

Stockbox Neighborhood Grocery, where neighbors and good food meet.

Seattle, United States
Carrie Ferrence



Year Founded:

2011

Organization type:

for profit

Project Stage:

Growth

Budget:

\$500,000 - \$1 million

Website:

<http://www.stockboxgrocers.com>

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Project Summary

Elevator Pitch

Concise Summary: Help us pitch this solution! Provide an explanation within 3-4 short sentences.

Stockbox is the new neighborhood grocery. We place small grocery stores across urban areas to offer a local resource for fresh foods, meals, and staples in communities that don't have access to good food. Our goal is to go where the grocery stores can't and stock the food convenience stores won't.

About Project

Problem: What problem is this project trying to address?

Not long ago most communities had their own corner store, regardless of their size, location, or economic standing. But these stores have all but disappeared from communities, while the larger grocery chains have centralized in more affluent areas. This shift has created a food system where more than 23 million people in the U.S. live in a "food desert", which means they don't have access to good food where they live. This represents not only a large market opportunity but also a pressing social need, since low-income areas disproportionately face limited access to affordable and healthful foods. This places them at higher risk for chronic health issues and undermines the local economic core.

Solution: What is the proposed solution? Please be specific!

Instead of one large store, we place a network of small stores across cities so we can reach communities under served by the large chains. Inventory is focused on the fresh foods we buy most often, like milk, dairy, meat, produce, grains and meals. Stores are bright, inviting and fun - a direct contrast to nearby convenience stores. Staff are hired from the neighborhood and the selection shifts from store to store, to reflect community diversity. Our small footprint reduces overhead costs and focuses on fresh foods, which move more quickly and are more profitable than "center-aisle" products. This enables us to keep pricing in line with competitors like Safeway, so that healthful food is once again accessible in the low to mixed income communities we serve. And, most importantly, we integrate promotions, community outreach, and food education to shift existing consumer demand and reach customers who have been abandoned by the traditional food system.

Impact: How does it Work

Example: Walk us through a specific example(s) of how this solution makes a difference; include its primary activities.

Before Stockbox, Sage had to drive out of his way and out of the community, because he felt uncomfortable and unsafe taking his kids into the local convenience store to shop. Paulina did the same, because she wanted access to produce and Latin American foods, which the convenience store didn't stock. And Sue simply relied on junk food, because real food and a real grocery store were just too difficult to reach. We continue to hear from neighbors like Sage, Paulina, and Sue who are cooking more, exploring new foods, and feel like they are now part of the food system, because

Stockbox is in their community. In short, our customers love Stockbox because they can find the food they want, at a price they can afford, and with an experience they can feel proud of, in their neighborhood. Our impact goes beyond improving access to healthful foods and providing an engaging experience and education for our customers. Stockbox also supports the local economy: we have hired 4 people from the community (9 more hired this month!); we work with a range of local suppliers; and we are investing in developing retail in areas that need it most. This solution is felt not just by our customers, but also by the non-profits and public offices who now have an additional application for policy and educational support, in addition to local businesses who have felt an influx of interest in their business district. In fact, three of our neighboring businesses also made improvements to their building facades when they saw how much customers resonated with the investment we made in our store.

Impact: What is the impact of the work to date? Also describe the projected future impact for the coming years.

Stockbox launched with prototype in 2011 and opened our first store in 2012, which serves a neighborhood that is geographically cut-off from essential resources. We are now working to open our second store, which will serve one of the most dense and diverse neighborhoods in Seattle, along with two large public housing properties. With these two stores, we will have created 13 community jobs, supported 15 local suppliers, and improved access to good food for about 23,000 residents. By year 5, we will have opened a network of stores in the Seattle region, enabling us to expand into additional regions with even greater need. We measure the impact of our work via price accessibility of our products, community members hired, local suppliers supported, and educational events hosted. The value of our projected triple bottom line impact at the end of year five approaches \$20 million.

Sustainability

Financial Sustainability Plan: What is this solution's plan to ensure financial sustainability?

To date, we've raised \$930k and are now raising another \$500k. To hit this goal, we're working with investors on equity options and donors on grants/charitable contributions, through our fiscal sponsor. But our biggest priority is to make the stores financially sustainable and scalable. Long-term, there's potential for 30 stores in the region but we only need 4 stores to hit break-even at scale and prepare to expand into additional markets.

Marketplace: Who else is addressing the problem outlined here? How does the proposed project differ from these approaches?

The reality is that grocery chains are too big to focus on isolated and low-income urban areas; the existing neighborhood groceries are often specialty/high-end markets or are single locations, not designed to scale; while convenience stores focus on non-grocery items like cigarettes and junk food. Stockbox addresses the need by serving neighborhoods that are ignored by large chains because of their size, location, or economic standing. We make healthful and fresh foods accessible in convenience and price. And, by working closely with government and non-profit partners, we integrate community-building and food education to rebuild our customers' connection to food.

Team

Founding Story

Stockbox started as a graduate school project for a group of students who were passionate about food and community development. We looked at what others were doing in the food access space and decided to expand on the work of mobile markets. We discovered that many of these markets were initially successful but then struggled to maintain customer commitment. This is because customers were looking for a permanent option (it could be difficult to align your shopping needs with the schedule of the truck) and a larger selection of food (most mobile markets only sold produce). So, we decided to "take the wheels" off the mobile market and create a permanent resource for fresh food that went beyond to produce to include the fresh foods we buy most often. Our "aha" moment was when we realized how many communities were ready for a change in the way they shop and how much potential there is to work with non-profits and local governments on food education, policy changes, and community development.

About You

Organization:

Stockbox Neighborhood Grocery

About You

First Name

Carrie

Last Name

Ferrence

Twitter URL

www.twitter.com/stockboxgrocers

Facebook URL

www.facebook.com/stockboxgrocers

About Your Organization

Organization Name

Stockbox Neighborhood Grocery

Organization Country

, WA, Seattle, King County

Country where this project is creating social impact

, WA, Seattle, King County

Has the organization received awards or honors? Please tell us about them

2011: University of Washington Business Plan Competition - 2nd Place Overall and Best Idea for Retail
2011: Bainbridge Graduate Institute Business Plan Competition - 1st Place Overall
2011: Healthy Foods Here grant recipient
2011: Herbert B Jones Foundation Milestone Awards
2012: Seattle Weekly Voracious Award
2012: invited to the White House twice
2012: selected as Echoing Green fellows
2012: SIFP Fast Pitch, semi-finalists
2012: Seattle Angels Conference, finalists

Nutrients For All

Where do you ensure the availability of nutrients?

Full nourishment foods, Human wellness and vitality.

If you had greater capacity, which additional sectors would you like your solution to target - either through expansion, partnership, or thought exchange?

Healthy environments, Nutrient-rich farming.

How specifically would this added capacity help you improve the quality, efficiency, or sustainability of your existing product or service?

Stockbox can now offer local and organic products by keeping operating costs low and focusing on higher-margin fresh foods. We can further improve this access by improving our back-end inventory management to support small supplier relationships and increasing efficiencies in inventory design. In addition, many communities in which we work also face pressing environmental concerns because of their proximity to manufacturing and industrial bases. We can support the amelioration of these concerns by more actively supporting community efforts and our non-profit/public partnerships.

Source URL: <https://www.changemakers.com/nutrientsforall/competition/entries/stockbox-neighborhood-grocery>