

HARVEST COOP MARKETS
7 APRIL 2008
PUBLIC MINUTES

Attending: Betsy Adams, Matthew Altman, Steve Clifford, Amy Cotter, Jessie Grogan, Margaret Lamb, Jessie Myszka, Salil Simon Payappilly, Diane Simpson (Board Administrator), Joe Slag, Mike St. Clair, General Manager (via phone).
Guests: Bill Bumpus, Matt Andrews, Ian Klepetar, Joshua Laskin

Meeting begins: 7:01 p.m.
Agenda Review 7-7:05 p.m.

Public Comment

Joshua L. raised a question about the agenda. At the December 2007 meeting, the board had discussed a membership report as part of the GM report—and Mike S. was to come back with proposal. Joshua did not see a membership report in the packet.

Board Response: We have not set the frequency but it was less than monthly. Although the GM has given us the proposal as to what will be reported, the board has yet to give their feedback on his proposal. We will very likely have this done within 6 months.

Jessie M. read the response of what the goal will be for what the GM will report on in the membership report. (Shown below from December minutes)

Motion: The GM will report on members' economic participation in the co-op.

The GM's report will include an analysis of probable causes, whether changes are positive or negative, as well as any activities underway that he or she thinks will affect future member economic participation.

Amy C. moves; Steve C. seconds Unanimous 8-0-0

Joshua requested to see the GM's proposal. He asked if it was confidential, and if so, why was that the case, and why the membership cannot comment on the proposal.

Board Response: It was only a chart, not a draft of a proposal. It is common business practice not to disclose items when they are at the draft stage, and we cannot commit to releasing the information in public when the board hasn't seen it yet. Last year management released the member numbers because Harvest was transitioning to the patronage rebate system. The member report would definitely be ready for members by the Annual Meeting.

Board: Is there any other public comment?

Matt Andrews inquired about the board meeting with public representatives about Diego Benscome.

Board Response: It would be unethical to talk about specific employees in public session.

Joshua L: I am still waiting for a copy of the annual report.

Board Response: Harvest is waiting for the final review from the accounting firm.

Question to Mike S: What is the status of the CCR (accounting firm) report?

Mike S: We received an initial report 5 weeks ago; reviewed it; sent it back; we are awaiting the final version. We are actually ahead of years past, believe it or not.

Ian K: I started a program called "Bicycle Benefits" which gives people rewards for renting bicycles. It started in Vermont. Businesses come up with their rewards independently; people obtain "bicycle benefits" stickers, which they put on their helmets; they display these to the business and they receive a reward. I would like to invite Harvest to participate in this program. The Web site is "www.bicyclebenefits.org."

Brief Description from Web site: "Bicycle Benefits is a progressive bicycling program designed to reward individuals and businesses for their commitment to cleaner air, personal health, and the use of pedaling energy in order to create a more sustainable community. The program's continual growth decreases parking demand, increases helmet use, and improves cyclists' safety and health by putting more people on bikes. "

Matt Andrews: Matt was hoping Lynn McSweeney could be here. He printed up a flyer about an IWW solidarity event, which is also a fundraiser for Deon Furtick. Matt's group asked for Deon's firing to be reconsidered. He read an additional statement about a letter from the management team at Harvest Co-op that was stapled to the paychecks. He considered the letter to be intimidating. (See below) He added that "the management challenged Diego's unemployment benefits and Diego challenged that and won. Now it appears that management is doing this also to Deon."

March 5, 2008

Dear Harvest Associates:

As you may know, for the past year and a half, someone has been trying to bring the Industrial Workers of the World (IWW) union into Harvest. Until now, management has chosen not to respond to these actions publicly for a few reasons:

- Since there seemed to be no interest from Harvest associates in joining the Industrial Workers of the World, we have not wanted to bother all of you by responding to them.
- Dealing with all of the allegations, the disruptions and the legal filings has already made some of your jobs more difficult (and cost Harvest a lot of time, energy and money). We have tried not to let the situation make everybody's jobs more difficult, too. You are working very hard each day to make the Co-op a better place without the need for added distractions.
- There are so many positive things happening these days at Harvest that we have tried to stay focused on moving the business forward.

Unfortunately, recent activity has annoyed many of us and our customers. So we want to respond now to set the record straight.

