: If You Care
Course 435: Intro to Stonyfield

INFRA Peer Sharing Courses!

INFRA introduced 14 peer sharing courses developed by INFRA member stores and shared among the ART community. These include courses in the 500 level and are accessible in the Central Library.

Have you been in ART? Do you need a refresher on how to utilize the platform to your store’s benefit? Reach out to Travis Brew at tbrew@infretailers.com for more insight or with any questions you may have.

CoMetrics Digest

by Matt Ryan, Member Services Manager

Earlier this year CoMetrics, in collaboration with INFRA, unveiled their new Benchmarking Web Reports to provide a deeper level of financial analysis support to our members.

They created several new metrics (some of which are shown here) and now include the Operating Data that was previously only available in the Company Cube. These numbers give retailers a view into their position in the INFRA peer group and a sense of how they want to prioritize operational improvement.

The reports are organized in a clean way that can easily be shared with department managers or even your entire staff. This makes open book management easy and prepares you to take the next step in sharing your success with your staff.

To learn more about how best to use CoMetrics to improve your business, visit the CoMetrics page in the Members-Only-Area of the INFRA website or contact your Region Manager.

If you have feedback about the reports or interface, please contact Matt Ryan at mryan@infretailers.com.
CBD, the Nuts ‘n Berries Way
by Mari Geier, Nuts ‘n Berries Healthy Market

I have a $500 bottle of CBD behind a glass case in my store. Every day, my staff has a goal to sell that bottle. And every day I get a story from one member of my team or another about how they tried, how close they came or what it took to complete that sale. Most days we don’t sell that bottle, but once a week or so, when the right customer walks through the door, we make it happen. This could really be any supplement in a large bottle, but right now, it’s the hottest selling product category in the country. Maybe even in history. And we have figured out how to turn this shiny new product into a machine to both reach a new generation and to fund the new organic revolution in our neck of the woods. I’m beyond grateful to be part of this magical time, so I want to share how we did it with the world, and more importantly with my INFRA family.

It started with facing our fears. When CBD first hit the market, nobody knew what to do with it. We didn’t even know if it was truly legal. But because we had experienced a year of hard decisions (a 15% drop in sales when a building went up that blocked our main sign, layoffs that followed and a daily struggle to keep product on the shelves), we made the leap. And we went all in. We plastered those three magical letters anywhere we could. On our marquee, on real estate signs in the ground, on flyers at the register and all over social media. We posted images of the cannabis leaf and used the word cannabis interchangeably with hemp and CBD, just to get attention.

That attention grab evolved into a deep dive into science. Although we knew letting people know we carried CBD was important, the more products we sold, the more questions we had. And nobody had the answers. So I became an expert. I studied pub med for 2 hours each morning before the sun came up. I read every book that I could get my hands on looking for nuggets of valuable information. Then I organized lectures to share the information. And I talked to every person involved in the process from grower to politician about hemp, cannabis and the endocannabinoid system. The more questions I asked, the more I was able to share with the community, the more interested the customer became in this product and the more they look to Nuts ‘n Berries to provide quality CBD.

Nuts ‘n Berries CBD display

Today it’s about the balance between retail merchandising, product mix, outreach in the new cannabis community and most importantly helping the consumer navigate through the chaos. We do this by looking at CBD as a category all in its own right. Then looking at the new subcategories of liquids, capsules, vape, topical, beauty, edibles, and comparing the products within those categories and the companies producing those products to eliminate slow movers and duplication. And of course, to identify opportunity. Then we take a step back to see how the various brands look on our shelves and how we can merchandise to improve sales. Finally, we spend time each month training and retraining our staff on the newest research and more importantly how to distinguish between fact and marketing.

And at the end of the day, we spend time thinking about what happens next. Not just with CBD, but with this new health food store customer that it has created. We hope that will keep us busy for another 40 years.
Welcome to INFRA, dede!

