



Strength in Numbers

Carrot River Co-op

+

Parkland Co-op

+

Beeland Co-op

1 Co-op number | 6 communities | 15 locations

Come to Vote

For a more competitive, resilient, and relevant Co-op for current and future generations.

Tisdale

April 9, 2024 @ 6:30 - 8:30pm
Tisdale Civic Centre Auditorium

Carrot River

April 10, 2024 @ 6:30 - 8:30pm
Carrot River Curling Rink

Hudson Bay

April 11, 2024 @ 6:30 - 8:30pm
Brooks Hall

Porcupine Plain

April 11, 2024 @ 6:30 - 8:30pm
Porcupine Plain Community Hall



Nick Wood
Food Store Manager, Parkland Co-op



Holly Wiens
Hardware Manager, Carrot River Co-op



Sugrib Madhar
Hardware Clerk, Beeland Co-op

...stronger together

CO-OP Member Questions & Answers

1. What is the intent of the proposed partnership agreement between the three Associations?

Co-ops were built on the concept of members working together to better serve their communities. That founding principle remains at the heart of this partnership. As the economy and markets we operate in continue to change, especially after the pandemic and the current economic realities, we need to adapt to the needs of our communities.

Parkland, Beeland, and Carrot River Co-ops already share business support services that provide cost-saving opportunities and improved efficiency. This makes it easier for us to come together under one organization to build resilience as we face increasing competition. These shared services include:

- General Manager
- Human Resources
- Health & Safety
- Marketing & Communications
- Finance
- Accounting
- Payroll & Benefits
- Information Technology

As one Association, we can pool our resources and talents together to innovate, maximize growth opportunities and create a stronger future for our Co-op.

The strength in numbers that come with this amalgamation will enable members to continue to buy and support local – from proud Western Canadian producers and farmers to local community member jobs at our locations – and receive lifetime membership benefits.

2. What was the process that led to the decision to amalgamate as one Co-op?

This process has been ongoing for the past four years. The Board of Directors and management of all three Associations began having conversations about the potential benefits and risks of amalgamating about four years ago. Those discussions have continued through and after the vote in 2022.

3. Why are we voting again since we already voted in 2022?

After the vote in 2022, the Board of Directors of the three Associations heard from many members that they were hoping for a different outcome. We also continued to discuss our options, putting in mind our financial forecasts and prospects as separate Associations or as one. Our conclusion is that there is strength in numbers. However, the final decision lies with our membership, hence the call for another vote.

4. Will I be able to keep my Co-op number if the three Associations become one?

Yes. However, with the amalgamation of Associations, there is a risk of duplicate membership numbers. To mitigate this risk and make this process easy for all our members and team members, we will add a prefix (to be determined) to all Parkland and Carrot River member numbers to avoid duplication.

Members with multiple Co-op numbers may choose to close the Co-op numbers they no longer wish to keep. The member's accumulated equity for all the numbers will be combined into the number they keep. Ultimately, members could continue to use all their current Co-op numbers at any retail.

5. Will I lose the equity I have accumulated with my Association?

No member will lose their accumulated equity because of this partnership. Accumulated equities will be carried on to the new Association.

6. How do members benefit from amalgamating as one Association?

All members will benefit from the result of this partnership. Co-op is local and we value the connections we have within our communities. For over 200 years collectively, Co-op has been a part of your community and that will not change. Coming

together will make us stronger and more resilient to face future challenges and maximize growth opportunities.

By partnering to form one Co-op, members will be able to see the impact of increased buying power from our suppliers and wholesalers, opportunities for increased sales, better margins, net savings, and the ability to use one Co-op number in six communities across 15 locations.

7. Will this amalgamation result in job loss?

No, there will be no job losses as a result of the amalgamation. Some team members may move into different roles or responsibilities when the Associations become one, but everyone will still be a part of our team. Team members from all Co-ops will operate under one company, with one set of procedures, policies, and benefits. All team members will maintain the benefits and perks of being a Co-op employee.

We strongly believe that this partnership will result in long-term job creation and growth in the northeast area of the province through our sustainable growth strategy. There may be a need to increase our employee base, should we expand our products and services, thereby increasing job opportunities in our communities.