We work hard to treat all of our employees fairly and equally. You should know that we consider you, our employees, our most valuable asset. You are the face of the Co-op to our members. You ensure that our customers get what they want and will come back. We're especially proud of the great diversity among our employees. That diversity helps us meet our members' diverse needs. So we're very happy that Harvest has more long-term employees than most of our competition because that seems to say you feel valued here. And you are.

Unfortunately, some union organizers with a specific agenda will say whatever they want without concern for whether or not it is true or for whomever they might hurt in the process. Harvest management cannot say whatever we want. We are constrained by what is true and by what is legal and appropriate for us to say publicly. However, there are some allegations that are especially offensive and upsetting that we want to respond to:

- It is alleged that employees have been terminated for engaging in union activities. This, of course, is simply false. Terminating a valued employee because he/she is exploring a union would be wrong and it would be illegal. To be clear, while it is not appropriate or legal to publicly discuss specific personnel decisions, all terminations are due to legitimate reasons and not because of any alleged union activity.
- It has been claimed that your recent well-deserved pay raise was a cynical attempt at 'union busting.' This is insulting to all of our associates and, frankly, ridiculous. Last year, for the first time in 10 years, we turned a profit. Thank you for helping make that possible! Harvest management felt very strongly that since you helped make that possible, you deserved a meaningful recognition of your hard work and commitment. That is why we implemented the pay raise for all employees with at least one year at Harvest. Any suggestion that it was given for any other reason is offensive.
- It was also alleged that the opportunity for applying for a supervisory position was not available for everyone. This is, again, not true. It is our policy to interview every single internal applicant regardless of their skills, experience or seniority. Anyone who has ever applied for a position here at Harvest knows this to be the case.
- There is an allegation that a claim of racism was filed with Human Resources and was somehow used as a pretext for termination. This charge is especially egregious. We consider our rich ethnic diversity at Harvest as our greatest asset. Any claims of racism, discrimination, harassment or other improper behavior in our Co-op is unacceptable and will not be tolerated. We follow a strict policy and the State of Massachusetts requirements for employers to investigate harassment and discrimination claims against any protected class. Our record on these matters is clear, consistent and beyond reproach.

Some who are advocating for this union want “the workers of the world organize as a class, take possession of the means of production, abolish the wage system” (Preamble to IWW Constitution). Even if we’re sympathetic to some of their ideas, we resent them using our Co-op to further their goals. Our mission is different:

“Harvest Co-operative Markets is committed to building a vibrant community and healthier world by selling natural and organic food and bringing the benefits of cooperatives to our members.”

We are committed to making Harvest stronger, so we can continue to bring quality products to our consumers and members, support local, organic, cooperative and fair labor suppliers while celebrating our diversity as a community. We strongly believe that it is not in the best interest of you, our employees, Harvest, or our members to bring the Industrial Workers of the World into the Co-op.

Sincerely,

The Management Team of Harvest Co-op Markets

Ian K: I like the 10¢ refund on bags, but it would be better if you charged 10¢. Also should charge for the bulk containers—it will force people to change their behavior.

GM Report

Six items to run down quickly:

Training on green cleaning program. Nontoxic solutions being used throughout co-op.

Bag discount program: We have a preemptive role in the industry. “Making progress.”

Bicycle home-delivery program to start soon. It’s with “New Amsterdam. Starting in Cambridge first. We don’t benefit financially.

CRT recycling: We will be a staging point for recycling computers and monitors. We have to start in Cambridge because of the space issue. This would be a members-only benefit at this time because we do not know what the response will be.

More environmentally-friendly bag coming that will degrade completely within 60 days. This bag is not being used currently in all the major stores. Report on it will come out at the end of the first quarter.

D2E tradeshow: We participated at a discounted rate. New members signed up at the show.

Joshua questioned if the shopper had to come in and go through the checkout to get the groceries delivered and commented that it seemed like a small step to have someone at Harvest do their shopping for them and then just get their groceries delivered.

GM response: We might be able to pull it off on a limited basis, but if the program mushroomed in popularity it would put Harvest in a very difficult situation. I was a part

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of a program at one time that actually did this and pulled it off. Sometimes it doesn't work if the customer doesn't like the produce.

Question: Do we have approximate costs on this?

GM response: 8-10 dollars on delivery depending on distance.

Motion: Approve January Minutes

Amy moved to approve; Jessie G seconded; Approved 9-0-0.

Public session ended at 7:45 p.m.