As INFRA retailers continue to grow their fresh and food service businesses, INFRA seized the opportunity to support the execution of these programs across the membership by adding dede Weadock, Food Service Manager on Contract, to the Retail Services team. dede started on June 17 by coming to St. Paul and getting to know her INFRA teammates at the home office. Some of you likely had the chance to meet her at the INFRA Annual Conference this year.

dede brings a passion for food service to the table here at INFRA, and her fascination with food started as a kid, knee deep in her grandparents’ garden and watching her aunt decorate cakes at her road-stop hotel. In 1993, she worked at the original Whole Foods Market in Austin, Texas and made $3.85 per hour! Within six months, she was excelling with their well-taught food service training systems. She ended up in Tustin, California, and opened an acquired Mrs. Gooch’s. California was where she honed her skills working on the set of Titanic, as a touring chef for various rock bands, preparing meals for a cybersecurity firm and three major universities. As she cooked for an array of people, she managed to keep her sights set on feeding people fresh food.

dede will work closely with the Retail Services and Fresh teams to deliver the best steps forward for INFRA retailers in their food service and education and training systems. In this position, dede will be responsible for leading INFRA members at the store level with INFRA systems that support continuous improvement, growth, and profitability in their food service teams to stand out in the culinary natural food retailer arena. The trainings that dede is going to implement include demonstrating cross-utilization as an important tool for managing labor costs, creating a colorful array of food where all palates have a selection in order to keep a foundational customer base, and working to tighten food safety and sanitation practices.

dede is excited to work alongside INFRA members to provide the tools and trainings they need for the successful development of their natural food service departments. She is happy to be involved with Kimberton Whole Foods as her first project!
INFRA Member Resilience: Purchasing & Promotions
by Nick Auzenne, Purchasing Promotions Manager

There has been a lot of conversation lately in the INFRA community about access to product and staying competitive in today’s marketplace. Consistent access to goods at a fair price can make all the difference for the growth of your business. Your INFRA Purchasing Department works hard every day to help you stay competitive at shelf, both in price and differentiation. These points are key drivers in our everyday work to support INFRA member resilience in the market. In the continued effort to support this Strategic Pillar, we have focused our efforts on partnering with growing brands in the natural food space that reflect superior product standards.

Some of the 2019 highlights include a revamped New Placement Offers (NPO) program to be more inline with the Category Management calendar, a partnership with Equal Exchange on a Bulk Coffee Program, and the official launch of INFRA Pop-up Deals. Member participation in these initiatives is invaluable, and we are excited to continue expanding our offerings and opportunities to continue serving you and your customers. To find out more about these new initiatives, please visit the Members-Only-Area (MOA) of the INFRA website or contact Nick Auzenne at nauzenne@infretailers.com.

Calendar of Events

**August**
- Aug 13 1pm: Grocery Category Review: Ice Cream & Frozen Desserts
- Aug 15 3pm: Grocery Category Review: Ice Cream & Frozen Desserts
- Aug 20-22: Succession Planning Share Group
  - Philadelphia, PA
- Aug 27 1pm: Fresh Category Review: Holiday Baking

**September**
- Sept 2: Labor Day (INFRA Office Closed)
- Sept 11-14: EXPO East
  - Baltimore, MD
- Sept 24 1pm: Grocery Category Review: Chocolate & Candy
- Sept 26 3pm: Grocery Category Review: Chocolate & Candy
- Sept 24-26: Retail Leadership Intensive
  - Alameda, CA
- Oct 1-3: Retail Leadership Intensive
  - Jonesboro, AR
- Oct 22 1pm: Grocery Category Review: Trending Diets
- Oct 29-30 1pm: INFRA Board of Directors Meeting

**October**
- Oct 8 1pm: Wellness Category Review: Trending Diets
- Oct 10 3pm: Wellness Category Review: Trending Diets
- Oct 14 3pm: Wellness Category Review: Trending Diets
- Oct 24 3pm: Grocery Category Review: Trending Diets

*Please note, all In-Person Events are subject to change without notice.*

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