

FREASH PRESS IS A PUBLICATION OF  
ORYANA COMMUNITY CO-OP

# Fresh Press

FALL 2023

## WHERE WE ARE NOW AND WHERE WE'RE GOING.



ORYANA WEST 2020



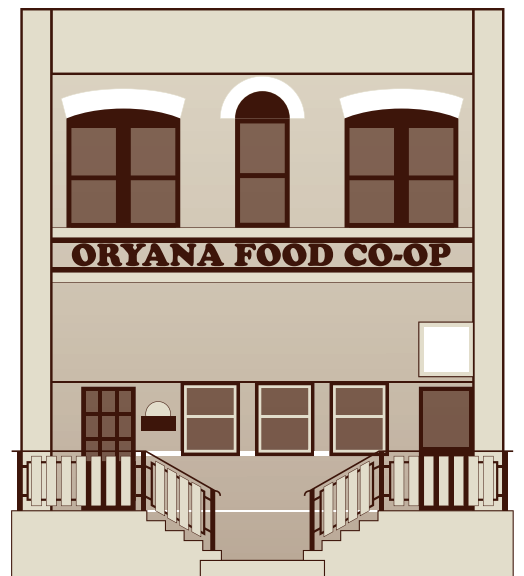
ORYANA 10th Street 1997



BUYERS CLUB 331 W 16th Street 1973

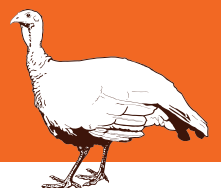


ORYANA Front Street 1974



ORYANA Randolph Street 1980

**ALSO INSIDE: THREE SISTERS • SPROUT CAFE • THE ROCHDALE PIONEERS • HERBS  
HOLIDAY HELPERS • SWEET POTATOES • FALL CLASSES • DUERKSEN TURKEY**





Our co-op, like most food co-ops, had humble beginnings. It all started when a few families got together to buy healthy food in bulk quantities because they couldn't find the whole foods they were looking for in local grocery stores.

Vegetarians had few options in those days and if you wanted to bake your own whole wheat bread or make your own hummus from scratch, good luck. The dozen or so families established the club in the community room behind the Michigan Consolidated Gas Company office and started making their list of what to buy together. On June 18, 1973, this small group officially became the Oryana Food Cooperative. Instead of paying high prices for small packages of wheat flour and jars of natural peanut butter at regular stores, the group found a wholesaler, the People's Food Co-op, in Ann Arbor, and began making regular trips to pick up their 50 lb bags of flour, brown rice, and 5 gallon containers of peanut butter. After awhile they built up a small stock and stored it on Tom and Nancy Lucci's back porch. More families joined in and the process became a bit cumbersome, and the members decided it was time for a more streamlined pre-ordering process and a central location.

They hopscotched around a few times; they borrowed the back of Third Level Crisis Center on 16th Street and another space by Ace Hardware on Front Street before settling on a permanent location.

In 1974 the co-op moved to its first formal storefront on 123 1/2 West Front Street in an upstairs space. It boasted 600 square feet and volunteers took charge of its operation. The late Linda Henry, who was one of Oryana's founding members, recalled some early memories of that space.

"It was pretty crummy when we first got there. People would just come and hang out and play guitars and stuff. Some would even sleep there all night. We bought this big, old refrigerator for all the cheese and milk. We thought it was such a great deal, maybe \$20, but then we had to get a new motor and freon and that was \$120, a huge expenditure. Back then if we brought in \$15 or \$20 a day, it was a good day. If we made \$100 on a bake sale or a benefit, it was like a big windfall."

Eventually, the People's Co-op wholesale operation evolved into the Michigan Federation of Food Co-ops, which ran its own mill and warehouse, selling Michigan-grown organic grains, beans, and flour to co-ops nationwide.

In 1975 Oryana started receiving truck deliveries rather than sending volunteers to the downstate warehouse, and sales were at \$15,000.

