



Meet Robynn Shrader, the champion of co-ops

[Natural Foods Merchandiser](#)

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What's old is new again. The cooperative grocery model sprung up in the 18th century, when farm-to-town transplants began pooling their resources to gain financial clout and access to healthy food.

Hippies kept co-ops rocking through the 1960s, '70s and '80s. And now, in a 21st century marked by myriad online grocers and supermarkets selling bulk spices and organic everything, co-ops are more popular than ever.

One big reason for these stores' success amidst today's massive competition? They've found strength in numbers, thanks to National Co+op Grocers. Founded in 1999, this collective has masterfully united co-ops nationwide, bolstering their purchasing power, supporting their growth and smartly branding them as a single entity. NCG now represents roughly 90 percent of the nation's established food co-ops, which post more than \$1.8 billion in aggregate sales. The captain of NCG's efforts is CEO Robynn Shrader, a natural products and co-op veteran who believes wholeheartedly in this model and its bright future. We stole some time from her packed schedule to chat about the co-ops of yesterday, today and tomorrow and how NCG is helping to keep them vital.

Why is the cooperative model a good one? And can it continue to thrive?

RS: We certainly think so. Co-ops are inclusive. They give stakeholders a voice and empowerment. Most importantly, co-ops focus on the triple bottom line: community, environment and profit. We operate on so much more than a sole fiscal mandate. Consumers crave this inclusivity and focus on something beyond dollars. The cooperative model internationally is one of empowerment—people and organizations coming together to accomplish things they could not on their own. I don't think there's an expiration date on anything like that.

What role do you envision co-ops and other independents playing in the retail landscape of the future?

RS: We believe co-ops are bellwethers of consumer attitudes. Co-ops are very reflective of the communities they serve; because they are consumer owned, they thrive when providing what consumers desire. The major movements happening in mainstream retail today—increased demand for organic and



less processed foods, consumers' desire to know where their food comes from—were happening at the co-op level 20, 30, even 40 years ago. The authenticity of food co-op roots and their impact on the natural and organic products industry are hard to deny.

What are the main challenges your members face?

RS: It's what all natural food retailers are facing: Competition is fierce, and the same organic and natural products can be found in more stores. Co-ops are no longer differentiated by being among the only locations in town offering organic products. And the competition isn't just coming from other physical stores. Now there's Instacart, Amazon same-day grocery delivery, and other home delivery options. Consumers have so many choices.

So how can co-ops differentiate?

RS: By expanding our position beyond providing great, healthy food—which we will of course continue to do—and into embracing the very foundation of what it means to be consumer owned: being customer centric and locally and community minded. This is very basic, but you can meet customer needs and deliver a localized experience when owned and governed by those same customers. Yes, we are competing against big multinationals that enjoy strength and clout. But the cooperative model has the advantage of fostering connectivity with owners and customers.

Cooperative details

National Co-op Grocers

14 S. Linn St.
Iowa City, IA 52240
866.709.2667
nco.coop

Members: 148

Aggregate sales: \$1.8 billion

Founded: 1999

What are the main benefits of NCG membership?

RS: Naturally, a very strong benefit is access to our national purchasing programs. We also have our very effective "Co+op, stronger together" brand that shows up in NCG and our co-ops' marketing, whether in-store, online or in printed collaterals such as sales fliers. It helps to unify our many individual brands in consumers' minds. We have invested quite a bit in development programs to help with efficiencies in all departments. For example, we offer a robust talent development program. We're based in the Midwest, but in recent years we've added a significant number of regional staff and plan to open offices on each coast by the end of this year. That means more NCG staff will be able to work directly with individual co-ops for training, development and service support.

What kinds of distribution and purchasing agreements do you have?

RS: We have nearly 20 major agreements. We know that our co-ops have seen a distinct advantage in purchasing together—far greater than they're able to achieve on their own. This has been a springboard for us to offer more services such as marketing, training and centralized operational efficiencies.

Is NCG growing? Do you expect it to continue?

RS: We have grown quite a bit in recent years. For example, in 2010, we were \$1.23 billion in aggregate sales; now we're over \$1.8 billion. I expect that trajectory to continue, driven in large part by a resurgence of interest among our co-ops in expanding their existing stores and opening new locations. We're also seeing an uptick in organizing activity for new food co-ops, particularly in the wake of the recession and the closing of many conventional grocer locations.

What does your day-to-day job entail?

RS: It comes down to two things: First off, I problem solve—addressing issues, building relationships, strengthening our connections with industry partners and removing roadblocks to our work. This requires being aware of what's happening throughout all areas of the food co-op business, as well as the natural products trade and the general food industry. Managing a national entity with diverse constituents and staff deployed all around the country can be as complex for an organization of our size as it is for a very large national chain. It's just a matter of scale. Second, I think about what's coming next. What are the consumer trends, changes in our business, needs of our co-ops, etc., that we will be facing? I think about what we can do to stay on top of these dynamics and take our co-ops to the next level.

What is your favorite part of your job?

RS: I love the NCG members and staff I work with. They are a diverse, passionate and always interesting group of individuals. A close second is the fact that I can feel good about what I do every single day. I know that what I'm doing adds value with respect to issues I personally hold dear. That's priceless.

What makes you the most proud of the organization you lead?

RS: Two things: I am very proud of the team we've put together at NCG. I work with a group of incredibly talented professionals who share a sense of purpose in what we do. I am also so proud that NCG works, and the data prove it. We can look back to the overall health of our sector many years ago, pre- and post-recession, and see the impact that working closely together has had for these co-ops. The numbers don't lie.

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