

Wednesday, September 3rd, 2014—Final week of petition signing. Pat has table set up at DNF.

Board announces Brian Gaddy's "hiring" as GM to "replace Joshua Jackson," who had left about 10 months before. No mention is made of almost a full year of Co-GM status of Kimberley Wiggins and Brian. Announcement also gives a 1-day notice for an "Owner-Board meeting," Thursday evening, Sept 4th. In conjunction it has released a "statement regarding recent events" on the Board webpage [also handed out at their meeting; reproduced below]. The Board's statement attempts to shift blame for the timing and content of their August 12th press release (PR) away from themselves. These are entirely false and simply later fabrications, which original documents and internal communications covered earlier prove. Nonetheless, boldfaced lies continue in an effort to deflect responsibility, blame and attention away from the Board. The whole thing, according to the Board's narrative, was the fault of employees who did not do what they were told.

Root does not get the announcement/meeting notice directly, finding out the next day that his name had been inadvertently removed from the distribution list for unknown reasons. Pat and Kim forward the Board notice to Root.

Pat Blair has been set up to collect petition signatures and give the petition member visibility with a table set up outside on the patio of DNF. She's getting lots of interest and questions... and signatures, and new members joining DNF to sign the petition. The Board does not know what to do with us.

In time-chronological order (not reverse email reply order)

Date: 9/03/2014 11:35 AM [Wednesday—petition signing picking up steam]

From: DNF Board of Directors

To: The Owners

Subject: To the owners from the DNF Board of Directors

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Board of Directors

The Durango Natural Foods Co-op Board of Directors is pleased to announce that Brian Gaddy has been hired as the General Manager for the store replacing Joshua Jackson. We are excited to have

Brian at the helm and look forward to a new chapter for our cooperative mission.

Congratulations Brian!

There are always many sides to every story.

Let's Co-Operate!

Lend your voice to the DNF story at an owner-Board meeting where all sides can be heard.

Thursday September 4th

5:30 – 7:30 pm

downstairs meeting room in
the Durango Public Library

The DNF Board of Directors has issued a statement regarding recent events. Please visit the DNF website via the following link or the Board's store bulletin board to read the full statement.

[Click here to view statement](#)



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575 E. 8th Ave.
Durango CO 81301

The statement noted, which was on the Board's webpage, was also handed out at their September 4th meeting (see the statement below). They did start a discussion blog regarding the merger, dated August 19th, 2014, the day after the big August 18th meeting. Their opening statement was:

This discussion is about the recent proposal by the DNF Board of Directors regarding a potential merger between our co-op and the New Mexico-based co-op, La Montañita.

Perhaps a good place to start the conversation would be outlining the pros and cons and helping clear up some misconceptions regarding the merger.

But one cannot find "the pros and cons"; only a list of Co-op Principles. Perhaps they were referring to their August 15th Merger Q&A put out by the Board. Nonetheless, there is one member blog entry during the petition period and before the September 4th meeting.

Blog Entry By: Kathy Barrett
Date: 9/2/2014
To: DNF Co-op

This is a call to Durango Natural Foods (DNF) co-op members to give a voice to democracy. Signing a petition to recall the DNF Board will allow for a vote for a new board. Why bother? The current board has failed all members whether supporting or not supporting a merger with La Montañita. The lack of transparency, operating in secrecy since April, and pursuing a merger agenda without informing or including membership defies a stated board task of outreach. Violating its own by-laws and processes the board resorted to doublespeak and coercion. Attempting to engineer a centralization of jobs to Albuquerque's co-op and firing current staff without cause eliminates the DNF commitment to local and democratic participation. Sign the petition before the 9-7-14 deadline. Let your voice be heard.

Kathy Barrett

Date: 9/03/2014 [Wednesday of petition signing; day before hasty Board meeting]

From: Board

To: The owners of Durango Natural Foods Co-op

Subject: Untitled [Referenced "statement regarding recent events" in above announcement]

To the owners of Durango Natural Foods Co-op

Serving on the DNF Board of Directors is a volunteer position. The Board members dedicate much of our free time taking care of DNF matters and receive little compensation (10% discount on groceries) and no

personal gain for our efforts. The Board has been receiving minimal input from owners over the years and it is uncommon that anyone from our membership steps up to run for an open seat on the Board or attends the annual meeting.

The Board operates under a set of guidelines known as “policy governance.” This ensures that the Board does not interfere with direct operations of the store. It is a very common approach to food co-operative governance and one that was adopted by DNF over seven years ago. Utilizing policy governance, the Board adheres to rules laid out in our Board Policy Manual. One of our principle responsibilities involves an annual review of our vision and mission statements. These statements serve to guide the general manager of the Co-op in his or her daily operations of the store. When reviewing our vision and mission statements, the Board evaluates the current and future goals of the Co-op. The Board welcomes input from the Co-op owners regarding the vision and mission statements. We have not received any in the past several years.