We love to hear stories of early Oryana volunteers, lugging heavy bags up the stairs. "It was all hands on deck when the truck arrived," Jim Crockett recalled. "I remember the long staircase on Front Street. Someone would call me up and tell me the truck is on the way and I'd go and help if it was my turn. I carried 100-pound bags up those stairs."

Rob Serbin also remembered those early days. "I remember schlepping 50 pound bags of flour, cases of juice, and five gallon pails of peanut butter, fire drill-style while the truck was double parked near the curb. I'd get a call from Becky Mang or Debra Trowbridge with very little notice, typically with the plea that the truck is going to be here in 45 minutes and can I help? And when I could, I would team up with whomever else could make it, hopefully logging in the 6 hours a month that entitled a household to the working discount, 15% off the normal co-op prices." To keep track of inventory, a giant green chalkboard listed all the prices of products.

As the co-op became more popular and needed more space, a building was found on Randolph Street, an old print shop and photography studio. Oryana purchased the building and fully remodeled it. Mike Williams, (pictured on the cover,) spearheaded the renovations.

Oryana continued to blossom at this location and launched some ambitious projects. In 1981 Oryana hosted its first community banquet, which was the first introduction for many people to delicious "natural" foods. In 1985 the co-op purchased land on Cherry Bend Rd. and constructed a commercial soy and deli kitchen space. At this facility they made tofu and tempeh, as well as hummus, eggrolls, tabouleh, spinach pie, and lots of other tasty items. Oryana enjoyed great community support on Randolph Street before moving to the current location at 260 E. 10th Street in 1997.

Today, Oryana Community Co-op continues to thrive with two locations, over 10,000 owners, 200 employees, nearly 200 local vendors, and \$32 million in total sales. We couldn't have done it without you, our owners! We THANK YOU for joining and patronizing your co-op and giving us your feedback so we can continue to improve and provide our community with the highest quality food and a place for gathering where we can mingle and enjoy convivial times together.





## Then and Now



1975

Front Street



1981

Randolph Street



1997

Tenth Street



2022



2022



2022

Oryana's first official logo was designed by Tim Nielsen. Tim won a logo contest that was announced in the February 1980 newsletter.



### Oryana 1970s Trivia

- 1978 membership fee was \$5
- Oleson's baked honey wheat bread for Oryana at 99¢ a loaf
- The volunteer work requirement for co-op members was 8 hours per year
- New products in 1979: papaya sticks, bee pollen, fresh goat milk



Stay tuned for 50th anniversary **EVENTS** coming up this year including a block party this summer, a story slam at the Opera House, and a farm tour, plus lots more!

### BACK IN 1973...



Richard Nixon was president  
Average income was \$12,900  
A first class stamp was 8 cents  
A new house cost \$32,000  
A gallon of gas cost 39 cents  
The Exorcist was a popular movie  
Minimum wage was \$1.60/hour  
Chicago Sears Tower completed  
The Endangered Species Act passes

1973 ad in the Record Eagle  
for a food club meeting

ORYANA FOOD COOP —Friday evening at 7 the Oryana Food Coop will meet at the Blue Flame room of Michigan Consolidated Gas Co., 110 E. Front. Traverse City. Those attending are to use the back entrance. For further information call 947-7022 or 947-2500.

### SHARE YOUR MEMORIES!

Do you have any great memories, photos, stories, memorabilia, etc. of the early days of Oryana? Please share them with us! Email [marketing@oryana.coop](mailto:marketing@oryana.coop)



