



**ANNUAL REPORT:
2009 - 2010**

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BOARD OF DIRECTORS

Jim Hagerman, *Board Chair*
Tiffany Foster, *Vice Chair*
Wes Goddard, *Secretary/Treasurer*
Kim Davis
Lauren Hill
Matt Foster
Brent Minchey

THREE RIVERS MARKET STAFF

Jacqueline Arthur, *General Manager*

ADMINISTRATIVE SERVICE DEPARTMENT

Lauren Almquist, *Manager*
Melissa Kasik, *Information Services Assistant*
Rebeca Meyer, *Assistant Bookkeeper*

CUSTOMER SERVICE DEPARTMENT

Matt Foster, *Manager*
Customer Service Assistants:
Carlos Anderson
Lauren Claiborne
Bradley Handley
Holly Haworth
Andrew Hock
David Whittaker
Aaron Wright

DELI DEPARTMENT

John Askew, *Manager*
Matt Miller, *Cook II*
Bobby Kasik, *Cook I*

EDUCATION SERVICES DEPARTMENT

Crista Cuccaro, *Manager*
Bob Deck, *Marketing Coordinator*
Homer Griffith, *Education Coordinator*
Veronica Siehl, *Merchandising Coordinator*
Kristen Yartz, *Member Services Coordinator*

GROCERY DEPARTMENT

Rush Skinnell, *Manager*
Joseph Gillenwater, *Inventory Control Coordinator II*
Matthew Boles, *Inventory Control Coordinator I*
Adam Deal, *Stocker*
Josh Wright, *Stocker*

HBC DEPARTMENT

Sara Ray Lewis, *HBC Department Manager*

PRODUCE DEPARTMENT

John Bohnenstiel, *Manager*
Oliver Pogue, *Stocker*
Jacob Crigler, *Stocker*

YOUR MAILING ADDRESS

Please notify us if your mailing address has changed. This saves us money and enables your mail to be delivered promptly.

STORE INFORMATION

Three Rivers Market	Open to the public daily:
937 N. Broadway	9am - 9pm
Knoxville, TN 37917	Online at:
(865) 525-2069	threeiversmarket.coop



This booklet was printed on 100% recycled paper.

GENERAL MANAGER'S REPORT

I ended last year's Annual Report with the comment "I am cautiously optimistic, as we approach lenders and other sources of financing in these tough economic times, we will be able to develop our new store soon thanks to the support of our members and our community." Mercifully, this wish came true!

MEMBERSHIP & MEMBER LOANS

Three Rivers Market ended the year with 2,417 member/owners who have contributed \$166,425 towards the equity of their cooperative. The number of member/owners of Three Rivers Market increased 28% and member/owner equity increased 31% over the previous fiscal year. Equity per owner ranged from \$25 to \$2,500, with an average equity per member/owner of \$70.28.

Members who reside in Tennessee had a new opportunity to support their co-op with the launching of the Cooperative Loan Program. Although a common way for cooperatives to raise capital for improvements and expansions, a member/owner loan program had never been attempted in Tennessee before. The results were extremely positive. Our goal was met just 6 weeks after launching the campaign!

74 loans were made by 71 members for a total of \$250,000, the maximum allowed per year by the State of Tennessee for this type of program. Members loaned amounts ranging from \$1,000 to \$22,000, with an average size loan of \$3,378.38. Terms offered were 5 to 10 years with interest rates from 0% - 5%. Average interest rate for total loans made was 3.5%. We intended to raise \$500,000 in member loans before the state restrictions were known. \$250,000 in gap financing had to be located to move forward with the expansion project.

With the \$250,000 limit met so readily, many member/owners who wanted to make a loan did not get to. We will be able to accept loans again in July 2011. Funds raised in 2011 will be used to pay off the gap loan and reduce our dependence on debt financing.

For the second time, we held our annual membership meeting at the East Tennessee Historical Society in downtown Knoxville. The membership was able to view the Museum's award-winning exhibition, Voices of the Land: The People of East Tennessee, for free while gathering for our traditional potluck supper, fellowship, and a short business meeting.

DEVELOPMENT OF THE COOPERATIVE

The development of the co-op continues to be focused on the expansion and relocation of the store. After a year of negotiations, the preferred site was purchased. 1100 N Central Street was a recommendation of the May 2008 Market Study, the new location is within a mile of the store and part of the Downtown North Redevelopment Area. The property was purchased for \$525,000, the appraised value. 25% was paid in cash from our reserves and 75% was financed by CapitalMark Bank and Trust, a community bank located in the historic post office building on Main Avenue in

downtown Knoxville and based in Chattanooga. The site had unusual boundaries on the north side due to alley closures over the years, which Bob Whetsel and Floyd Smith with the City of Knoxville helped to untangle. The site was re-surveyed and a quit claim deed applied for and granted by the City and the plat re-submitted and approved.

The City of Knoxville committed \$400,000 and \$50,000 in two Business Expansion Loan Program (BELP) loans following approval by the Partnership for Neighborhood Improvement Evaluation and Allocations Committee. The \$50,000, also known as a Façade Grant, is interest free with no principal payments due and forgiven at a rate of 20% per year as long as we comply with the terms. The BELP funds were used to pay off the CapitalMark real estate loan,

The development of the co-op continues to be focused on the expansion and relocation of the store. After a year of negotiations, the preferred site was purchased.



with the rest held in reserve for equipment and other project costs. CapitalMark came through for us again, committing a \$1,000,000 construction loan and a \$200,000 equipment loan. Northcountry Cooperative Development Fund (NCDF), stepped up and provided \$250,000 in gap financing. NCDF, based in Minneapolis, is a cooperatively organized community development financial institution (CDFI), providing loans and technical assistance to a broad range of growing and developing cooperatives.

Running parallel with the work to successfully finance the project, site planning was completed by our local contractor, J.A. Street & Associates of Blountville. Working for the contractor is local architect Greg Terry with Studio Four Design of Knoxville, who has created a handsome, pragmatic design for reuse of one 6,000 square foot building on the site and adding on an approximately 3,700 square foot addition. The energy-efficient design, along with our refrigeration equipment choices and the way we operate our green business, has positioned us to acquire the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) certification of the new Three Rivers Market. The final determination will be affordability of the certification process itself. The store design and fixture and equipment plans were developed by the National Cooperative Grocers Association Development Cooperative.

STAFF PROFILE

We could not be successful without our experienced, intelligent, and committed staff. We ended the year with 27 employees. Full Time Equivalent (FTE) was 19, with approximately 1/2 employed full-time at 30 or more hours per week and full benefits. All of our employees receive Paid Time Off accrued based on length of service, a generous store discount, and holiday pay. Full-time employees have health insurance coverage that includes vision and dental care. We analyze



GENERAL MANAGER'S REPORT

our wage structure each year, comparing wages and benefits to the cost of living in Knoxville, in our efforts to provide meaningful work for fair pay. Three Rivers Market is in Knoxville's Empowerment Zone (EZ), a designation that ended in December 2009. 12 of our employees also live in the EZ, enabling us to receive valuable federal income tax credits. Our employees range in age from early 20's to mid 50', with tenure ranging from less than one year to over nine years.

