



**CALGARY CO-OPERATIVE
ASSOCIATION LIMITED**

**2009 - 2011
BUSINESS PLAN**

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Message from the CEO

In pursuing our Vision to be the premier shopping destination in the communities we serve, our organization continues to face numerous challenges, including an evolving and rapidly changing marketplace, and increasing competition.

The board of directors and executive management team has set the strategic direction for Calgary Co-op based on changing business conditions. Our business plan for 2009 – 2011 provides our employees with a blueprint of the areas we believe will be an important focus in achieving the Vision.

Increasing competition and the Calgary economy continue to play major roles in our business strategies. The current business environment requires us to offer our members and customers a blend of best customer service practices, product quality, selection, and value. We believe our employees embody the expertise, skills, and sense of commitment necessary for us to carry out the business strategies that will best address the needs of our members and customers, and the greater community.

Our business plan focuses on fine-tuning our food, petroleum, pharmacy, liquor and travel operations to ensure we are offering the best formats, products, value and options to our members and customers. Our overarching strategy is to manage our capital to grow the business and achieve revenue growth. Our priorities will be on paying attention to the basics of our business, building our current lines of business, and maintaining the high levels of quality, service, and customer satisfaction that can deliver sustainable earnings growth for Calgary Co-op for one, three and even five years down the road.

We recognize that it will take the combined efforts of our employees to improve processes and systems that will achieve the greatest efficiencies and financial results for Calgary Co-op. Openly sharing and communicating the Vision and business strategies with our employees, and letting them know how they can contribute to the successful execution of the business plan, engages employees in achieving results and creates a sense of pride in knowing their efforts truly make the difference.

In the years ahead, I am confident Calgary Co-op will continue to be successful because of our customer service strategy, commitment to our priorities, the proven skills and dedication of our employees, and the continuing loyalty of our members.



Ken McCullough
Chief Executive Officer



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Chief Executive Officer

History

Locally owned and operated, Calgary Co-op was incorporated on July 13, 1955, and the first store opened in November 1956. Today, Calgary Co-op is one of the largest retail co-operatives in North America with 425,350 members, 4,000 employees, assets of \$352 million and annual sales of \$1 billion.

Calgary Co-op operates 22 retail food centres, 26 gas bars, a cardlock petroleum location in Cochrane, 7 travel offices and 16 liquor stores in Calgary, Airdrie, Strathmore, and Okotoks, Alberta.

Calgary Co-op is proud of its local roots and its reputation as one of the best grocery retailers in Calgary and surrounding communities. It is committed to serving the needs of its members and customers, contributing to the vitality of the communities it serves, and providing its employees with a safe, caring and stable workplace. We care about our employees, and strive to provide them with the type of work environment that fosters camaraderie, encourages participation in the daily activities of the business, and presents opportunities for them to develop, build and enjoy long term careers with us.

Calgary Co-op has built its reputation on its strong commitment to member-customer service and the communities it serves, through financial, in-kind and other community support and services. Calgary Co-op continues to actively practice corporate social responsibility, including significant investment in the communities where its members and employees live and work.

Governance

Calgary Co-op members elect a board of directors through a formal democratic voting process. The board is comprised of nine director positions, three of whom serve as board officers in the roles of chair, vice chair and board secretary. Elected directors serve for a three-year term or as required to fill additional vacancies. The term of office for each director position expires on a staggered basis each year. This process ensures that a certain number of experienced directors remain on the board to assist newly elected directors in learning their roles and responsibilities.

The board of directors supervises and manages the management of the business and affairs of Calgary Co-op, in accordance with the *Cooperatives Act*, Regulations, Articles, any unanimous agreement, and the by-laws. Directors may exercise all of the powers of the Association that are not required to be exercised by the Association in general meeting.

The board operates with four standing committees: Audit Committee; Governance Committee; Member Relations Committee; Performance and Compensation Committee.

Each year, in collaboration with the executive management team, the board reviews the Vision, Mission and Values for Calgary Co-op, and sets strategic direction for a three year planning period. The board also sets annual goals for itself, which form the basis of the board's annual work plan.

Board of Directors



Back Row, Left to Right: Terry Semeniuk, Vice Chair; Johanna Bates; Alex Ingram; Terry Geib, Secretary; Barry Ashton.

Front Row, Left to Right: Lisa Wise; Randy Kott; Laura Sullivan; Stuart Cantrill, Chair.