# The Middle Years of Oryana

How Oryana survived near bankruptcy in the late 1990s



Completed expansion ribbon cutting in 2006



Oryana before expansion



Adding an extension to the west side



Staff in 1998 at the east entrance

Fifty years is an impressive milestone for a business, especially since only about 36% of businesses make it to their 10th birthday, and only about 21% of those make it to their 20th anniversary, according to the U.S. Bureau of Labor Statistics. Food co-ops, like any business, experience challenges and growing pains that must be successfully navigated in order to stay in business. Many food cooperatives in existence today were born out of the counterculture movement of the 1970s where people saw food issues as central to a new, more sustainable way of life. According to *Grocery Story, The Promise of Food Co-ops in the Age of Grocery Giants*, by Jon Steinman, the 1970s birthed upwards of 10,000 food co-ops, including Oryana. Co-ops supported revolutionary change and played a critical role in the growth of the organic, fair-trade, and local food movements, but they weren't necessarily adept in the nitty gritty of running a business. According to Steinman, "Most relied on truly bottom-up democracy and depended upon members for both financing and labor. Member labor kept prices low."

After transitioning from a back porch buying club to a retail store with a small space on Front Street, Oryana learned some hard lessons in business management. Dave Poinsett, one of the co-op's earliest paid staff members, recalled the time when Oryana was robbed. Instead of

making nightly deposits at the bank across the street, cash and checks were stuffed into a bag and hidden in a bucket of dry beans. Thieves broke into the co-op one night and stole the cash, about \$1500, an enormous sum at the time. This was Oryana's entire working capital and the theft was the first major challenge that almost sent Oryana into bankruptcy. Dave recalled the despair of the incident. "We believed that wholesome food and natural living could change the world, and that food co-ops like Oryana were a good way to make that happen. Now it was all about to end, at least for Oryana." But through Dave's sacrifice of working 60 hours per week and other strategic fixes, Oryana was slowly able to right itself and continue selling healthy food and attracting new members.

The business steadily grew and soon a bigger storefront was needed. The co-op moved to a spacious building on Randolph Street in 1980 where it was very successful for many years. With continuing growth and sales reaching over \$1 million, the co-op again needed to move and after an extensive search, Oryana purchased the Brown Lumber building on Lake St. in 1997.

This move, although much anticipated, heralded a difficult period that severely tested the co-op's mettle, nearly taking it to the brink of ruin. A heavy debt burden, a quirky old building in an obscure location, cash flow problems, lack



of staff training, all these factors and more had to be dealt with. "It was the worst location," said Steve Nance, Oryana's current General Manager. "There was no retail synergy and no drive-by traffic. And the neighborhood was a bit sketchy. I picked up needles on the railroad tracks behind the co-op." Steve's wife, Robin Nance, served on the Oryana board of directors at the time.

Linda Waddell was the general manager who orchestrated the move to Lake St. but her tenure was short-lived and she left the co-op soon after. With a vacuum of leadership, several staff members took on management roles to keep the co-op functioning. Joan D'Argo, Sandi McArthur, Eric Bartell, and Phil Thiel collectively ran the co-op as best they could while a search was underway for a new general manager. "They were all great people and very committed to Oryana, but it's a little tricky with four people in charge," said Woody Smith, another board member at the time. Even more assistance was needed and the board itself took an active role in day-to-day activities. "We were so busy helping run the store and making sure employees showed up," Robin said. "They didn't have any systems in place, no employee handbook, no rules to speak of. When they moved there was still a lot of hippie stuff going on, but when you expand and have a bigger mortgage, you have to start pushing a business model." Steve echoed his wife's concerns. "The little hippie co-op had to grow up!"

According to Woody, one of the biggest issues with the move was that the plan depended on lots of volunteer labor. "They thought volunteers would build out the space but that didn't happen. They needed to pay professionals to get the work done and spent all the money on the renovation. So, all the money was gone, and the renovation was still incomplete." Oryana faced a serious dilemma; it didn't have enough money to pay the staff.

Right around this time the board hired a new general manager, Bob Struthers. Bob had retail experience working at Wolohan lumber, and practical skills that came in handy when the roof and floor needed repairs. One time, a staff member found Bob under a sink and asked him if he was a plumber, to which Bob replied, "No, I'm the general manager!"