SALES AND EARNINGS

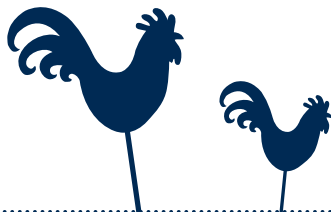
We had modest expectations for growth this year. The U.S. financial crisis continued and competition increased significantly. We kept a close eye on trends and changing conditions, operating with a very conservative business plan and projections for little to no growth as the recession deepened and large corporate supermarket chains based outside of Tennessee closed in on our core market. We finished the fiscal year with sales down 5%.

We had a net income before patronage refunds and after expansion project expense of 1.8% of sales, which is healthy and represents strong margin and expense management by our staff.

Along with sales of healthy, organic, and natural products, sales of local items continued to be a strong focus for the co-op. We sold 495 different locally-produced items this year, including fresh produce, with overall sales of local items increasing 188%.

I am grateful for the support of our members and customers, employees and board of directors, and our entire community. Thank you so very, very much, for everything you have done for your co-op! We could not be here without you.

Jacqueline Arthur, General Manager



THREE RIVERS MARKET BOARD REPORT

These are exhilarating times at Three Rivers Market. We are very excited about the impending move and expansion, and this transformation has established a context for our work this year.

Three Rivers Market is a cooperative organization governed by an elected Board of Directors. The Board is elected to perform the following governance functions on behalf of the Members:

Dear Three Rivers Market Members:

Employ a General Manager who directs all day-to-day operations including staff.

Define the goals of Three Rivers Market for the General Manager to accomplish. These are called our Ends.

Define actions or outcomes that are impermissible for the General Manager to allow in accomplishing the Ends. These are called Executive Limitations.

Monitor the performance of the General Manager

Monitor the performance of the Board of Directors

Maintain a link with Members to assure that their issues are heard and that their desires are reflected in our policies.

The Board is responsible for setting the vision of the cooperative and establishing a chain of accountability for realizing this vision. We accomplish these broad responsibilities by developing an Ends Statement to articulate that vision. We also monitor and review the policies that define Board obligations along with policies that delegate responsibilities to the General Manager and define the limits of the methods she can use to meet those responsibilities.

Since last year, we have been preparing for the changes to Three Rivers Market by examining Ends, policies, and bylaws to make sure they were appropriate to our new identity as a larger store that is more visible to the public. This year, we have proceeded with a comprehensive policy review with assistance from Cooperative Board Leadership Development (CBLD), a program of CDS Consulting Co-op.

Loans provided by our Members are a key part of the financing package that is making the new store possible. The cooperative loan program was developed by our General Manager and the staff of Three Rivers Market's Education Services and Administrative Services Departments, with legal support by attorneys in both Tennessee and Minnesota. The program was approved by the Board, and several Directors participated in contacting Members to tell them about the program. We successfully raised \$250,000, the annual maximum allowed by the state of Tennessee, and these contacts were a great opportunity for the Board to talk to our Members. As a cooperative, we value Member economic participation in the co-op and autonomy of the co-op from the control of other entities. Member financing promotes these values.

TRM's Ends Statement aims to capture the difference that Three Rivers Market wants to make in the world, for whom and at what cost. One of the Board's duties is to clearly formulate Ends and keep them current as the store and the world change. As part of our regular meetings, we have been studying a series of pertinent topics that inform the continued development of the Ends Statement.

The topic of small-scale farming began at the end of last fiscal year and was completed at the beginning of this fiscal year. We learned what it is like to run a farm in our area, and the challenges faced

in staying solvent. We discussed ways that Three Rivers Market supports local agriculture and how this support fits in with our Ends.

The next topic was community outreach and education. We discussed the role of the cooperative and the Board in providing information and education to the community and strategies for enhancing existing efforts.

Our last topic of the fiscal year was Board Responsiveness. We concluded that the importance of "responsiveness" is to emphasize the need for a food co-op to look beyond simply serving as a source of quality food at reasonable prices for a community. The Board looks toward Three Rivers Market's Members to help define what it is that separates our store from other grocery stores, because it is in a unique position to "think outside the box" when it comes to serving the community as a whole. Therefore, Board members need to have an understanding of what other co-ops have been doing to put their finger on the pulse of their Members and customers. But beyond this, there is also a need for the Board to understand our Members' values that underpin the reason they joined our local food co-op. This assessment and communication is important as Three Rivers Market evolves to the next level in its new space on North Central Street and to cultivate members' sense of belonging that encourages their continued participation in Three Rivers Market's development.

The Board held its annual retreat in May at the Highlander Research and Education Center in New Market. Under the guidance of Mark Goehring, our CBLD consultant, we took a step back and examined

The board is responsible for setting the vision of the cooperative and establishing a chain of accountability for realizing this vision.



our progress and processes, looking for ways to stay motivated and focused on important tasks.

Considerable effort has gone into making Board elections democratic, transparent, and consistent. The process began last year and it produced a new election code that we approved early in the fiscal year and put into practice in last year's election. We have

THREE RIVERS MARKET BOARD REPORT

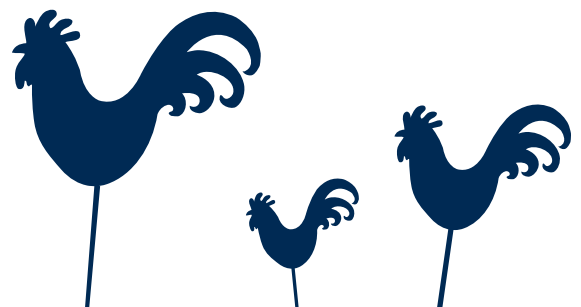
continued this work and we have made further refinements that you will see this year. We have also begun a process to identify potential board candidates with the intention of developing a leadership pool for future elections.

The activities of the Board of Directors have a cost to the Membership. The Board strives to assure that the cost of governance is commensurate to the value of that governance to its Members. During this fiscal year, the cost of governance was \$11,289 and was used for the following: Directors and Officers liability insurance, board development and training, stipends, Three Rivers Market-prepared meals during Board meetings, and administrative support. The actual cost was not significantly different than governance costs incurred by other food co-ops the size of Three Rivers Market.

There have been some changes in The Board over the last year. We would like to thank former Directors Amanda Benson, Sarah Bush, Barbara Chandler, and Homer Griffith for their hard work and contributions to the Board.

