

## Monashee Community Co-op Vendor Policy & Agreement

Monashee Community Co-op (MCC) is a multi-stakeholder, not-for-profit food cooperative owned by over 450 members. We operate with a mission *“to provide wholesome food and crafts while promoting local, environmentally responsible and ethical agriculture”*.

### Co-op Membership

It is a **requirement of vendors to become members of MCC**. There is a one-time lifetime membership fee of \$50. This will not only allow you to become a vendor, but will also entitle you and all in your household to all the member benefits like member pricing (non-members pay 10% more), discounted bulk buying, requesting special products, volunteering for another 10% discount, influencing the direction of the co-op through participation and voting at our Annual General Meeting or other special meetings.

**Communication.** The Vendor Liaison Committee (VLC) Leader **Jo Anne Fisher**, co-ordinates and work with local vendors on consignment or who sell directly to the Co-op.

VLC and local vendors discuss and negotiate product quality, pricing, timing of delivery, and merchandising. If they cannot come to an agreement on some aspect of the relationship, the vendor may bring his or her concern to the MCC Board of Directors.

**Consignment:** [produce, groceries, arts/crafts, plants/flowers, house/home, and wellness products.] MCC receives the product, collects payment from customers and at the beginning of the month, puts a cheque in Vendor files for pickup. The MCC takes commission as a percentage of the retail price. If the product does not sell, it is returned to the vendor without payment.

**Direct purchase:** MCC buys products directly from local suppliers and adds markup to the wholesale price. A written agreement (including a deposit) will guarantee a specific purchase at the discretion of the VLC.

These are only guidelines and MCC reserves the right to take a product on consignment, to purchase it directly, or to refuse a product for any reason.

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**Product Quality.** MCC will not accept products that do not adhere to our Vision and Mission statement. This includes products which are certified organic, BEE-Safe, GMO-free, glyphosate-free, ethically-raised and humanely treated livestock. Vendors will be asked for receipts of the feed they buy, copies of certification and other information that our members would like to be aware of. This information will be put into vendors' files and available to anyone who asks. The more information vendors can provide, the more confident our members will be in supporting vendor products.

If appropriate, the local vendor must use a Food Safe commercial kitchen for food production and must adhere to applicable Interior Health Authority regulations.

It is up to the discretion of the VLC as to whether the product meets MCC's minimum quality standards. If not, we will not accept the product for sale in the store.

**Product Pricing.** For food products that MCC takes on consignment or through direct purchase, we take a 20% commission from the retail price so the local vendor receives 80% of the retail price.

For non-food products that MCC takes on consignment or through direct purchase, our commission is 25% from the retail price.

**These commission rates will be reviewed from time to time and may be subject to change if required in order to maintain the financial viability of the Co-op.**

The retail price can be set by the local vendor in consultation with the VLC.

Please note that we normally cannot pay the same price that vendors may get selling products retail such as through a farmers' market. For both consignment sales and direct purchase sales, we consider the price that we get from the vendor, before our commission has been added, to be a wholesale price and somewhat less than the retail price.

If, in the VLC's judgment, the retail price is too high for the product to sell, MCC may impose limits on the merchandising of the product. For example, we may give the product one month to sell – if the product does not sell, then MCC will return it to the local vendor and not subsequently accept that product for sale.

**Product Labeling.** If applicable, the local vendor must use a label that lists ingredients in prepared food and wellness products. All ingredients must be listed in descending order of quantity in the product. Sub-ingredients within ingredients must also be included in the ingredients listing in parentheses. For example, if mayonnaise is an ingredient you must include all the ingredients of the mayonnaise in parentheses.

Each product must be labeled with the appropriate 3-letter vendor code, decided upon by the VLC. Vendors do not choose their own code as it may be the same as or too similar to an existing code. *If the appropriate vendor code is not on each item, then the vendor may not get credit for the sale.*

The product must be clearly labeled with the price. The price must be on the product itself. Where appropriate, an expiry date or date of production is needed. MCC also encourages local vendors to label their products with their business names and contact information. *Please do not ask our volunteers to do labelling for you.*

**Product Merchandising.** The local vendor may offer suggestions regarding product placement, signage, store location, and so forth but the VLC makes the final decision.

Approval of new products by an existing vendor must be vetted by the VLC.

The local vendor will take responsibility for adequate, professional-looking and accurate signage for the product. However, the signs must match the theme, or the atmosphere, that MCC is trying to establish in the store. It is up to the VLC to decide if the signs are appropriate and MCC reserves the right to remove a product's signage.

We encourage local vendors to provide information brochures or other information for their products to inform our customers fully.

**Product Delivery and Maintenance.** Vendors negotiate all terms for the product with the VLC before the product is delivered. MCC will only accept products that are delivered ready for sale, labeled, and priced.

Check on your products frequently. It is the vendor's responsibility to keep stock levels up and to replace product as necessary but the VLC will remind by phone or email if possible. If the local vendor does not maintain products, MCC reserves the right to pull them from display. If the vendor intends to remove product, the VLC must be contacted beforehand.

The MCC has a limited amount of retail space. If a local vendor has not sold either five items or a total of \$30 worth of product within that three-month time frame, MCC may remove the items and return them to the vendor and will inform the vendor as soon as possible. This decision is up to the discretion of the VLC.

**Product Sale.** When a consignment product is sold, our Point-of-Sale (POS) system will record the sale for that vendor. We only track sales based on vendor, individual products at the time of sale.

At the end of each month, MCC runs a report for each vendor that shows the number of items sold and the dollar amounts for the sales. Based on this report and the commission rate for the vendor's products, we issue a cheque to the vendor. We do our best to pay vendors around the 4<sup>th</sup> or 5<sup>th</sup> of the month.

Monthly vendor payouts of less than \$35 are currently made in cash. Cheque are left in the vendor's file kept at the front desk.

**Product Loss.** As with all retail environments, product loss, damage, spoilage and theft occur at MCC. While we do our best to avoid product loss and damage, we cannot take responsibility for preventing such occurrences to products on consignment. The local vendor retains ownership of the product and therefore must take responsibility.

We encourage local vendors to maintain their own records, like number of products delivered, inventory counts, prices, etc. MCC will only record when an item is sold through our POS system.

**Product Taxes.** Non-food items or snack food items on consignment will incur taxes. It is up to the discretion of the VLC to decide if taxes must be collected or not. MCC will charge the customer the appropriate taxes at the time of sale, and will submit them to the government as necessary.

**Return & Refund Policy.** Vendors retain ownership of their products. Therefore, returns are set aside and the vendor is notified to come pick them up. Using the criteria as for other products mentioned below, product return is taken out of the vendor's monthly payout.

Customers can return packaged and canned goods 30 days after purchase. If it has been opened, MCC accepts returns only if it is spoiled with a receipt in hand. If the product is expired, expiry date confirmation and printed receipt are needed. Otherwise, the item must be unused, in the original packaging and in good condition. A cash refund or in-store credit is given.

Regarding produce: spoiling vegetables and fruit are discounted 25% and then 50% and then composted, on a day to day basis.

**Business Name:** \_\_\_\_\_

**Vendor Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Phone Number:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

I understand and agree to the Monashee Community Co-op Vendor Policy

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Business Name:** \_\_\_\_\_

**Vendor Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Phone Number:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

I understand and agree to the Monashee Community Co-op Vendor Policy

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_