Handyman skills aside, Bob's most significant contribution was his business acumen. "He brought discipline to running a grocery store," Woody said. After fixing the roof, Bob's first order of business was fixing cash flow. "I told the buyers not to buy too much product so we could make payroll," Bob said. "It was a really bad situation and it had to have been scary for a lot of people for a few months in the beginning. But then we got things balanced out pretty quickly," he explained. He streamlined operations and brought a new efficiency to the ordering process. "There was a buyer for everything, and we had five or six department managers. That was a lot of people with not the most efficient use of time." Bob also made some key staffing promotions and changes, balancing the inventory, focusing on category management, and improving overall operations even more. He was able to utilize smart business tactics without losing sight of the co-op's values.

The many changes that had to happen to keep the co-op viable were not always popular. Bob encountered some resistance, both from staff and members. A big controversy at the time was whether or not to sell meat. The only "meat"

Oryana had when Bob showed up was canned tuna. Alcohol was another category that met with resistance, but as the co-op started meeting more members' needs, and carrying high quality local and organic products, the more it thrived.

Bob was also smart about customer service," said Steve. "He eliminated the surcharge and changed the perception of Oryana as being exclusive. He knew the shelves needed to be full and abundant, and that we needed to offer better customer service and be more welcoming. Shopping became a much nicer experience. With these changes we started growing!"

Another factor that coincided with Oryana overcoming its struggles was a burgeoning interest in natural and organic food. The organic sector was growing fast and Oryana was poised to capitalize on the trend. Bob was instrumental in Oryana acquiring retail organic certification, no small undertaking. Because of Bob, we were the first co-op in the country to become a certified organic retailer. "I was really proud of that," Bob said. "It was a really cool thing. I thought, why wouldn't we become certified if we're holding those values, why wouldn't we demonstrate those values to our operational approach, why wouldn't we want to be a leader in that?"

With Bob's strong hand steering the co-op and nearly annual double-digit growth, the board decided in 2005 to expand. After consulting with architects and considering various green building options including rammed earth construction, the board committee settled on an 8,000 foot brick block extension with lots of LEEDS inspired features including low VOC cement, high efficiency heating and cooling, use of reclaimed materials, and many other features. After a few construction snafus - the removal of the concrete floor of Brown Lumber was complicated because it was three times thicker than anticipated, and heavy construction machinery had fallen into an old basement they were not aware of - Oryana welcomed the community to a beautiful new store in 2006.

"That's the story of the middle period," as Woody put it. "We went through some growing pains. Some people thought we were becoming a traditional corporate business, but you need to give people a good experience. People liked Oryana's mission and values. If the store experience isn't good, the rest doesn't matter. So without sacrificing the values and commitments, Oryana became really good at creating fair pricing and offering the amazing Oryana experience. Just delivering a great experience, that is at the root of its success. People would try it and then they came back."

As any successful co-op can attest, it takes the collaboration of many players in the co-op's growth, and Oryana benefited from a great many people contributing their time and effort. Dedicated employees who believed in the co-op kept showing up and putting in their best work, members stayed loyal and kept renewing their memberships every year. Gradually the community got to know and support Oryana. At times it took a herculean effort to overcome the odds and continue its mission to provide the best, highest quality food around. The founding members of Oryana can be proud that their small cooperative endeavor of procuring healthy food at reasonable prices for their families is still going strong 50 years later. Here's to the next 50 years!





## EARLY 90s

Oryana looks for a new location, tofu production is up to 240 lbs a week, co-op starts charging a 15% surcharge to non-members.



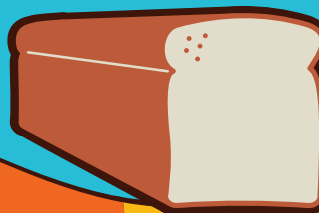
## EARLY 80s

Oryana moves to Randolph St., soy & sprout production begin, Oryana gets its logo, has its first harvest banquet. Oryana pizzas become famous at Wheatland Festival, sales are up to \$370,000. First computer purchased.