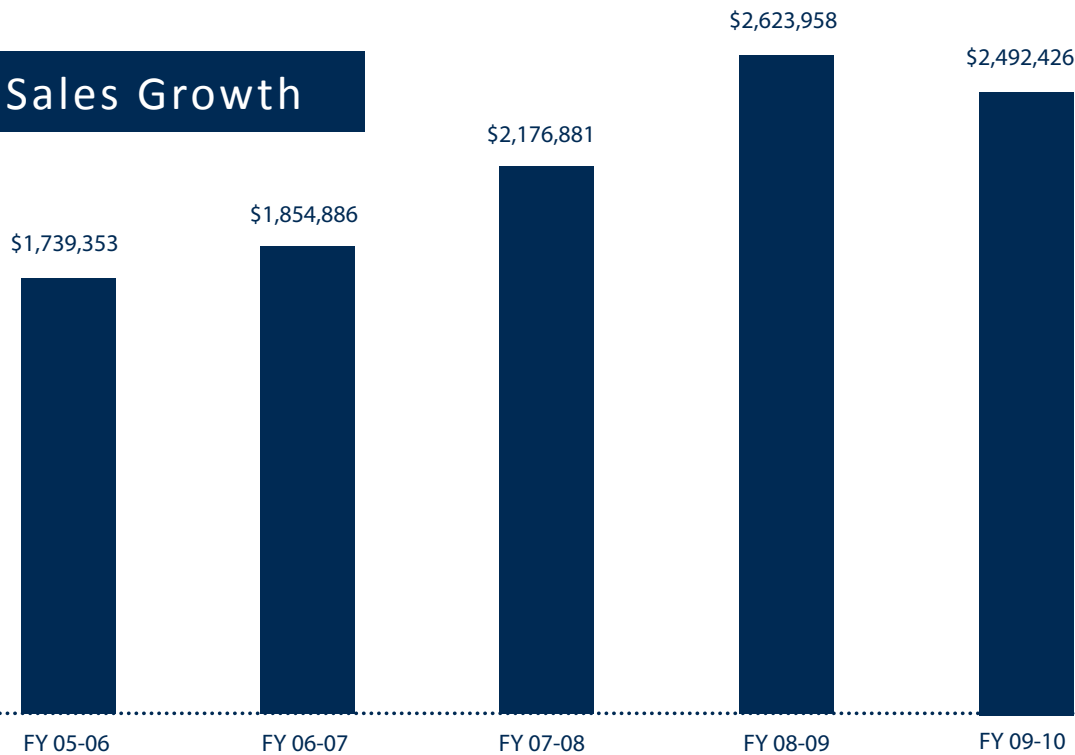
We would also like to express our gratitude to our Members, who have demonstrated their support for the new store by making member loans, purchasing additional membership interests, and by shopping at the store. And special thanks to Jacqueline Arthur, our General Manager, who worked through a thousand barriers with her hard work and persistence.

Jim Hagerman, Board Chair



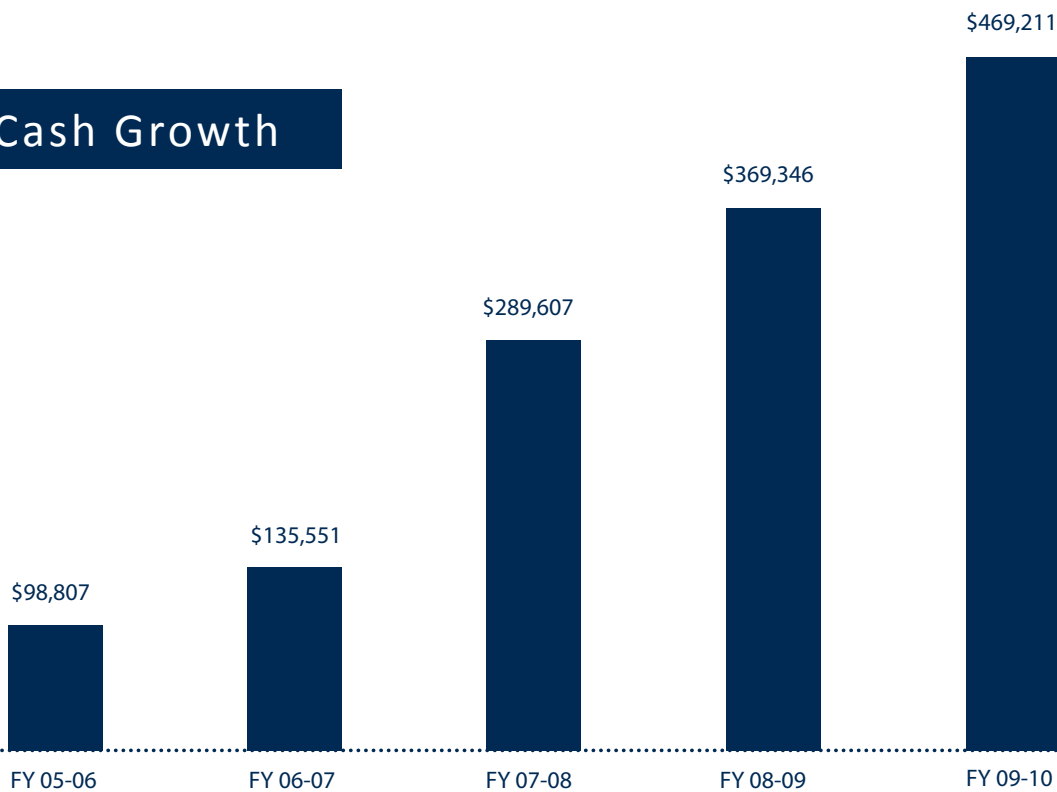
FINANCIAL REPORT

Sales Growth



Three Rivers Market has enjoyed strong sales growth for many years. Sales have increased from \$1,739,353 in 2005–2006 to \$2,623,958 in 2008–2009. This represents a 51% increase during the past four fiscal years, the first full years operating as Three Rivers Market. Increased competition and a poor economy pushed sales back 5% in FY 09-10.