What started recently as a DRAFT of a press release regarding the proposed DNF-La Montañita merger opportunity was released to both DNF members and the community *without* Board approval. The Board agrees that some of the language and content contained in this document was inappropriate and misleading. A committee wrote this document and the Board was aware that further editing was necessary to change its primary statement to read that the Board was seeking months of discussion, not announcing a “done deal.” The content makes this clear but the tone of the language was going to be edited to reflect the Board’s intent. The Board recognizes that it was a mistake to distribute the draft of the press release to the DNF staff or any DNF member. (original emphases)

Comment on above statements: In fact, please review the Board’s 7-30-2014 communication plan shared earlier, updated 8-7-2014; these are noted in the 2014-08-23 email document and shared with that date, which is when we received copies. The claims in the above paragraph are false; everything was going exactly as they had planned (check the dates and wording of the communication plans)—except they didn’t expect an immediate member revolt. The PR was designed precisely to demonstrate that a major Board decision was afoot, just preparing for final member approval; which for an asleep membership (“over the years... it is uncommon that anyone from our membership... attends the annual meeting”), could be a simple quorum majority 16/30 of “key members in alignment with the decision.” Read the August 12th PR again; at most it was released the evening before on the 11th, with instructions directly from Geoff through Kim that “it go out as is”, meaning no copy-editing that the outreach person occasional does for clarity. It’s Geoff’s words, exactly how he wanted them.

Geoff Wolf is a marketing executive; and one thing marketers know for sure is you don’t blow the introduction of a sale by floating an incomplete draft amongst key members and staff for a week before public release; do a one-on-one sales lobbying effort to “build alignment” with “key members” based on it; with a timeline precisely as it was planned (not “months of discussion,” but a rapid few weeks); with an accelerated implementation schedule giving the members little time to respond; and a pre-signed letter-of-intent (LOI) and definitive agreement (DA) ready to sign. (From the Board’s 7/30/2014 Communication Plan: “Aug 6th – mid-Sept: Work on concluding Definitive Agreement... Perhaps a member meeting is held to share key concepts... no promises made... Soon after: It is clear to all that the Board is 110% behind it... Board continues to meet with key members, building alignment... Soon after – How long later? 2-3 weeks, DNF member meeting held for a vote – 98% approval!”)

They are simply backpedaling and scrambling to blame others, including employees, for the “impression” this takeover and sale effort has left amongst members. Indeed, we did wreak their carefully planned “merger introduction” program. Judging from the exuberant wording in their communication plan, they clearly thought it would be a cake-walk to an asleep membership; they were completely caught off guard.

[The statement continues:] The Board's merger recommendation and the unfortunate way it was communicated have resulted in a petition to remove the current Board of Directors. It appears very extreme to remove a board of directors simply over a disagreement regarding their recommendations coupled with a communications error. The DNF Board is seeking discussions with the store's members to address their concerns about our performance. Member meetings are being planned to allow time for all of us to share our thoughts and feelings on how we should proceed as a food cooperative. The Board intends to listen carefully and follow the will of a majority of the membership.

Currently, the Board of Directors is focusing on the important business at hand that we were elected to accomplish. We intend to be the best food cooperative we can be and stay true to our vision and mission statements.

Yours in Cooperation,
The Durango Natural Foods Co-op Board of Directors

Date: 9/03/2014 2:14 PM [Wednesday of petition signing]
From: Root
To: Kim & Pat
Cc: Guthrie Hardesty (DNF Front Lead) [As a DNF employee leader, Guthrie is kept in the com loop]
Subject: RE: To the owners from the DNF Board of Directors

Kim, Pat gave me a heads up about this.

Have you received a member email blast announcing this meeting, or just this one directly to you? Because I haven't received anything, even though the subject line reads "To the owners from the DNF Board of Directors;" but then again I didn't get the petition blast until the next day. Yet, unbelievably here's a one-day notice for a board meeting, inviting members to come. The Bylaws state:

Article III: Meetings of Owners — §3.4 Notice: Written notice of the time, place, and purpose or purposes of all meetings of owners... shall be provided to each owner not less than fifteen days... before the date of the meeting.