8. Will the allocation from my patronage change?

Our feasibility study shows that as one Association, we will be in a strong financial position to continue our Equity and Cash-Back program to members. The equity programs for all the Associations are already strong as is and this is expected to continue. Members will continue to enjoy allocation of surplus in a fiscal year according to the provisions of the *Co-operatives Act, 1996*.

9. What will the immediate financial impacts be?

The Federated Co-operatives Limited (FCL)'s policy regarding amalgamation is to pay the new Co-op a portion of the amalgamating Co-op's equity in cash. Using 2022 year-end balance sheets, the equity payout to the new Co-op formed through this amalgamation will be approximately \$5.5 million.

10. How will the Boards operate when the Association becomes one?

The Board of the new Association will consist of nine Directors. The new Board of Directors will have equal representation from each of the existing Co-ops and will be comprised of the following individuals:

- Shawn Orr – Parkland Co-op
- Jason Harbor – Parkland Co-op
- Paul Upton – Parkland Co-op
- Ed Little – Carrot River Co-op
- Wanda Kiteley – Carrot River Co-op
- Ron Weighill – Carrot River Co-op
- Robert Haller – Beeland Co-op
- Shelley Beaudette – Beeland Co-op
- Jill Szeliga – Beeland Co-op

11. What happens if one Association votes against this amalgamation?

We hope to get a positive vote from all three Associations; however, if two of the Associations vote in favour of the amalgamation, the two Associations will amalgamate to become one stronger association, while the one that voted against the partnership will maintain status quo. Any shared business support agreements would also need to be reviewed and renegotiated.

12. What will be the name of the new Co-op?

In a quest to find the perfect name for a new Association, the Board of Directors and leadership of our three Associations stumbled upon a discovery: our trading area is blessed with not just one or two, but 13 rivers flowing through it!

With so many waterways flowing through our trading territory, it seemed there was no better name for our new Co-op than **Riverside Co-op Limited**.

BEELAND CO-OP

Serves Arborfield, Bjorkdale and Tisdale communities.

- \$62 million projected sales for 2024
- 137 team members
- 6,675 members

Current Commodities

Grocery, Produce, Meat, Deli, Pharmacy, Sport & Leisure, Agro, Lumber & Building, Hardware, Liquor, Gas Bar/Convenience Store, Propane, Lottery, and Tobacco.

PARKLAND CO-OP

Serves Porcupine Plain and Hudson Bay communities.

- \$57 million in projected sales for 2024
- 138 team members
- 3,600 members

Current Commodities

Grocery, Produce, Deli, Meat, Lumber & Building, Agro, Hardware, Liquor, Gas Bar/Convenience Store, Propane, Lottery, Tobacco, and Cardlock.

CARROT RIVER CO-OP

Serves Carrot River community.

- \$24 million in projected sales for 2024
- 51 team members
- 2,153 members

Current Commodities

Grocery, Produce, Meat, Deli, Hardware, Agro, Lumber & Building, Liquor, Clothing, Gas Bar/Convenience Store, Propane, Lottery, Tobacco, and Cardlock.

NEW CO-OP = RIVERSIDE CO-OP

Serves, Arborfield, Bjorkdale, Carrot River, Hudson Bay, Tisdale, and Porcupine Plain communities.

\$143 million in annual sales
300+ team members
Over 12,000 members
Six communities
15 Co-op locations

Commodities

Grocery, Produce, Deli, Meat, Lumber & Building, Agro, Hardware, Liquor, Gas Bar/Convenience Store, Propane, Lottery, Tobacco, Cardlock, and Sport & Leisure.

Earn cash-back and equity in an area spanning 18,000 km from:

5 Food Stores
3 Liquor Stores
3 Home Centres
4 C-Store/Gas Bars
6 Cardlocks
1 Pharmacy
3 Agro Centres

For more information, use your phone's camera to scan the QR code and click on Better Together, or visit our website and click on Better Together.

www.carrotriverco-op.crs



Vote for One Stronger **CO-OP**[®]