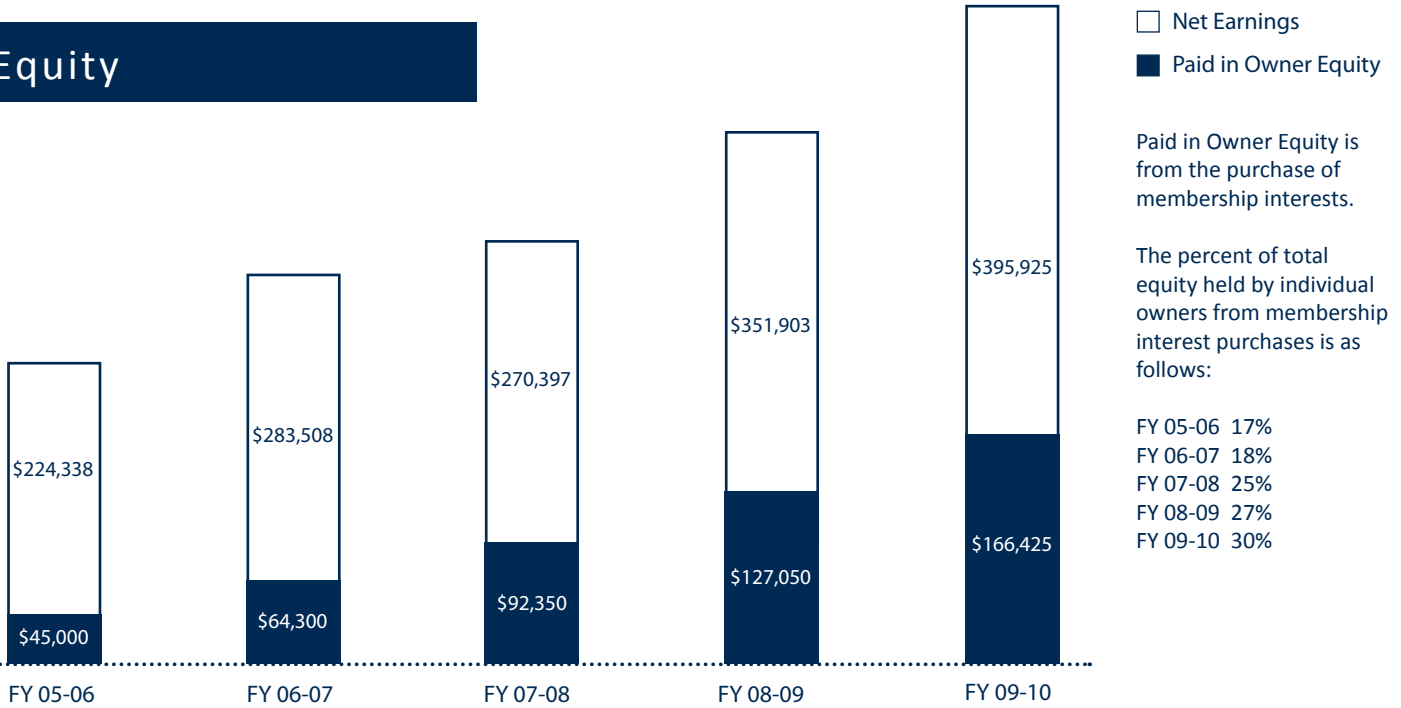
Cash Growth



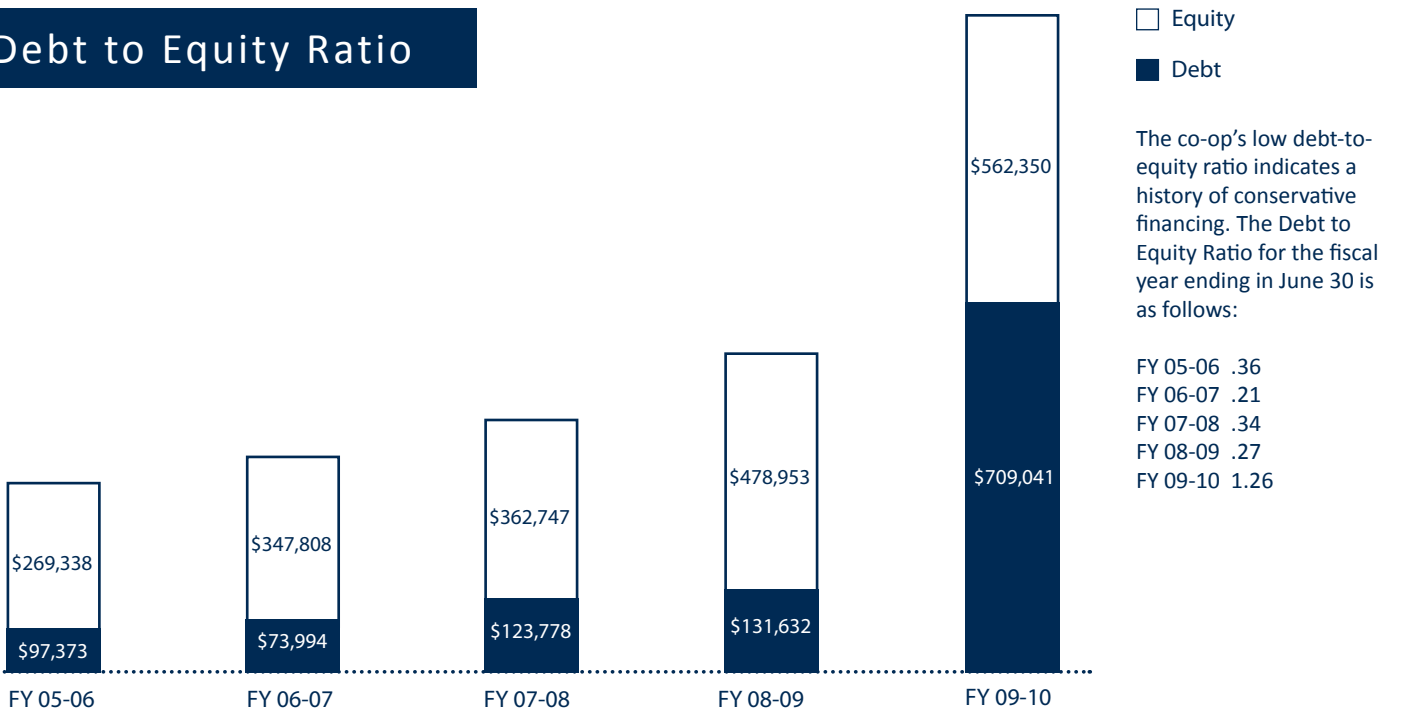
Cash has grown from \$98,807 in 2005–2006 to \$469,211 in 2009–2010. This represents a 375% increase during the past five fiscal years, the first full years operating as Three Rivers Market. ~40% of the cash as of June 30, 2010 was from member loans and held for the expansion project. \$177,077 in cash reserves was used for the down payment on land for expansion and development expenses, including architectural, civil engineering, and legal fees.

FINANCIAL REPORT

Equity



Debt to Equity Ratio



PATRONAGE DIVIDEND

The following are terms used in describing capital structure in cooperatives.

ALLOCATED EQUITY: Profits that have been allocated as equity credits to members' individual equity accounts, and are not taxable for either the co-op or the member.

CAPITAL RESERVE: Unallocated profits that are retained in the capital reserve of the cooperative, and are taxable.

RETAINED EARNINGS: Earnings that are not paid out to members as patronage refunds, and are retained in the co-op as allocated equity or in the capital reserve.

PATRONAGE DIVIDEND: The patronage dividend for a member includes both their patronage refund for the year and the allocated equity credits that were added to their equity account.

PATRONAGE REFUND: That portion of the patronage dividend (and it must be at least 20%) that is paid in cash or cashable credit to a member at the end of the year in which the profit was made. This refund is not taxable to the individual.

COMMON EQUITY: Funds required to purchase membership interests in Three Rivers Market. This equity is not a security since it is non-transferable, is redeemable only at the discretion of the board, and is redeemable only at face value.

A Fair Share Member is a Patron Member who owns at least eight (8) Patron Membership Interests. One of the most important financial rights of being a Fair Share Member is having the opportunity to share in the cooperative's net income in the form of a patronage dividend. The board of directors can elect to retain all of the net income in a capital reserve to improve the cooperative, or distribute some, or all, of the net income generated by Fair Share Members by declaring a patronage dividend.