## LATE 70s

Oryana gets deliveries from People's Warehouse, sales are up to \$44,000/year, cost of membership is \$5 with a one hour per month volunteer commitment.



## Mid 1970s

Oryana's first home is on East Front St, begins to receive trucks, contracts Oleson's to make honey wheat bread for 99¢ a loaf.



## 1973

Locals establish a buying club, transform it into a cooperative, co-op is named "Oryana."







## LATE 90s

Co-op moves to 10th St. location, \$1.5 million in sales, membership climbs to over 3500. 500 community members served at a harvest banquet.

## EARLY 2000s

Sales climb to \$2 million. Oryana becomes the first Certified Organic co-op retailer in the country, gets its first website, automatic doors installed. Non-member surcharge eliminated.

## LATE 80s

Co-op builds a food service facility on Cherry Bend Rd. and reaches \$1 million in sales. Membership is \$10/single and \$12/couple.

## LATE 2000s

Oryana launches Everyday Value program, expands the store and doubles in size. Lake St. cafe opens an espresso bar. Sales up to \$7 million.



## 2010s

Oryana installs solar panels on the roof and wins the Downtown T.C. chili cook-off. The *What's For Dinner?* tasting and recipe program launches. Oryana wins the Hagerty Small Business of the Year award and holds its first powwow.

## 2020s

Oryana acquires a second store, wins the Scale Up North & CCMA Cooperative Excellence awards. Oryana employs more than 200 staff and has more than 10,000 owners. Store sales at \$33,000,000.



# 2023

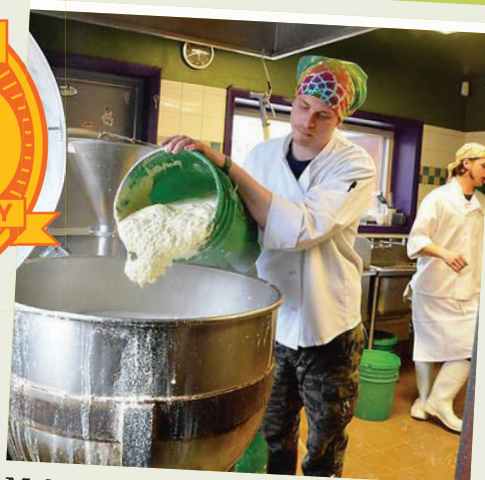




Leadership Team Building with  
Habitat for Humanity, 2014



Outside the 10th Street Cafe  
2012



Making tofu, circa 2013



Raffle Fun at the 2011 General Membership  
Meeting

# *A final retrospective*

What we've been up to for the last decade  
...and what we're planning for the future

In the previous issue of Fresh Press, we told the story of some of the difficult middle years of Oryana and how, through the diligence and hard work of many people, the co-op overcame its challenges and went on to become the largest food co-op in Michigan and the 16th largest in the nation. Members and customers continued to support the co-op, and the board and staff did their level best to keep it all afloat in the face of financial crisis in the late 1990s.

Bob Struthers, Oryana's general manager from 1998 - 2009, emerged as a key player in catching Oryana as it was falling and taking it into the 2000s with a solid customer service program, many new, local, and organic (and sometimes controversial) product offerings, and a continuously improved physical store. In 2009, Bob announced that he was moving to New Mexico and the search was on for a new general manager.

During the time when Oryana expanded in 2006, Steve Nance happened to be the board president. He had been introduced to Oryana by his wife Robin, who had had her own stint on the board.

"Bob left and moved west just before the Great Recession," said Steve. "At some point, some of the board and staff asked if I'd throw my hat in the ring. I made a decision of the heart, and with my wife's support, left my corporate job and became an 'unintentional, intentional grocer' and started as general manager on January 1, 2010."

