

MARIPOSA FOOD CO-OP EXPANSION PROJECT



**COOPERATIVE ECONOMIC DEMOCRACY
AND HEALTHY, LOCAL, SUSTAINABLE FOOD
FOR WEST PHILADELPHIA**

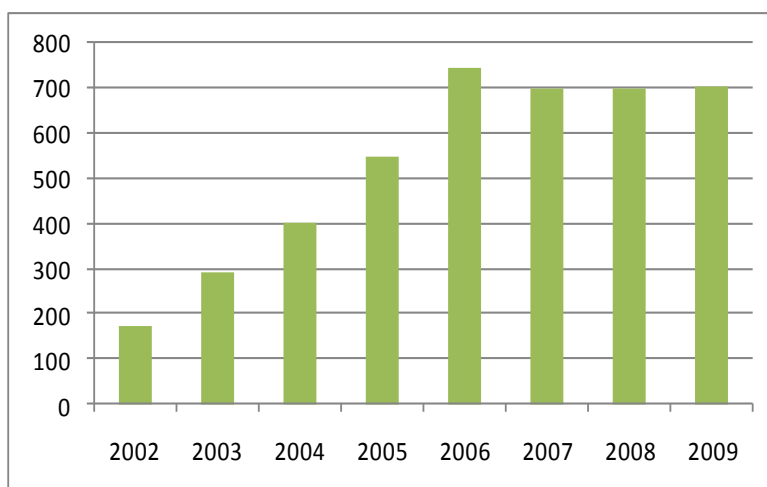
Mariposa is a West Philadelphia food co-op

For the past 35 years, we have been providing our members access to healthy, locally-grown, and sustainably-produced food.

We have grown from a buying club of a few dozen members to a full-service storefront which is open every day of the week, with more than 700 member households—well over 1,000 shoppers.

Throughout this growth, which has skyrocketed in the last five years, Mariposa has always been a business owned and run by its members, who each contribute 24 hours of work per year and who govern the organization according to the principles of the international cooperative movement.

Membership growth since 2002



(Membership cap placed in January 2008)

Mariposa is poised to keep growing

- The current Mariposa membership wait-list stands at two to three months, with as many as 70 households at any given time.
- Organic food sales gave quintupled since 1997 (USDA).
- 69% of U.S. consumers purchased organic products in 2008 (Hartman Group).
- The closest full-service grocery store is over a mile away, with no direct public transportation from the Baltimore Avenue corridor.
- The closest full-service grocery store offering a comparable product line is three and a half miles away—an estimated 35 minute trip on public transportation.

We have outgrown our current space

With just 500 square feet of retail space we offer a full line of produce and dairy products, but are extremely limited in the variety of dry, canned, prepared, and specialty diet foods available to shoppers.

We are not able to accommodate any more than our current member households in our current location—every day new member households are wait-listed or guest shoppers are turned away. The lack of space has created a barrier between us and the community as a whole, stunting potential membership growth.

Our 2008 sales were a 9.6% increase over the previous year and sales through the third quarter of 2009 have increased 16.7% over the same period for 2008, but we have maximized the potential for income, as established in a recent analysis of Mariposa by University of Pennsylvania's Wharton School of Business.

Growth has presented challenges

Our exponential growth over the past few years has also presented Mariposa with challenges.

As membership has expanded, community pressure to encourage members to be responsible about their work shifts has dropped. Some members are either unable to or not interested in participating at the level current policies require. In addition to running the bustling store, staff manages the training, scheduling and supervision of work shifts for all 700+ member households—spending an estimated 45 minutes of paid time coordinating every hour of unpaid member labor. This means that the cost of managing the larger membership base is outpacing the increase in sales from new members.

How Mariposa plans to keep growing

Move to a new space

In a larger retail space, we will provide access to healthy, locally-grown and sustainably-produced food to every household on our current wait-list, and potentially the entire West Philadelphia community.

We will increase operational efficiency in a facility with room to process and prepare food, a loading dock, and room for overstock. More retail and overstock space will allow us to place larger orders, which will lower prices for shoppers.

In a larger space we will further our mission of providing information about healthy, locally-grown, and sustainably-produced food holding community meetings, workshops, and seminars.

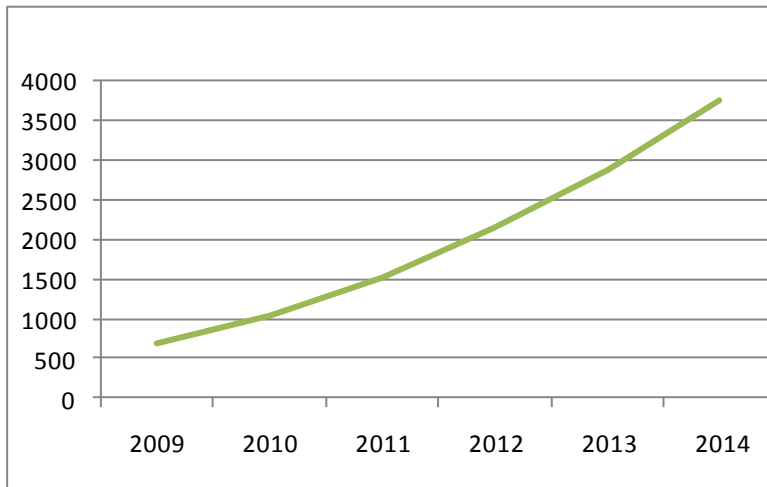
Welcome guest shoppers

In a new space we could expand our guest shopping policy and provide access to healthy food to everyone in the neighborhood. Guest shoppers will also encourage the membership as a whole to grow—many guest shoppers will join as members to fully gain the benefits Mariposa has to offer.

