**EDITED TRANSCRIPT of Alfalfa House Zoom Meeting**

**13 January 2021, 7.00PM**

**Acknowledgement of country**

**Introduction**

MC message was sent Monday morning: optional subscription fee; donations are possible; volunteer discount temporarily removed; Opening hours adjusted 11 - 6 Mon-Sat and Sundays also 11 - 4.

*(James in chat proposes an agenda item regarding discussion and proposals for maintaining the shop and establishing working parties/subcommittees to that effect - becoming directors and working on it).*

**Financial report**

Expenses account (which is used for sales deposits, & paying bills) stands at $25,000. Approximately $15,000 has been paid from this account in the last few days, including wages.

The community access account acts as a reserve, and is still at the same amount of approx. $28,600.

**Ashton:**

$17,000 to $18,000 traded in the last 7 trading days. After costs we are slightly ahead of last week from a cash perspective [$2000 to $3000 ahead].

The unexpected leave loading liability is likely to be closer to $15,000 rather than $20,000. Yet to pay rent for the month which is $3,500 and possibly next month’s. Superannuation and tax commitments are to be paid.

We would be about $10,000 cash positive currently after these liabilities are accounted for.

**Bruce:**

We have requested rent relief for 2 to 3 months.

Donations from Monday to Wednesday this week were approximately $5400 [Not yet accounted for in the above figures].

**Q&A**

**Ashton:** The meeting with the landlord’s agent took place last week. We’ve not yet heard back.

We’d need to give 30 days notice were we to move out.

**Bruce:** The agent has said we’d not need to pay this month’s rent yet - until we’d heard from the landlord.

We didn’t get rental relief last year from COVID and that might help us in the discussion with our landlord. We’re not sure until we speak with her.

**James’ point of order to discuss his proposed agenda item**

**James: I**nterested in an update on what has been happening in the last week in terms of communication from members, and having that affect discussions, given it could be a very different course depending on what has been happening.

**Ashton**: Clarifies that the intention of the phone outreach is not about keeping the shop open, but to shore up finances.

**Phone team update**

**Tara:** We thought it very important to urgently contact members. We have close to 20 people who have signed up to ring members. We’ve sent out contacts for 500 members. Many members are unaware of the situation.

**James:** Had an incredible time on calls, contacting around 15 and having lengthy conversations. An additional 15 in the shop who know just about nothing of what is currently happening. One person said it would be ‘disastrous’ if the co-op closed, as it’s very central. General feedback is of a strong desire for the shop to stay open.

Disappointed that space for the discussion of keeping the shop open has not been made.

**Tara:** High energy and interest in those conducting the reach out effort, very rewarding and giving them hope, making the point that.

*(Bruce makes the point that space has been given later on in the agenda to discuss options of staying open)*

**Ashton:** Reiterates that we are not discussing closing the co-op, but only the shop before it becomes insolvent so as to preserve the co-op and regenerate. At this point we are following the MC’s legal duties – as soon as MC became aware that Alfalfa might become insolvent we acted.

*(James makes a point of order asking for resolution that his agenda item be included and situated as he has requested which is agreed upon.)*

**Can we keep the shop open?**

**Eamonn:** Believes we should try to keep the shop open and that much of the energy and donations of the last week would be mostly because of those likewise hoping to keep the shop open - not just the co-op, but specifically the shop. Mentions he has a polling question lined up related to this subject.

*(Introduces a poll in Zoom asking if people want to try to keep the shop open, or focus on version 2 after we close the shop. 20 minutes later the results are shared: Of approximately 45 in attendance, 33 votes are cast: 19 to stay open, 14 to focus on V2)*

The point is also made that this must surely be a week-to-week decision and today’s vote is in no way binding.

**Tara:** A third option of ‘both’ should be available, as those she has spoken to want to keep the shop open, but recognise the need for change. This option will be introduced in a later poll question.

**Kathryn W:** We’re discussing whether we keep the shop open or not. The question should be: are we trying to find a way to keep the shop open, as we are currently looking at shutting. If we want to keep the shop open, members must find a way to make it viable. The work Tara and others have been doing over the last week has been pursuing that cause.

**Sarah’s perspective (from Manly Food Co-op)**

**Sarah:** You’d need to work out and clearly cost each of your options before deciding, and would need ongoing, current financial information. Location is very important, as a co-op benefits from being in close proximity to other shops, to benefit from their traffic. Manly’s experience in moving from a more isolated location to being near Coles led to a tripling of turnover.

Reminded us we’re all of common cause and offered her help with financial projections and advice.

**Discussion continues**

**Bruce:** No working groups as yet established to figure out how to keep the shop open, it will be up to members to create them. It has been quite sudden for us all. If we were to move locations, short downtime is critical to keep our shoppers.

