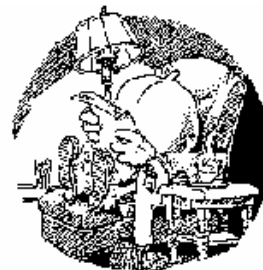


The Garbanzo Gazette

June 10, 2004



Growers Market's Weekly Newsletter

GROWERS OPEN ON TUESDAYS: *You can now shop at Growers on Tuesdays from 5 to 7 pm. Just as on Fridays, nothing will be pre-order.*

LOOKING FOR A SUMMER BANZO EDITOR

(Note: Several people have responded to Julies request for an alternating editor for the Garbanzo Gazette. Julie is currently in the process of moving and will be in touch with you soon.

ORGANIC KEFIR

I spoke with Nancy's Creamery this week and they told me organic Kefir was at the top of their list. They said it takes a lot of time and effort to get a new product up and running. Hopefully by this time next year, we will be enjoying organic kefir in a new and improved container. Myriah

PRODUCE STRAW BOSS NEEDED

Thursday approximately 10/11am – 2pm. Ability to lift and design beautiful produce displays helpful. Call Jeanine 461-1614

COUNTRY FAIR TIME

If you would like a day pass in exchange for working at the Growers Market Fruit Booth call Steve Brown @ 302-1518 or contact Stevekind03@yahoo.com. Possibly limited number of camping passes available to hard working past day-passers.

NORIS ORGANIC DAIRY

If you plan on purchasing any Noris milk or half and half, please "pre-order" it. I'm trying to meet our needs without having much extra (it leads to a loss for Growers). It will take a couple weeks to sort things out since Noris delivers on Tuesday prior to the pre-ordering. My best guesses are not working.

By the way, all Noris cheese is made from raw milk. - Sue

FUNKY BUT NOT ARBITRARY

Hi folks, former coordinator Martin here, from exile in edland.

A funny thing happened the other day as I drank coffee and considered studying in my favorite campus cafe: Someone came up and attacked me for allegedly implementing an allegedly bad policy. To make a long story short, he called Growers prices too high and "arbitrary", and it was all my fault.

I'm not going to get too into the price thing, but I must say something about the word arbitrary. Most stores price things somewhat arbitrarily, based on what they think will get the most profit for the store. Not the most profit for the item, but for the store as a whole. For instance, New Frontier has often sold soy milk at such a low price they take a loss. It sounds like bad business, but it isn't, because it gets people in the door to pay a pretty high mark-up on most other things. Sundance apparently does the same with margarine. It's called a loss leader. We at Rusty's do something similar at Saturday Market with that free chocolate dip for icecream sandwiches.

As I would have explained to my harrasser, if he would have listened instead of putting words like "true market value" into my mouth, Growers prices are completely fixed. We don't sell things at wholesale, as that would prevent us from paying electricity, parking, repairs, etc., but we have a low mark-up on each item: 10% on case orders, 15% on bulk items and 20% on packaged items. Thus a non-packaged apple that OGC sells us for \$1 costs \$1.15. If you don't work, it'll cost \$1.27. Whether or not you like this approach (I do) it is precisely the opposite of arbitrary.

Having such a fixed system, we never have loss leaders. Growers doesn't play those capitalistic games. That mean that a few items may cost more at Growers, though I've observed our produce is about 30% or 40% lower than at Sundance. The fellow who disrupted my coffee felt that he should always be able to buy margarine at Growers for less than he pays at Sundance. I'm reminded of Ginsburg's immortal question: "When will I be able to buy groceries with nothing but my good looks?" Worthy considerations, but for now a little work and a little cash, check or Oregon Trail Card are our unarbitrary means of payment for now. *love, Martin the former coordinator*

Understanding the new markup policies

There has been a lot of confusion recently concerning the new way that prices are determined at Growers. Under the old system, bulk was marked up 15% and packaged goods were marked up 20%. If you did not have work credit, an additional 15% would be added at the cash register.

Example: Growers buys a packaged item for \$10. On the shelf, it is marked \$12 (a markup of 20%).

You purchase one box of it. This week, you have work credit, so your final price is **\$12.00**.

Next week, you don't have work credit, so your price is now $\$12 + (15\% \text{ of } \$12)$. This works out to $\$12.00 + \$1.80 =$ **\$13.80** for the same item.

Under the new system, bulk is marked up 33%, and packaged goods are marked up 38% (an increase of 18%). If you have work credit, a discount of 13% is deducted at the register (your total is divided by 1.15). At first glance, this does not seem to be the correct amount, so let's take a look at the math.

Example: Growers buys an item for \$10. On the shelf, it is marked \$13.80 (a 38% markup).

You purchase one box of it. You get to the register, and **\$13.80** is rung up. Then the cashier divides \$13.80 by 1.15 and your total is **\$12.00**. This is the same amount that you paid under the old system. Dividing a number by 1.15 is the same as deducting 13%.

Due to rounding errors, items are marked up slightly more under the new system, approximately \$0.01 per \$10.

One might ask why 18% is not deducted at the register, since 18% was added to the wholesale cost; or why wasn't 15% deducted, since that was added to the retail price?

The answer is that we are subtracting from a larger amount, as the following example demonstrates:

$\$10 + 15\% \text{ of } \10 is written as $\$10 + (.15 * \$10) = \$10 + \$1.50 = \$11.50$

Going back, if we deduct 15%, let's see what happens:

$\$11.50 - 15\% \text{ of } \11.50 is written as $\$11.50 - (.15 * \$11.50) = \$11.50 - \$1.73 = \$9.77$. Oops, that's off by 23 cents.

$\$11.50 - 13\% \text{ of } \11.50 is written as $\$11.50 - (.13 * \$11.50) = \$11.50 - \$1.50 = \$10$

Now we are back where we started from.

To summarize, if you have work credit, you will be paying the same amount for your groceries to within a few cents under the new system of pricing that you would have paid under the old system. If you don't have work credit, thank you for contributing the additional 15% to Growers. It helps pay the bills.

Steve Shapiro
A Growers Market Member

This newsletter was published by the Little White Dog. Submissions sent the week of 6/3-6/9 will be included the next edition. Send comments or article submissions to garbanzo@efn.org. If you don't have computer access, you can put articles in the garbanzo box at growers. Newsletter copy deadline is 5:00 pm Tuesday. Market hours are Thursdays 2:30 to 7:30 pm and Fridays 3:00 to 6:30 pm. An orientation to Growers is held each Thursday at 1:30. The Growers email list includes an electronic banzo, events notices, and other misc. info. Growers Market 687-1145