Your patronage dividend is calculated as a percentage of a Fair Share Member's annual purchases at Three Rivers Market. To ensure that your purchases are recorded, present your member card each time you visit the store. In those years when a refund is given, the amount you receive will be calculated from the total purchases in this account. If you don't have your member card with you when you shop, just ask your cashier to look up your member number at the beginning of the transaction.

HOW DOES PATRONAGE DISTRIBUTION WORK?

This year, \$418,341 or 16.8% of the total sales at Three Rivers Market, were made by Fair Share Members. The net income from these sales, \$9,395, is the amount the board of directors is allowed by law to allocate. If any allocation is made, at least 20% must be in cash or cashable store credit. The rest can be allocated as additional equity in the cooperative. This year, the board allocated the 20% in cashable store credit and 80% in equity, retaining cash for the expansion of the store in 2011. The board has the option of distributing allocated equity in cash at a later date. Here is an example of how this works on the individual level:

At the end of the fiscal year, one Fair Share Member had made purchases totaling \$5,246.22, 1.25% of the total purchases made by Fair Share Members. Therefore, her patronage dividend will be 1.25% of \$9,395 or \$117.82. 20% or \$23.56 will be allocated in a refund and 80% or \$94.25 will be allocated in equity in Three Rivers Market. \$23.56 represents a 12% return on a \$200 equity investment in the co-op by this member, with the total dividend equal to a 59% return.

THE PATRONAGE DIVIDEND HISTORY OF THREE RIVERS MARKET

Fiscal Year End	Total Net Income Eligible for Allocation	Patronage Dividend	Patronage Refund	Allocated Equity
6.30.05	\$ 1,476	\$ 1,476	\$ 1,476	\$ 0.00
6.30.06	\$ 7,045	\$ 7,045	\$ 7,045	\$ 0.00
6.30.07	\$ 8,022	\$ 8,022	\$ 8,022	\$ 0.00
6.30.08	\$ 13,026	\$ 13,026	\$ 13,026	\$ 0.00
6.30.09	\$ 10,845	\$ 10,845	\$ 10,845	\$ 0.00
6.30.10	\$ 9,395	\$ 9,395	\$ 1,879	\$ 7,516



THREE RIVERS MARKET IN THE COMMUNITY

In this fiscal year Three Rivers Market maintained its long tradition of commitment to our community. This commitment to community reflects the cooperative values important to our Members: self-help, self-responsibility, democracy, equality, equity, and solidarity. These values guide the cooperative to positively impact our community through our practices and involvement with our Members, community and environmental organizations, and our local business partners.

OUR COMMUNITY AND THE ENVIRONMENT

As a cooperative, our first responsibility is to our members. In this fiscal year, Three Rivers Market has offered its members two kinds of discounts: a 10% volume discount (cases and shipping units of bulk commodities) and the Back 2 Basics discount (reduced prices on 99 staple food and household items). Member discounts during this fiscal year totaled \$29,176, compared to \$18,262 in the previous fiscal year.

Three Rivers Market has offered its Fair Share Members a Patronage Refund every year since 2005. The amount distributed in Patronage Refunds is determined by the board of directors and since 2005 over \$48,000 has been refunded to our members.

Three Rivers Market partners with organizations that help create and nourish a healthier environment, a healthier community, and healthier people. We participated in the City of Knoxville's Downtown North Streetscapes Committee, which assisted with a plan of improvements aimed at spurring redevelopment of those key corridors that connect downtown Knoxville with the Downtown North area, including the development of green space, bike lanes, and pedestrian-friendly features, around our new store site.

In this fiscal year we made financial and product donations to many organizations and sponsored a host of events. Three Rivers Market sponsored the Market Square Farmers Market Chef Challenge, Slow Food Knoxville's Pesto Festo, and Ijams Nature Center's Science Café. We sponsored Knox County Health Department's Healthy Eating Seminars, donating foods for their cooking demonstrations. Three Rivers Market tabled at Hollerpalooza street fair in Downtown North, and distributed water (for people and for dogs), insect repellent, and dog treats, and also gave away a Three Rivers Market gift basket. Additionally, Three Rivers Market was the hospitality sponsor for the Big Ears music festival in downtown Knoxville; in conjunction with Parkridge Neighborhood Association and the Knoxville Urban Hen Coalition, we hosted a screening of the film *Mad City Chickens*; and with the Highlander Center, we sponsored a screening of the film *Fresh*.

Three Rivers Market partners with Second Harvest Food Bank, which provides food to church pantries, soup kitchens, shelters, and programs for disadvantaged children. This year the Cooperative donated over 5.5 tons of unsalable food to Second Harvest. On days when Second Harvest cannot pick up these donations, the food is given to other community organizations, such as Food Not Bombs. This ensures that the food will not be wasted.

Aside from food donations and monetary contributions, Three Rivers Market also makes weekly donations of compost (mostly from organic produce preparation and culling) to local farms.

In our commitment to environmental practices, we continue to recycle all paper, plastic, glass, aluminum, non-aluminum metals, and cardboard accumulated in operations. As mentioned above, food waste is composted and donated to local farms. Cardboard trays from food and beverage packaging are donated to Young-Williams Animal Shelter, who recycles them as beds and litter boxes. Three Rivers Market also subscribes to 33 blocks of Green Energy from KUB per month.

Part of our commitment to environmental sustainability is our support for the use of alternative transportation. In this fiscal year, we were a partner for the Knoxville Regional Transportation Planning Organization's Smart Trips program, providing gift cards for commuter rewards. Three Rivers Market also participates in the KAT Shop & Ride program and offers a free one-way bus pass to any customer with a purchase of \$10 or more. This year we donated over 360 bus passes as part of this program.

LOCAL PARTNERS

This year we published the Three Rivers Market Quality Standards, which specifies how the Board's Ends Statement translates into the products we offer. The Quality Standards provide context to each department's product selections and also provide transparency for our Members and customers. The Quality Standards are available on our web site and in the store.

Three Rivers Market seeks to strengthen our community by building strong relationships with local business partners. Our commitment to providing local products to our customers is more than a mere preference; we actively seek out local producers and vendors and promote their items.

We streamlined the process for bringing in new local products with the development of our Information for New Vendors checklist. This one-page document lists all the information local farmers and producers need to know to sell their goods at the co-op.

In offering high quality local products Three Rivers Market makes it easy for you to keep your dollars in the local revenue stream. This strengthens the local economy, supports local farmers and entrepreneurs, and maintains the richness of diversity that local businesses offer and national chain stores cannot.

This commitment to our community is one we renew and build on each year. This year, local items represented over 14% of sales. Sales of local goods rose more than 187% over the previous year.

In addition to our commitment to local items, we assist local businesses in other ways. We provide products at wholesale prices for small local businesses, giving them the freedom to grow enough to handle their own orders from distributors.

Homer Griffith, Education Coordinator



THREE RIVERS MARKET FAIR SHARE MEMBERS

Three Rivers Market would like to thank our 1,540 Members, of whom 299 are Fair Share Members (as of June 30, 2010). Thank you also to the 877 owners not listed here, whose memberships have lapsed but who have contributed equity to our Cooperative.