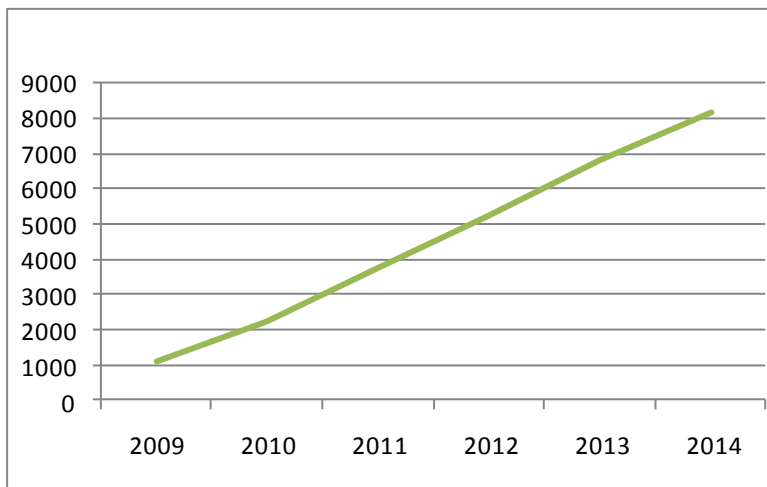
Re-define membership participation

Mariposa will always operate in accordance with cooperative principles and our commitment to egalitarian and self-sustaining business that builds community as it works. Through organizational changes we will remain true to these values—members will continue to contribute labor and governance. However, our policy changes will incorporate more new members, re-engage current members, and allow staff to focus on more efficiently and effectively managing the store.

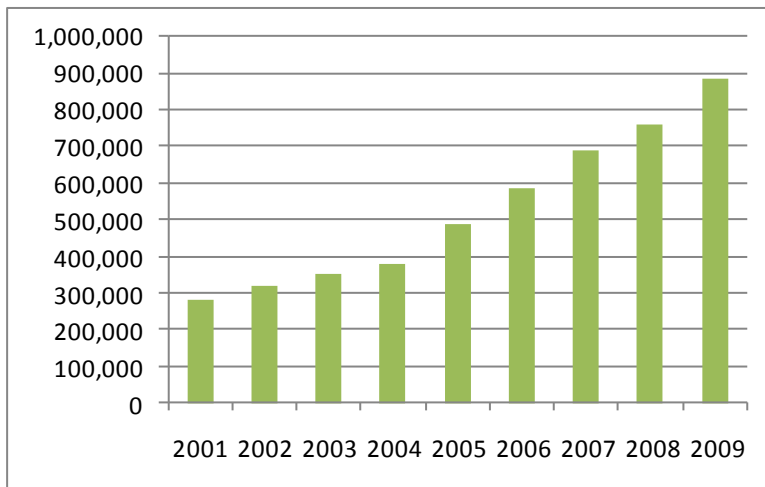
Member households, projected growth



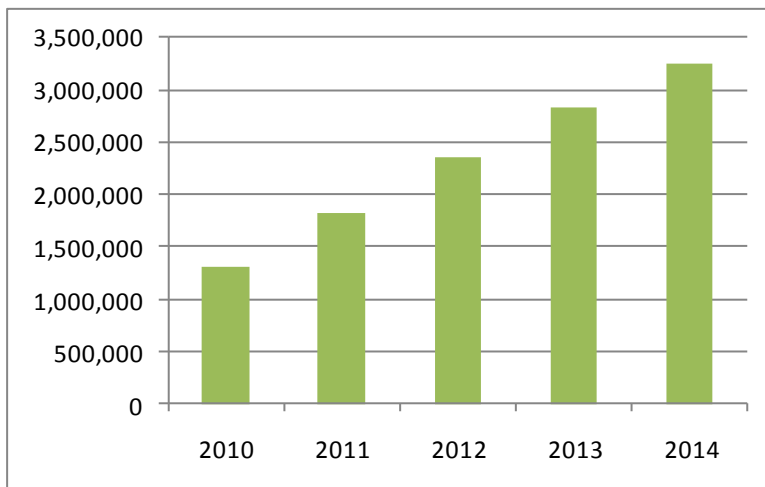
Number of shoppers, projected growth



Gross sales, historical



Gross sales, projected



WHAT IT WILL COST

Building purchase	\$ 800,000.00
Renovation costs	\$ 250,000.00
Equipment costs	\$ 100,000.00
Moving costs	\$ 40,000.00
Community outreach	\$ 10,000.00
Project Manager	\$ 30,000.00
Fundraising Budget	\$ 20,000.00
EST. TOTAL EXPENSE	\$ 1,250,000.00

WHERE IT WILL COME FROM

Proceeds from 4726 Baltimore Ave	\$ 350,000.00
Member loans	\$ 300,000.00
Capital campaign	\$ 100,000.00
Conventional financing	\$ 400,000.00
Grants	\$ 100,000.00
EST. TOTAL INCOME	\$ 1,250,000.00

Mariposa's growth means more healthy,
locally-grown, and sustainably-produced food
for more people in West Philadelphia.

For more information
or to get involved:
growth@mariposa.coop
www.mariposa.coop/growth

Mariposa Food Co-op

4726 Baltimore Ave
Philadelphia PA 19143

215-729-2121

www.mariposa.coop

Store hours:

Monday 12:00-9:00

Tuesday 12:00-9:00

Wednesday 12:00-9:00

Thursday 12:00-9:00

Friday 11:00-8:00

Saturday 11:00-8:00

Mission statement:

Mariposa is organized according to the principles of the international cooperative movement to provide residents of West Philadelphia and beyond with access to and information about food, especially healthy, locally-grown or otherwise sustainably-produced products. Our primary activity is running a food co-op owned by those who shop there, who actively participate in its governance and operations on an egalitarian consensus-seeking basis.