Although Steve did not have experience as a grocer, he was well equipped with a business and corporate background to steer Oryana on to its next chapter. Bob had already been gone for awhile and Steve arrived just as the recession was hammering the economy. This, in combination with an immediate need for new store operations systems and critical infrastructure improvements (snow was blowing into the GM's office through 40 year-old windows, covering Steve's laptop), made for an intense first few years of the 2010s at the co-op.

Several other items on Steve's agenda were creation of a robust business plan, (the existing plan was a single, handwritten page on lined paper) hiring a human resources professional, purchasing new computers, updating offices, and implementing a new point of sale system. "I didn't realize how bare bones this operation was," Steve said, referring to the lack of key in-house services like accounting and human resources. At that time Oryana had a finance manager who was an independent contractor and no human resources personnel.

"I was a change agent," said Steve. "I wasn't popular with everyone. I knew we had to grow the co-op as a business, that we had to go to the next stage of growth to take us into the next decade or we wouldn't be able to sustain it." But he had the support of key staff members, and owners and shoppers became fans when they noticed the many improvements in the store. Steve and the staff implemented Member Appreciation Days and other sales and discount tactics. He also focused more intensely on energy efficiency, a special interest of his.

Steve, along with the board, soon began concentrating on Oryana's growth, and started envisioning a second store. "Based on a 10-year strategic vision, we spent three years preparing for a second location in Williamsburg. But, instead of that happen-

ing, I had to advise the board of directors, staff, and owners that it was not the right time and too much risk for the co-op. That was one of the hardest business decisions I've ever made. This happened as competition came to town in the form of ALDI, Costco, and Lucky's Market, a location we had quietly also explored."

All the competition affected our sales, but throughout the 2010s, the Oryana team worked hard to keep Oryana viable. We refreshed Oryana with a remodel of the café, added 800 square feet for seating, and upgraded, repainted, and rebranded, so the co-op was able to withstand the pressure of the new competitive environment. With a resilient team and plenty of work, we started regaining sales in 2018.

Then in 2020, while a pandemic was just getting underway, the co-op did something extraordinary. Oryana outbid competition for the local Lucky's grocery store during the national chain's bankruptcy proceedings. This was an incredibly bold move that displayed fine business acumen and perfect timing. When the Lucky's in Traverse City first became available, it was only available in a package of six stores. Since Oryana wanted only one store, Steve spent weeks searching for other independent stores and co-ops in Ohio, Colorado, and Missouri that were willing to collaborate and pursue their local stores at the bankruptcy auction. All of this intense legwork came to fruition when Oryana was the successful bidder of the Lucky's Market in Traverse City. One day the store was Lucky's, and the next day it was Oryana, without a single day of closure for the transition. It was like magic.

If anyone can be proud of an accomplishment, it's Steve. "I am proud that I was able to correctly assess that our main competitor, Lucky's Market, was in trouble - and that I had the gumption and trust of the board to be able to pursue and acquire them in bankruptcy in 2020, just as the Oryana team became 'essential workers' as a worldwide pandemic turned the world upside down."

After the acquisition, sales jumped from \$16 million to \$26 million in 2020 with now two locations. In 2022, sales for both stores were over \$33 million, with the Oryana West location doing over \$17 million and the Tenth Street location still bringing in \$16 million. The increase in revenues has helped increase our positive impact dramatically, including sales of locally grown and locally produced products at over \$9 million, maintaining more than 200 local jobs, and more giving to our amazing local non-profit organizations.

What does the future hold for Oryana? The current vision, 'Oryana 2030,' calls for continued growth, including a third store, as well as smaller outposts including Oryana kiosks, carts, and zero emissions food trucks that would operate at local events during the summer months. We recently partnered with Munson Medical Center to open Sprout Cafe in the Cowell Family Cancer Center. (See p. 20 for details.) Sales projections are forecast to reach \$60 million annually by the end of the decade.

As we move confidently into the mid 2020s, we continue to be grateful for the support of our community. Thank you!