**Vicki:** Are people prepared to come forward and assist us, in terms of MC, planning for a shutdown and also how to try to keep the shop open.

**Kathryn W**: Agree that we are voting about what to try to do. Recognises the intense responsibility of MC. Would like to strive to keep shop open. Agrees we’d need to try to avoid losing habitual shoppers through lots of downtime. Thinks we ought to heed/should have already heeded the advice of the Manly Food Co-op when Alfalfa was in a similar situation before - that moving location is critical. Feels very strongly we should do so.

**Ashton:** The advice has been heeded, and research has been conducted. Rough costing to do the move is $100,000 to $120,000 which is from: Not generating revenue whilst paying overheads (the main cost) + Labour costs of doing the move + vehicle hire. This represents an anticipated worst case scenario.

Location-dependant footfall is recognised as being very important - our COVID, etc. lack of footfall now is a major part of our problem. Some ground was made up in the last two years, when in 2019 we found ourselves with debts of approximately $80,000.

**Katherine L:** A well-executed, volunteer heavy refurbishment of the shop several years ago ended up costing much less than anticipated.

**Eamonn:** *(releases poll result)* Another poll is available which will allow people to volunteer for how they’d like to help, which will be recorded and they can be contacted after the meeting.

**Bruce:** We’ll need more people to investigate the feasibility of staying open. Believes it is essentially about buying time. There has been a burst of energy in the last week which has improved things somewhat, but who knows how long that will last?

The point of this discussion point is to inform those interested in forming a working group to attempt to keep the shop open. Time to introduce the survey poll.

*(The poll is opened, clarified and discussed for a short while)*

**Version two working group report**

**Peter:** Next meeting is tomorrow night [7pm Thursday 14th, 64 Enmore road, COVID-safe capacity at about 20]. Sees the terminology ‘Version 2’ as something of a mistake, as it’s more about what is the next best step, whether it involves the shop or not. The focus should be on two things: to maintain the shop to give us time to find the best way forward, and what they way forward should be.

**Tara:** Phone team to share some data to inform those discussions.

**Peter:** The meeting will consider ideas generated so far and ways forward. Introduces Lucas Hakewell, a member from the Sydney School of Entrepreneurship.

**Lucas:** Has worked with lots of small start-ups; discovering new business models and how to place yourself in the marketplace. Keeping the shop open has to be one of the options to be discussed.

**Bruce:** Best not to have two groups discussing keeping the shop or having a version 2, should just have one.

**Peter:** Looking to have discussion informed by the phone outreach.

**Q&A**

**Bruce:** There are currently 5 members on the MC, there can be up to 9. 2-3 have expressed interest, including for the Secretary role. 5 is the minimum needed for a quorum. Looking to have someone conducting daily financial reports.

**Eamonn:** two in the call have expressed interest in joining the MC

**Bruce:** If anyone knows potential storage places for equipment, in the event we have to close, that would be great as we’d not be able to sell them well in a hurry.

**Vicki:** From an MC perspective thanks very much to all who are putting in work which is yielding results.

**Bruce:** MC meetings are open to all members.

**Ongoing discussion**

**Yue:** The shop looks quite empty as we have been operating as though we’re going to close. What should we do now?

**Vicki:** We’ve also been reducing stock simply because we have been having to shop to our budget. Carina has been doing this.

**Ashton:** Mentions concept of your ‘Open to Buy’ - the budget you have available each week to buy stock, based on your prior week’s sales. We have been retiring some products which have not been selling.

**Carina:** We have been buying based on our budget, and that budget has been low. Improvements in the budget - partly from donations - will help with this, but some lines will be discontinued in any case.

*(‘How can you help’ poll results released)*

**Sandra:** From perspective of being a director on Rhubarb Co-op, a tighter control on what you will spend on items, as some are just too expensive to be sold. Be rid of any item which aren’t selling. Pay attention to ‘suggestion box’. Feel the pulse of the business and a disciplined approach.

The in-person appeal and experience of the shop - its smell, its people is very important.

**Victoria:** Are we going to do a crowdfunder?

**Amy:** We could do a no-frills, zero run-up campaign, it’s a choice of whether it’s worthwhile or would be effective, especially given our current fundraising efforts are presumably reaching our core community.

**Bruce:** Assistance in taking minutes or transcribing them is welcome.

*(third poll is released: What should we focus on: Stay Open: 6 votes. Version 2: 4 votes. Both: 16 votes. Abstain: 2 votes)*

**Eamonn:** There has been some interest in running a crowdfunder - is personally interested in just a simple one.

**Bruce:** That will be up to the energy of members, rather than MC. It’s welcome to be done.

A big thankyou to all for the effort, energy and time contributed.

**There will be another Zoom meeting held next Wednesday 20 January at 7.00 PM**

**DETAILS ARE:**

**Meeting ID**: 815 5144 4391
**Passcode**: 209431