



FOR IMMEDIATE RELEASE:

Company Shops Market to Close

Burlington, NC – May 24, 2018 - The Board of Directors of Company Shops Market (CSM) recently announced to co-owners of the grocery co-op that it will be closing its doors.

In 2007, residents of Alamance County discussed what it would mean to have a grocery co-op in our community. Such a store would be a source of local and organic food and connect area farmers to the consumers. Additionally, they hoped to revitalize Downtown Burlington, bring more people in, and put money back into this community by renovating a historic building that was once an old grocery store, the A&P.

Founding board member, Eric Henry, reflects on the purpose behind opening a cooperative grocery store in downtown Burlington. "Company Shops Market was founded in 2009 for three reasons. To create a grocery environment to connect our community to local and healthy food. To create a cooperative, a business that is owned by the community. And, to help revitalize downtown Burlington. We were successful in accomplishing those goals, but the competitiveness of the grocery store market has brought us to the point of having to close the store. We believe we did a good job of connecting the community and look forward to what the future will bring to our downtown and continue to grow the value of local food."

With the support of thousands of its co-owners, Company Shops Market opened its doors seven years ago. Since then, it has served as a source of locally-raised, fresh and healthy food. It also hosted many successful community events, including the annual Beer Co-Hops and Wine Festivals. As had been hoped, the existence of Company Shops Market has renewed optimism in Downtown Burlington and led many new businesses to open their doors here. Our original goal to bring local and organic food to the county has also spread. Many other grocery stores in the area have increased or added sections that offer organic and local food.

While Company Shops Market has spurred many positive things, unfortunately, in the past five years, some things have negatively impacted our store. Though there are many new businesses in Downtown Burlington and plans for more in the future, the number of people working daily there is much lower than it was when we first opened our doors.

The owners of competing grocery stores have renovated their stores and some new stores have opened, as well. Nationwide, this trend towards chain stores with "local" and "organic" offerings has severely hurt and closed many other grocery co-ops, just like ours. Over time, low sales have left us with limited resources to stock our shelves, which in turn has led to even lower sales.

Last summer, the CSM Board of Directors held an owner fundraiser with a goal of \$50,000 to make improvements, restock our shelves, and place the store in a healthy position. While our funding goal was not met, the funds that were raised were used to reposition Company Shops Market as a "downtown kitchen" with an improved hot bar and sandwich offering. These changes have made our kitchen profitable, but the store has continued to be unprofitable.

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Throughout this process, CSM Board of Directors has reached out to several community members, local business owners, and former board members for ideas and explored every possible strategy to create a viable business model. Without sufficient funds for day-to-day operations, Company Shops Market will be closing its doors. The planned last day of operation is Sunday, May 27, 2018. The Board of Directors will offer a question and answer session to owners in June. If you are interested in attending, please indicate by contacting us using csmmanagement@companyshopsmarket.coop.

Contact:

Company Shops Market Management Team

csmmanagement@companyshopsmarket.coop

268 E Front St.

Burlington, NC 27215

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