So this has failed on two accounts: I haven't received a notice, yet I do get DNF blasts for weekly specials so I know my email's okay and, of course Kim, I shouldn't consider your passing a personal email notice on to me to count as a "notice;" and secondly, this would be (assuming I do eventually get a notice) only a 24 hour or less notice of some crucial "let's talk it all out" meeting between Board and owners. Or, could this be like the special Eno's meeting where just a few "key members" are invited? I don't get it. What's your take on it, Kim? Ask around among people you know if anyone has got a blast notice yet, or if it's just expected that if they post it on the Board's board, that counts as sufficient notice. Maybe they want to say, "We reached out to the members to discuss... but no one showed up," which may be what they're hoping for.

Both Pat and I think they're scared, even freaked out, about the petition. And my 890 word op-ed/article is coming out in the Telegraph tomorrow, Thursday, before the meeting, which hopefully gets them thinking this is something they can't win. I have no idea when Bill Roberts will get my 350 word letter to editor in, but it could be tomorrow as well.

Okay, these are my thoughts, but I don't think I should come to an important impromptu meeting on no notice, other than hearsay. Yet, we do want to know what they say for themselves and how many people show up. Also, there's the opportunity to ask them to justify their claims with facts, etc, which we know they can't. But, even if any of us go I don't think we should respond on the spot, but just listen to what they say; whatever they say will be lies or half-truths, which doesn't deserve the respect of a response. Even trying to do that again (we did August 18th), would be like we're petitioning those in power for a response, when that by default anoints them with power they no longer have. Right now they just have "formal power" of hiring and firing and purse strings. They no longer hold any legitimate leadership power; and they certainly don't speak for the members, other than a few "FOBs" (Friends Of the Board), who will side with them regardless of what they do.

If we don't go, it gives them the opportunity to claim we are either "afraid" to face them; or we don't really care about "cooperation" or whatever. As I'm thinking this out while writing, I'm sort of thinking that the down side of not going is worse than the down side of going. What if all their supporters were stacked in due to individual notices and they can get a reasonable crowd just due to that? They'd have a PR advantage to make claims about "those radicals who show no interest in working together."

Pat, chime in; what are your thoughts on this? Guthrie?

Root

Date: 9/03/2014 2:59 PM [Wednesday of petition signing]
From: Kim
To: Root & Pat
Cc: Guthrie Hardesty (DNF Front Lead) [As a DNF employee leader, Guthrie is kept in the com loop]
Subject: RE: To the owners from the DNF Board of Directors

Hi Root, Pat & Guthrie,

I spoke with a friend today, she said it seems like they know their wrong and are acting out in irrational ways. The e-mail I received was directly from the Board of Directors email address. Check with Evid to make sure your e-mail is set up in her system, that is the one I got my member list from and Geoff probably did too (I had to send you the petition in a separate e-mail as your e-mail wasn't in the list when I sent the initial petition). The newsletter is a voluntary sign up that is done on the DNF website.

The link at the bottom of the Board's e-mail goes to the Board's page on DNF's website. It basically complains about how no one has given a shit (excuse my language) for over 5 years and now people want to overthrow the Board. No offense to them as people but they have been the only Board members for the last 5 years and that's why no one has been involved with the coop - because THEY aren't involved with the membership!!!! They are playing the victim. The staff and membership are the true victims.

As far as the meeting goes, I'm happy to go but won't be speaking - I'd prefer to collect signatures at DNF tomorrow night than go. However, I think one or more supporters of the petition should go. I know I will have a hard time holding it together, I am an emotional and physical wreck! I love DNF and I really loved my job. Now there is someone who has no idea of the intricacies of my job doing it! That infuriates me. I worked hard at my job. I worked hard trying to make it a better place to work and shop. Being the finance manager is a thankless job... no one thinks you do anything. Well maybe now I am gone - they

will realize. I am too angry to deal with them. I am sick and I am exhausted from the 8 months doing two jobs. You better believe that although Brian is a *nice* guy and the “face” of the coop, I did all the hard work. I won’t even go down that road...

The plus side to their member meeting is that there won’t be many people there. The ones who will be there will be the Board’s support group and perhaps a few confused members. I am sure they will try to make a petition to overthrow our petition or something of the sort. I say we continue collecting signatures, we let them throw their pity party and watch. We then write more articles about how they are not following their bylaws (and haven’t been for years).

I mean they hired a GM without doing **ANY** interviews. They offered the job to Brian August 26th, he met with them briefly and he came back to the office and said "they are offering me the GM position". It was my birthday and I had to hear that the Board AGAIN didn’t do their due diligence and just hired their poster boy... okay I am pissed.

As for the papers I am beginning to think Geoff or a Board member is friends with someone there and is withholding the information until the Board is ready to post their own story about how they are volunteers and they are just trying to do what’s right for DNF. I know Minna Jain also wrote the paper and has yet to be published.