FAIR SHARE MEMBERS

Christina Achilles	Dugan Broadhurst	Crista Cuccaro	Wesley Goddard
Megan Adair	David Brown	Rebecca Davidson	Desarae Goldsby
Mary Adams	David E Brown	Betty Davis	Joyce Gralak
Trish Adams	Marcia Brown	Kim Davis	Denver Graninger
Mary Alford	Jaya Bruch	Trish Davis	Karen C. Gray
J. Davis Allan	Mary Bryan	Bob Deck	Nina Gregg
Anthony Allen	Laura Bryant	Randall DeFord	Homer Griffith
Lauren Almquist	Kathy Buckingham	Connie Dickey	Ingrid Gurney
Kelli Anderson	Chris Buckner	Robert Dickson	Rosalind Hackett
Jayne Andrews	Ina Burkhalter	Ray Druschel	Thomas Haddox
Jacqueline Arthur	Ben Burris	William Dunklin	James Hagerman
Jenny Arthur	Erin Byers	M. Elizabeth Eason	Catherine Halliburton
John Askew	Graciela Cabana	Robin Easter	Becky Hancock
Jimmy Avera	Jennifer Caldwell	Robert Eklund	Monique Hanrath
Yawah Awolowo	Devon Campbell	Edythe Ellis	Sharif Harb
Karen Bailey	Denise Campbell	Mark Evans	Peggy Hardwig
Ann Barber	Paul Campbell	Jeffery Ezell	Jaime Harris
Jack Barlow	Mark Campen	Kristen Faerber	John Harris- CAC/Beardsley Farm
Sharyn Beach	Terry Cannon	Joe Feeman	Richard Henighan
Carol Bell	Maggie Carini	Joann Felsing	Leif Hietala
Charlee Bennett	Brenda Carlson	Sydney Ferrigno	R.E. Huffman
Amanda Benson	Scott Carpenter	George Fieser	Laurel Humphreys
Karen Beratta	Josh Casada	Charles Finney	Richard Hutchens
Beverly Bickford	Heather Casteel	Brad Fisher	Portia Hutchinson
Linda Billman	Barbara Chandler	Laurie Fisher	Cathryn Irwin
Thelma Bivens	Patti Claire	Nancy Fitzpatrick	Kimberly Jackson
Gabrielle Blake	Sean Claire	Ken Flanery	Lydia Jackson
Christine Boake	Sue Clark	Mary Floyd	Paul Jacobs
Jason Boardman	Steve Clark	Matt Foster	Sharon Johnson
Sally Bodenheimer	Barry Cole	Tiffany Foster	Charles Jones, Jr.
John Bohnenstiel	John Coleman	Rebecca Franklin	Ajeet Khalsa
Laura Bolton	Bill Collins	Todd Freeberg	Indya Kincannon
Cynthia Bonacasa	Ellie Colquitt	Judith Freeman	Barbara King
Gabrielle Boudreau	Kenneth Cooke	Jane French	Mark Kiser
Andrew Bowers	Mac Cooper	Emerson Fuller	Carl Klein
William Boys	Carolyn Corley	Maria Gall	Jit Koh
	Jennifer Corum	Sally Gervin	Toby Koosman



THREE RIVERS MARKET FAIR SHARE MEMBERS

Bill Kornrich	Jack Moore	Ted Richards	Ellen Veazey
Janet Kropp	Jenny Moore	Allyn Richardson	Angela Velazquez
David Lamale	Milly Morrow	Edward Richardson	Anne Victoria
Ann Lamb	Michelle Moyers	Nancy Rickenbach	Linda Wade
Chris Lavier	Tyler Mucklow	Mary Robbins	Betty Wasserman
James Lester	Sherry Murphy	Kristen Roberts	Andrew Watkins
Sara Lewis	Wendell Murrin	Teresa Rose	Brian Watson
Martha Lionberger	Mignon Naegeli	Patra Rule	Jinx Watson
Jon Livengood	Wolf Naegeli	Jessica Russell	Lige Weill
Steven Lloyd	Jonathan Napier	Lucy Scanlon	Jenny Weisent
Robert Loest	Judith Neff	Jerry Schohl	Zachary Weisfeld
Peggy Loflin	Eric Nelson	Alice Schoo-Jerger	James Whedbee
Anne Loy	Carol Nickle	Kelley Segars	Ed White
Sue Maddox	Doris Norton	Sarah Sexton	Hillery Williams
Mary Kathleen Manning	Debbie O'Dell	Colleen Shannon	Erven Williams
Jennifer Marrs	Nick Ogle	Deborah Sharp	John Winemiller
Cat Marshall	Mary Oliver	James Shaw	Julie Ann Winkelstein
Karen Mathes	Nancy Olsen	Cathy Shuck	Todd Witcher
Jyoti Maurya Brummerstedt	Gregory Ostermayr	Veronica Siehl	Birdie Wolfe
Melanie Mayes	Dan Parshall	Daniel Simberloff	Keith Woodland
Marcie McBee	Theresa Pepin	Rush Skinnell	Anne Woodle
Robin McClamroch	Janina Perez	Faye Smith	Jason Woodle
Mike McDougall	Jay Pfaffman	Carrie Somerfield	Mary Workman
Ken McFarland	Denise Phillips	Jeff Spencer	Sibyl Wray
Michele McGinnis	Candra Phillips	Charlotte Stanton	Mary Jacque Wynn
Bill McGowan	Milton Pieper	Jason Stark	Kristen Yartz
Jason McLean	Ben Pinnell	Kelly Steele	Jerri Yates
Elizabeth (Marty) McWhirter	Jesse Poore	Doris Stewart	Thea Yoder
Victoria Medaglia	Michael Porter	Dori Stiefel	Karlynn Zandstra
Annette Mendola	Betsy Postow	Katherine Stokes	
Michael Merritt	Lynn Prados	Rachel Swinney	
Rebeca Meyer	Lois Presser	Robert Tanner	
Matt Miller	Laura Lynn Purvis	Leslie Terry	
Monika Miller	Jewel Rahe	Telinda Thomas	
David Mills	Art Rall	Frances Thompson	
Pam Millwood	Marilyn Rasmusson	Malcolm Tobias	
Roz Miltenberger	Brad Rayson	Rachel Travis	
Brent Minchey	Randall Reagan	Coral Turner	
Gerry Moll	Willa Reister	James Ullrich	
Erich Montalvo	Jack Rentfro	Victoria Ursitti	
Marilyn Moon	Diane Reynolds	Mahasti Vafaie	

HOW TO VOTE: 2010 BOARD ELECTION

Voting for the 2010 Board of Directors elections begins on Wednesday, October 27 in the store and concludes at 9 PM on November 19. Votes can also be cast at the Annual Member Meeting on November 20.

Three seats for three-year terms will be filled in this year's election. Candidate statements appear on the following pages and are posted in the store.

WHO CAN VOTE?

Current Members of Three Rivers Market are eligible to vote in the Board of Directors election. To vote in the election, your membership must be active as of September 30, 2010.

WHERE DO I VOTE?