Executive Management



Ken McCullough
Chief Executive Officer



Barry Heinrich
Vice President
Finance and
Administration



Wilf Harms
Vice President
Facilities Development
and Real Estate



Donna Burn
Vice President
Member and
Public Relations



Jeff Ambrose
Vice President
Operations and
Marketing

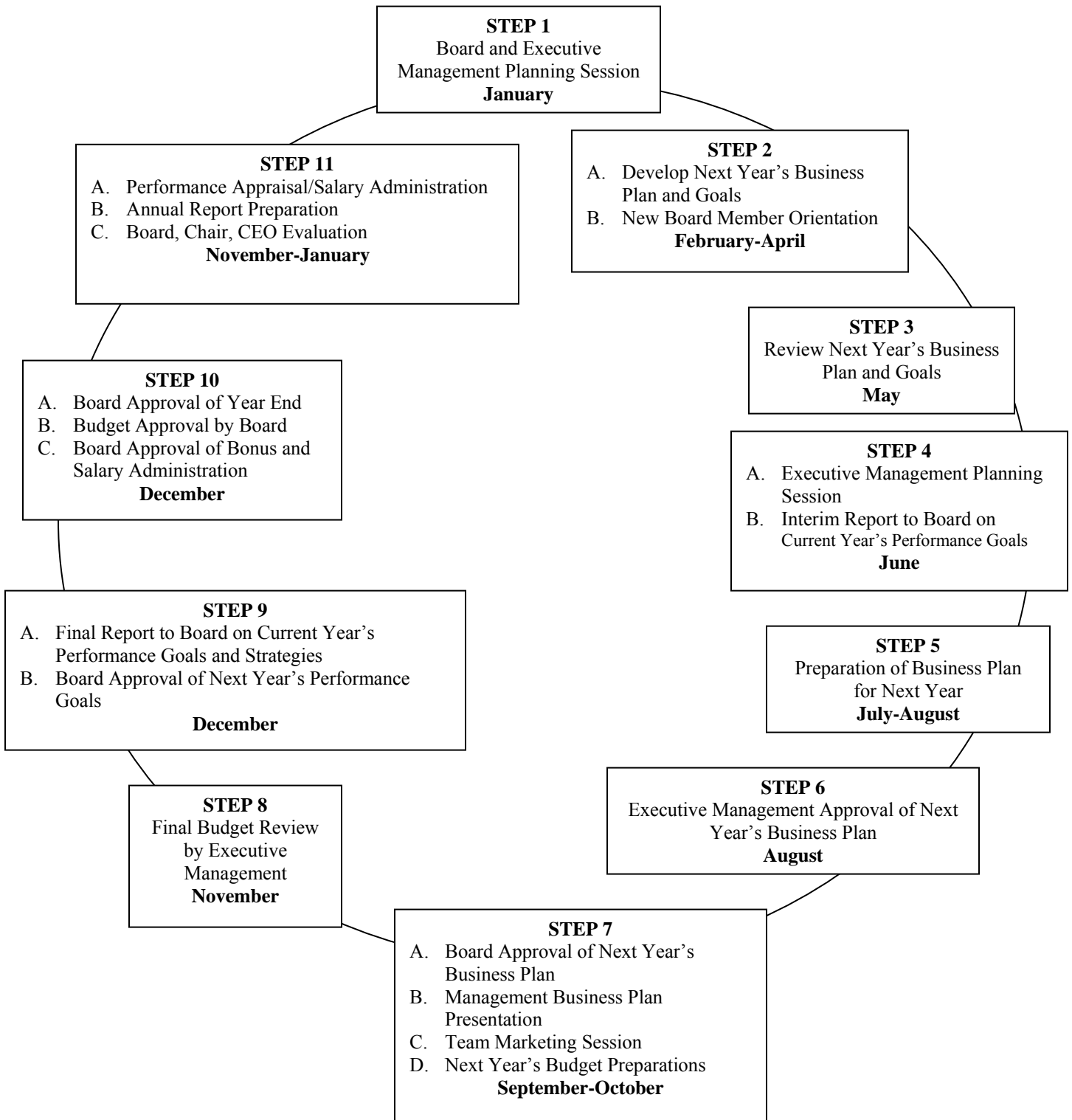


Rick Noonan
Vice President
Human Resources

Legal Status

Calgary Co-operative Association Limited operates as an Alberta co-operative under the *Cooperatives Act* (revised March 6, 2003).

The Planning Process



Vision

To be the premier shopping destination in the communities we serve.

Mission

To provide outstanding service, quality products, superior facilities and exceptional value.

Values

- Integrity
- Respect
- Commitment
- Leadership
- Community

In addition to the Vision, Mission and Values, Calgary Co-op also adheres to the seven internationally recognized **Co-operative Principles** upon which all co-ops are modeled. These include:

- Voluntary and open membership.
- Democratic member control.
- Member economic participation.
- Autonomy and independence.
- Education, training and information.
- Co-operation among co-operatives.
- Concern for community.

Strategic Goals

The Mission, Vision and Values for Calgary Co-op provide a shared, coherent base from which the strategic planning process can begin. An important step in this process is assessing the strengths, weaknesses, and current performance of Calgary Co-op. From this assessment, a number of strategic issues the organization faces can be identified and compiled into a list of strategic direction issues. From there, the development of a number of specific strategic goals for each issue occurs. These goals reflect expectations about where Calgary Co-op will be three years into the future.

This business plan is a key component in successfully achieving the long term goals, as it translates them into action.

1. Ensure the financial health and sustainability of the organization.
2. Exceed member and customer expectations with exceptional service, selection and value.
3. Implement new and innovative processes and solutions to improve productivity and execution throughout the organization.
4. Implement training, retention and career building programs to develop well trained, knowledgeable, motivated and empowered employees.