Ppppppppehh - sorry there was a lot of venting in there...

Kim Wiggins

Date: 9/03/2014 3:54 PM [Wednesday of petition signing]
From: Root
To: Kim
Cc: Guthrie & Pat
Subject: RE: To the owners from the DNF Board of Directors

Kim, yes let it hang out! You deserve to have friends who will hear you and stand with you; and we are at least some of them. There’s no question how shoddy the practices are of this board. Let’s see how things shift (or don’t) after the op-ed is out tomorrow. Several people have also said they’d be writing letters to editor; but since it’s Wednesday and none have appeared, there won’t be time for mine to generate more responses before the close of petition voting, even if it gets out Thursday; but maybe that’s on purpose at the Herald. Letters will probably flow in next week.

I’m going to go just to observe so we know what is said; and not let them spin it their way without a response—not at the meeting, but the next day Friday, when I’m sending out a blast. Will be working on that tomorrow, will be waiting to see what I can include from Thursday evening, beyond the board violating our Bylaws again. By the way, that’s another “shoot themselves in the foot”, because they won’t be in a position to “stickler” Bylaws stuff on our petition effort. We did break new ground with an electronic petition.

Kim, share more of your raw feelings whenever you feel the need. We are here for you.

Root

[Note: Evid, a DNF staff member who runs the membership databases, shares with us at our request an Excel sheet of members and their currency date in order for us to verify petition signatures. She cc's Brian; who a few hours later responds to us and with a blast-announcement to the general membership, as if DNF security has been hacked.]

Date: 9/03/2014 2:14 PM [Wednesday of petition signing]
From: Evid
To: Pat, Root, Kim
Cc: Brian Gaddy, GM
Subject: Owner List for Petition Verification

Hi Pat, Root, and Kim,

Attached is a bunch of subsets of Owners. I dumped all the contact into and combined it with the equity payments. All tabs are alphabetical by Last Name/First Name. All contact information is what it is - if it isn't there, it isn't here either.

Please make sure to keep this confidential - we don't sell our mailing list and only use it for store-sanctioned processes such as mailing the coupon books.

Remember I'm not here on Thursday, Saturday, Sunday, and my hours are nominally 7am-3pm

Evid
[Root acknowledges receipt at 2:25 PM]

Date: 9/03/2014 2:14 PM [Wednesday of petition signing]
From: Brian Gaddy, GM
To: Pat, Root, Kim
Subject: RE: Owner List for Petition Verification

Hi Pat, Root, and Kim,

Hello Pat, Root, & Kim,

It was a mistake on Evid's part to send you the member files, as this violates our privacy policy.

For the sake of the Co-op **please** do not use the names, addresses, emails, or phone numbers contained in these files for anything. Please delete this file immediately.

This puts DNF at significant legal risk. Members could potentially sue Durango Natural Foods.

Please also confirm receipt of this email.

Thank you,

Brian Gaddy
General Manager

Durango Natural Foods Co-Op
Email: brian@durangonaturalfoods.coop
Phone: (970)247-8129

[We do not confirm his letter; nor do we delete the file, as we intend to use it to verify petition signatures. We do not use the member information for any other purpose.]

[Brian sends out misleading alarm-bell message to all DNF members that “member-contact database has been breached.]

Date: 9/03/2014 8:58 PM [Wednesday of petition signing]
From: Brian Gaddy, GM [dnf-announce@durangonaturalfoods.coop]
To: All DNF members
Subject: Member/Owner privacy notification

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Dear Member/Owners,

We are informing you of a breach of our member-contact database. In a move to confirm membership status for the petition initiative that is in progress, membership information including addresses, emails, phone numbers and membership status of all members was requested and shared without management approval. No credit card, bank or other personal information was breached. The data was shared with three active members of the Co-op.

Privacy of information is taken very seriously at the Co-op and the incident is being addressed. Each of the three members who received the information have been contacted and agreed that keeping this information confidential is of utmost importance. We asked them to destroy the information and not use it. This was a mistake on the part of staff and we are making every reasonable effort to ensure that the Co-op's members' contact information remains confidential.

Brian Gaddy
General Manager
Durango Natural Foods Co-Op
Email: brian@durangonaturalfoods.coop
Phone: (970)247-8129

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575 E. 8th Ave.
Durango CO 81301

Date: 9/05/2014 2:14 PM [Friday of petition signing; 3 days left]
From: Evid
To: Pat, Root, Kim
Subject: New owners update.

[Two days later, 9/5, Evid makes sure we have seven recent corrections to the database member list; bringing us up to date late in the day Friday, 9/5. Several members had been either joining or updating their equity dues in order to be valid signatures on the petition.]