Votes are cast by paper ballot in the store during regular business hours (9:00 a.m.-9:00 p.m.) and during the Annual Meeting on November 20 at 10:00 a.m. Mail-in ballots must have your name and Member number on the outside of the envelope and must be received by the close of business on Friday, November 19, 2010, and addressed to:

Three Rivers Market
Attention: BOD Election
937 N. Broadway
Knoxville, TN 37917

HOW DO I VOTE?

Paper ballots will be located at the Board Election station at a table inside the store until Friday, November 19 at 9 p.m. You can vote for up to three (3) candidates for the three (3) open seats. After filling out a ballot, you will need to seal it in the provided envelope, and fill in the following information:

Your name as it appears in our Membership database, and

Your Member number (the last five digits on your Member card).
Ask a Three Rivers Market cashier to look up your Member number if you are uncertain.

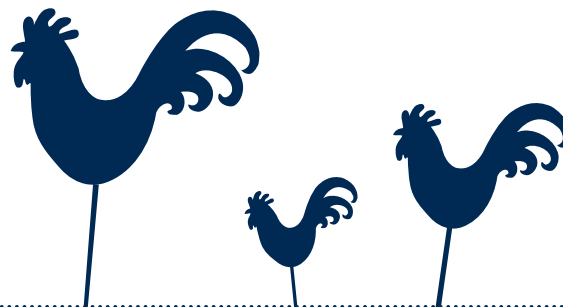
A ballot which is not in a sealed envelope or which does not include this verifying information will be considered invalid and will be discarded. Duplicates and ballots from non-members will be discarded.

Once your ballot is completed, sealed into its envelope, and the verifying information has been filled in, simply drop your ballot into the locked ballot box located by the ballots (either in the store or at the Annual Meeting). Completed ballots may be mailed to the store, but must be received by the close of business on Friday, November 19, 2010.

WHAT ABOUT VOTER ANONYMITY?

Your ballot should be securely sealed inside the envelope provided. Envelopes with voter identification information will remain sealed until the close of the voting period (Saturday, November 20 at the Annual Meeting). Member names and numbers will be used only to verify the validity of each vote received and to eliminate duplicates.

At the close of the voting period, Board-appointed ballot counters (the Member Services Coordinator, a Board Director and a Member) will separate each ballot from its envelope and put it into a collection of ballots until all successfully validated envelopes have been emptied. Only after the complete separation of ballots from their identifying envelopes will the ballot counters count the ballots.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: Gabrielle Boudreau

MEMBER NUMBER: 07626

1. Why do you want to serve on the Board?

I've benefited from being a member of the Co-op for many years and have valued it as a vital part of my community. I've seen the Co-op become a more grounded business, communicating better with its members, and becoming more active in the greater community. This is a direction that I'd like to see continue. The Co-op has always been more than a place to shop for me. I never fail to meet interesting people when I'm there, find out about community events, or learn something about nutrition and food from a very informed and educated staff. Serving on the board would be an opportunity for me to both give back and help ensure that the coop continues to grow and thrive.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

I have very strong organizational skills and work well in a team environment. I'm also good at seeing the big picture. I'm comfortable talking before large groups and helping groups reach consensus. In my current position at Oak Ridge National Laboratory, I manage a proposal system that brings scientists into our user facilities. In my work I deal with a diverse group of people from other countries, which has helped hone my communication skills.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

I served as President of the Fourth & Gill Neighborhood Board for two years and as Treasurer of the Board for two years prior to that. While serving as president of Fourth & Gills Board, I organized meeting agendas, led the meetings, and met with city and community organizers on neighborhood concerns. During my tenure as president I organized a board retreat and tried to implement long term planning for the board. In my early years in Knoxville, I had my own business baking whole grain breads for a year. The Knoxville Food Coop in its early years was one of my customers. This short period as a small business owner gave me some experience in business management and marketing.

4. What can you offer as a Board member?

I have a strong commitment to the values the Board espouses and I would work to help the Board reach its goals. I'd be especially interested in working to establish a positive foundation with the community and surrounding neighborhoods, to increase the cooperatives' membership, and to establish positive ties with community leaders. I recognize the dedication of time and energy that this position entails and would welcome being more involved.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: Tiffany Foster

MEMBER NUMBER: 12030

1. Why do you want to serve on the Board?

Cooperatives are a vital and integral part of a healthy functioning community. We are very fortunate to have a strong, thriving co-op here in Knoxville. I have been fortunate to have served on Three Rivers Market (TRM) Board for two years and have experienced the excitement and satisfaction of working through issues as TRM's membership grows and preparation is made for our expansion. I would like to help ensure that the co-op continues to grow and meet the needs of our community and I believe serving on the board is a great way to do this. I believe in TRM's mission and values and feel that I could support the Board and listen to the community and represent the interests of TRM members well. I would appreciate the opportunity.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

I work well on teams. I love working with people, learning through the sharing of ideas, and collaborating to explore solutions to important issues. I am comfortable taking both a supportive role and a leadership role on the Board.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

I currently serve on the TRM Board as Vice-chair, served as temporary Chair when needed, and have led and participated on TRM Board committees. I have been trained and have a firm understanding of TRM's Policy Governance which guides the Board. While serving on the Board, I volunteered to work on additional assignments, stayed actively engaged and fully participated in meetings, and came prepared and ready to listen and learn.

In addition to my TRM experience, I have helped create several non-profit community groups and have served on the Boards of non-profit groups.

As part of my current job, I work with communities to improve and protect water quality in streams and reservoirs. I collaborate with community members to develop long-range plans, develop mission statements, and implement projects. Through my current position and previous work as an assistant store manager, I have experience in managing large budgets, reviewing and understanding financial reports and documents.

4. What can you offer as a Board member?

TRM has given me knowledge of healthy food choices and the chance to more fully participate in my community. The Board has given me insight into the co-op and the opportunity to serve the co-op more effectively. I look forward to learning more. To benefit the co-op I bring optimism, energy, enthusiasm, and experience to the Board. I am adaptable and love to find ways to stretch our thinking and knowledge about issues to find creative solutions. I appreciate looking at the "big picture" and finding ways to tie it back in to our immediate needs. Because of my work experiences and TRM Board experience, I can provide steady guidance, commitment, and leadership. I will be ready to build on the work we have done on the Board, providing much needed continuity during our expansion.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: Wesley Goddard

MEMBER NUMBER: 01645

1. Why do you want to serve on the Board?

I want to serve on the board because I am excited to have been a part of the changes that have happened over that past few years and excited to see the changes ahead for Three Rivers Market. I have enjoyed my past years of board service seeing Three Rivers Market progress at better serving our members needs especially the progress we have made toward moving to a new store location. I want to continue being a board member because I know that other great things are possible. The Board of Directors is an integral part of everything that is possible.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

After 6 years on the board, I think my top quality is experience. I was chair for 3 years and I have been secretary/treasurer for the past 2 years. I understand our Board's form of governance (Policy Governance) and have been very involved in fine-tuning its implementation. I also think that my organizational skills are strong and have been strengthened by working with such a dynamic board and organization.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

Having been an officer for 5 years, I have been in the middle of the planning efforts for the board's work including planning long term goals and agendas, monthly meeting agendas, board retreats, and committee meetings. Planning the board's time and effort is critical to making sure we accomplish all that we want and need to accomplish.

