

Some Comments About Pricing

The Oklahoma Food Cooperative is not Wal-Mart. We are not selling a million units of anything. What we are trying to do is give urban customers a relatively easy and convenient way to buy good local food directly from Oklahoma producers. And we are hoping to give rural producers a way to meet such urban customers, so that the rural farmers can make a just and adequate living from their effort and investment.

Retail pricing is not simple, it is complicated.

When you go to a regular supermarket, it's like walking into a casino. You never know from one day to the next what the prices are going to be. We expect a more stable pricing system at the Oklahoma Food Coop. Prices may change from time to time, but our producers don't play the marketing games commonly deployed by supermarkets. You know how it is. One day you go in and meat is dirt cheap, but canned goods and non-food items are sky high. One week later, the meat is expensive and the soup is cheap. Our producer members simply don't play those kind of games with our customer members.

The grocery industry is a master at marketing, and they have many tools that they use to get the price they want. Throughout the agribusiness system, market players work hard to shift their costs onto others, thus allowing them to offer artificially low prices. This is particularly true with environmental issues.

The problem with this system of course is that the cheap supermarket price is in reality an illusion. Markets and systems must always balance, situations can be avoided or ignored or externalized, but sooner or later the piper must be paid, and the chickens come home to roost, and we reap the consequences of our actions.

If the cheap price isn't a true price, in the sense that it covers all of the costs involved, then we make decisions based on inaccurate price signals and over time this shows up as serious distortions in our economic systems, and often, also as serious environmental degradation and exploitation of the poor.

In the depths of winter, fresh produce is imported from poor countries, places where many people don't have enough to eat in the first place. Indigenous farmers in third world countries are often dispossessed of their lands without due process, and their properties given to big agribusiness corporations to grow food for export. Our purchases of such food pay for these injustices. That fresh green January supermarket salad may very well have been snatched from the hands of a hungry child in a poor country. The commercial agribusiness vegetable industry is characterized by exploiting workers with very low wages. Migrant workers typically earn less than \$8,000 a year, and are often exposed to

dangerous levels of pesticides and herbicides. All of this shows up in cheap supermarket prices, but do you really want to benefit from such a system?

Probably not, that may be one reason you joined our food service.

It is hard to know how to deal with such large issues, thus the best place to start is in one's own home, and since food is so fundamental, it is a good place to start.

Enter the Oklahoma Food Cooperative, a truly grassroots effort to develop a new way to do food that is socially just, environmentally sustainable, and economically viable.

People - customers and producers alike - come to this market with a variety of needs and goals. Thus, we will always seek to have a diversity of products, and we generally expect a diversity of prices.

Our producers don't take advantage methods of livestock and poultry production that are inhumane and cause unnecessary suffering to the animals. The birds and animals are free-ranging. So unlike supermarket meats and poultry, there is no 'discount' in our prices for efficiency-driven animal cruelty.

With our producers, you can find out exactly where your food was produced, and what the production standards are. If you want certified organic, you can find it here. If you don't care about certified organic, we have non-certified producers you can buy from.

Our producers don't adulterate their foods. If you get a ham, it is ham, not a "ham and water product". The labels for the chickens and turkeys from our producers don't say that they've been injected with broth and oil. Our beef producers don't grind ice with their ground meat to enhance its red color and oh by the way also add water which is included in the weight of the meat at the retail price. When you buy a ham and water product, you are paying ham prices for water, and water is very cheap. You shouldn't have to buy water from a ham corporation, you already have piped in running water at your house.

I have been buying 80% of my household's food directly from farmers for well over a year. I am not spending any more now than I was when I was a supermarket shopper. One reason for that is that now I cook nearly everything from basic foods, I buy no mixes. That sounds time consuming, but it really isn't. Of course, there is a learning curve that has to kick in, but these days I can mix up pancakes from scratch just as fast as using a store bought mix, and less time is involved because i don't have to buy the mix at the store.

Overall, I am also spending less time shopping than before. I used to go to the supermarket every week, sometimes more than once a week. Now I go only every two weeks. I buy my meat a month or two at a time. I estimate my time savings from

reduced supermarket shopping in the last year to be at least 40 hours, that is a whole work week that I now have available for other things. That's worth a lot to me.

Customer members should also understand that unlike grocery stores, you can talk directly with the producer members. The products on our "shelves" are not offered by faceless corporations, but rather by real people. Call them and explain your needs and see what they can do for you.

For example, you could contract ahead with producers for products to be delivered later. This helps producers because of course with any production enterprise, knowing how much to produce is the Really Big Question. As you learn more about how to patronize our system, you can think, "Well, let's see, I will need one pig every three months for our family." Once you determine this, talk with our pork producers. You might get a better deal if you contract to buy so much a month or a quarter or etc., especially if you put down a deposit. When I got my first pig from Don McGehee, I paid \$35/down and then \$15/week until it was done, and then when I got it, all I had to pay was the processing charge.

If you want a lot of vegetables next summer for your own home food preservation activities, then talk with the vegetable producers about your needs. This marketplace is a "communication zone". Information and action goes back and forth. And producers and customers alike benefit by such a conversation.

So when you think about the prices our producers are charging, these are some of the things you need to keep in mind. Things are rarely as simple as they seem at first glance. But one thing's for sure. We have the best food for sale in this state on our producers' price lists. And you could have it delivered to your front door.