I have also demonstrated my commitment to Three Rivers Market by making a member loan during the recent campaign. Three Rivers Market is my household's primary grocery store.

4. What can you offer as a Board member?

If elected to the board, I can offer board experience and continuity during a time of great change for Three Rivers Market.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: Natalie Kurylo

MEMBER NUMBER: 17677

1. Why do you want to serve on the Board?

This is an exciting time for Three Rivers Market and I want to contribute to the Co-op's success in the best way that I can (besides being a member and shopping at the Co-op), by giving my time and experience.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

I am detail-oriented. As a small business owner, I'm used to paying attention to the details of both short- and long-term goals. I'm also familiar with Board policies and the need to follow organizational Bylaws.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

I have a Bachelor of Science degree in Business Administration as well as a Doctor of Chiropractic degree.

I have worked in stores in other cities that carry the same or similar products as what the Co-op carries.

I am currently on the Board (Treasurer) of a local Non-Profit: the Complementary Health Education Organization of Greater Knoxville.

I own and run my own business in Downtown North, the same area where the Co-op is located.

4. What can you offer as a Board member?

I feel I have a lot to offer as a Board Member, including: attention to detail; experience as a business owner; passion for local businesses and local products as well as the principles of cooperatives; and a commitment to do my best.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: Sara Ray Lewis

MEMBER NUMBER: 17660

1. Why do you want to serve on the Board?

Three Rivers Market is a vital part of our greater community. As a cooperative, it represents values similar to my own and as a successful business it encourages my family and neighbors to uphold sustainable lifestyles. I will strengthen Three Rivers Market by representing the interests of its employees and members and by proactively working toward a better future.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

I have a deep understanding of the dynamics of Three Rivers Market and the amount of energy and attention that it demands. Because I am a buyer for multiple departments at Three Rivers Market, I know how we compare to cooperatives on a national level; this proves useful for setting feasible goals specific to our Market. As part of the co-op's governing body, I will be a dedicated and positive decision maker with a unique insight into the day-to-day operations of Three Rivers Market. My enthusiasm for the continuing prosperity of Three Rivers Market will prove indispensable to my fellow Board members as well as our community.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

For the past ten years I have contributed to small businesses and understand that to cohesively and successfully move forward one must be able to listen, maintain an open mind, and continually strive to make favorable changes. The Three Rivers Market relocation project, in which I am financially and professionally invested, demands business savvy Board members to think beyond the opening of the new store. My experience, coupled with an in-depth knowledge of the cooperative business model, confirms my ability to effectively represent the members of TRM while being an important asset to the Board.

4. What can you offer as a Board member?

As a Board member, I offer my business expertise, enthusiasm and a positive outlook. I enjoy learning new things and always embrace difficult challenges with a willingness to succeed. I represent the daily life within Three Rivers Market and know our customers and business on a level that will greatly benefit this governing body.



2010 BOARD OF DIRECTORS ELECTION: CANDIDATE STATEMENT

NAME: David Linge

MEMBER NUMBER: 10029

1. Why do you want to serve on the Board?

I have longstanding concerns for a number of issues that are addressed locally by Three Rivers Market. These include (a) social and economic inequities fostered and perpetuated by the dominant profit-driven corporate economy and the need to develop alternative, cooperative economic models; (b) the availability of safe and nutritious food at prices affordable by all people; (c) food production, distribution and preparation that are environmentally sustainable and just to all people engaged in food-related labor. TRM and its predecessor, the Knoxville Community Food Co-Op, were founded in response to these issues. I have been a member since their inception. (I shopped at KCFC on its opening day.) I was one of the guarantors of the loan that purchased TRM's present building. Now that I am retired from a career as a university professor (religious studies), I would like to devote time and energy to safeguarding and strengthening this important institution. Serving on the TRM board of directors would give me the best opportunity to do so.

2. What personal quality or skill do you have that will benefit the cooperative Board the most?

Critical, analytical thinking, including skills in writing and public speaking. Also skill in working with groups to reach consensus.

3. What have you done in the past that demonstrates the qualities or skills you think would most benefit the Board?

Over the course of several decades, I have served on the boards of a number of grassroots organizations in the areas of community economic development and social and economic justice. (a) I was a member of the four-person anti-displacement committee of the 4th & Gill Neighborhood Organization. The committee designed and established the first low-income housing cooperative in the S. E. United States. (It still exists in the 4th & Gill Neighborhood.) (b) From 1987 to 1989 I served as president of the CRA Neighborhood Coalition--a coalition of 17 Knoxville inner city neighborhood organizations that opposed the red-lining of low-income neighborhoods by Knoxville banks. (c) I just completed a three year term as co-chair of Jobs With Justice of East Tennessee, the local chapter of a national organization that advocates for worker rights and economic justice, especially for low income workers. (d) I served a term as president of the board of directors of the Fourth and Gill Gazette, a grassroots newspaper and "voice of poor and working class people" in inner city Knoxville. My avocations in vegetable gardening, bee keeping, and baking give me sensibilities would perhaps be relevant to the work of the TRM board.

4. What can you offer as a Board member?

See (1), (2) and (3) above.



COOPERATIVE PRINCIPLES AND VALUES

DEFINITION

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

VALUES

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

PRINCIPLES

Voluntary and Open Membership — Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control — Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership.

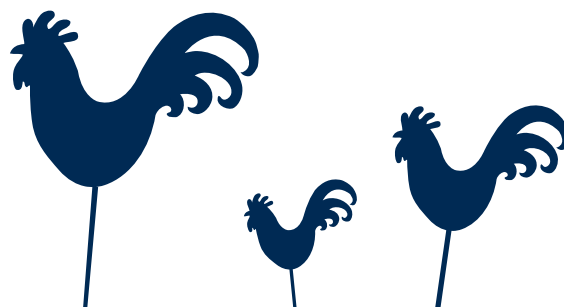
Member Economic Participation — Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence — Cooperatives are autonomous, self-help organizations. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training and Information — Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public about the nature and benefits of cooperation.

Cooperation among Cooperatives — Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community — While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



NOTICE OF ANNUAL MEETING

Three Rivers Market Members are invited to join us for the Annual Member Meeting. If you plan to attend, please RSVP to Member Services Coordinator Kristen Yartz at (865) 525-2069 or k.yartz@threeriversmarket.coop, or in the store by November 18th.

WHAT:

Join us for Three Rivers Market 2010 Annual Meeting

WHERE:

The Backroom at Remedy Coffee House – 125 W. Jackson Avenue

WHEN:

Saturday, November 20th at 10:00 a.m.
(Meeting will last approximately 1 hour)

WHO:

Three Rivers Market current Members only, please

RSVP:

To Member Services Coordinator Kristen Yartz at (865) 525-2069 or k.yartz@threeriversmarket.coop or in the store by November 18th.

