A NEW WAY TO HUNGER UTICA, NEWYORK





ABOUT US

In the United States, up to 40 percent of the food is never eaten, yet an estimated one in eight Americans are food insecure. Meanwhile, companies like Amazon are actively contributing to the food waste issue in a great capacity, and it is truly a shame. The issue of food waste in America has the potential to exacerbate food insecurity. One grocery store is working to combat both issues.

Bargain Grocery opened in 2002 in Utica, a city in upstate New York where 31 percent of the population lives below the poverty line — about double the average for New York state. In Oneida County, where Utica is located, 12.2 percent of the population is food insecure — that's roughly 28,300 people.

At Bargain Grocery, our motto is "Shopping with a purpose, for a purpose," as the profit made by the grocery store goes directly to fund the nonprofit entity, Compassion Coalition. In buying affordable, fresh, healthy food that may otherwise have ended up in a landfill, shoppers are not only helping themselves, their family, and the environment, but the community as a whole.

Thanks to Bargain Grocery shoppers, Compassion Coalition is able to donate over \$20 million per year in products for the community, including furniture, mattresses, personal products, and food, and we operate a pop-up grocery store that provides free, fresh food at elderly housing facilities. Bargain Grocery also funds Equipped to Teach, Compassion Coalition's teacher free store where local teachers can choose top-quality school supplies they need for their classrooms, at no cost to them. This is crucial for students and teachers alike, as 94 percent of teachers in the U.S. spend money on classroom supplies without reimbursement.

A 2015 study by SNAP showed Bargain Grocery helped customers obtain 30 percent more product than at a large-name grocery chain. This allows people to have the dignity of shopping for themselves, choosing items they want, and can afford. Since then, we've expanded from our original 1,200 square foot store into a 13,000 square foot location, allowing us to provide more fresh food for those in need, and save perfectly good food from being wasted. We've also added a kitchen, where we prepare healthy and delicious meals for customers to grab and go — ideal for those who may not have the ability to cook their own food, and were previously relying on unhealthy frozen meals and processed foods. Whatever fresh food isn't sold is donated to local pig farmers, to keep it out of landfills.

In addition, Bargain Grocery hires people who have barriers to employment, including refugees, people with disabilities, and those who overcame addiction issues. Over the last four decades, Utica has welcomed more than 16,000 refugees from over 30 countries. In giving these people an opportunity to work, we are furthering our goal of helping all of those in the community life happier, healthier lives.

Bargain Grocery runs on a unique business model that tackles food waste and food insecurity, while the profits benefit the nonprofit organization that donates product back into the community. This is independent of government assistance, meaning we can direct the funds and products where there is a need, without having to follow restrictive guidelines.

In this packet, you'll find press, including a video of founder and CEO Mike Servello explaining the business model on Fox Business, along with testimonies directly from those in our community we work hard to help each day.



<u>Interview with Mike Servello, Sr., Founder and CEO, Compassion Coalition</u> - Hunter College NYC Food Policy Center

Inside Your Bargain Grocer in West Utica

- The Observer Dispatch | YouTube

See inside new Your Bargain Grocer in West Utica

- The Observer Dispatch

<u>Compassion Coalition opens Equipped 2 Teach store for teachers</u> - Rome Sentinal

<u>Utica 'store' offers free school supplies for teachers</u>

- The Observer Dispatch

FOX BUSINESS



"Pastor started a salvage grocery store to pay for his nonprofit"

CEO Mike Servello Sr. was featured on a segment on FOX Business, accompanied by a writeup on FoxBusiness.com

"CEO Pastor Mike Servello discusses his food store that was founded on the idea of helping those who were on food stamps and in economic despair. FOX Business' David Asman and Kristina Partsinevelos, former investment banker Carol Roth, chief executive of Forbes Media Steve Forbes, FOX Business contributor Gary Kaltbalm and Compassion Coalition founder discuss."

PRESS ACCENT MAGAZINE



Discount Grocery Shopping With A Purpose BY TENNILLE-LYNN MILLO Establishing a non-for-profit Struggling to create an to Servello and he would

BY TENNILLE-LYNN MILLO PHOTOS COURTESY RACHEL DAUGHTRY

Since 1999, Compassion Coalition, Inc. has been working to alleviate poverty throughout Herkimer and Oneida Counties. Providing the needy with clean, new mattresses, warm clothing, proper footwear, sustainable food, and a source of hope, has touched countless lives throughout our area. However, establishing itself among several other non-for-profit agencies in the area wasn't easy, nor did it move along as quickly as the organization had hoped.

Establishing a non-for-profit agency generally consists of waiting for handouts from the government, applying for numerous grants, and continually asking for donations. The process comes with a great deal of wait time, roadblocks, and more than a few "no's." When there are individuals in front of you in dire need of a safe place to stay, a warm bed, or an insulated jacket, yet there's a lack of resources to help them in a timely manner, the journey can become discouraging. For Mike Servello, CEO and founder of Compassion Coalition, those roadblocks empowered him to take matters into his own hands.

Struggling to create an agency designed to bring people hope, Servello was awakened by what he calls a "God idea." Having spent the majority of his life inside a grocery store, Servello knew two facts. First, there is an angle to selling food products at a discounted rate. Second, 40% of food in America is wasted. If Servello could obtain those products and offer them to people at half or a quarter of their cost, he could use the proceeds to fund the Compassion Coalition.

Servello contacted a few vendors he'd previously worked with and struck up a deal. They would sell, or donate, their excess produce

ond, it as things came in. People would show up and pick up a box and we'd be done for the

the public.

week. But the more I became involved and reached out to vendors, the more I saw how much product was available and going unused. These were products people in our community could use."

give the products to the less

fortunate and sell the rest to

"Nobody believed in us,"

Servello said. "But I knew this

coalition and began stocking

would work. I set up a little

freezer in the back of the

Servello's concept of creating a locally-run, inner-

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FEATURE

city grocery store, whose prices were set to benefit the shopper, seemed crazy to others. However, the more products he noticed sitting on the shelves, discarded by stores because they were slightly damaged or too close to their expiration date, the more potential Servello saw.

His small cooler quickly expanded into a large freezer, which held whole turkeys, chickens, waffles, and hamburger meat. The sales generated from the added freezer provided funds for larger refrigerators and shelving space for additional products. By the end of Servello's second year, Compassion Coalition had become the first selfsustaining non-for-profit agency in Central New York. It also became a barrier employer. People with disabilities, and other disadvantages that prevented them from obtaining work, were now excelling at their jobs.

Unlike typical grocery chains who work with major wholesalers for their inventory, Servello was dealing with individual vendors. The only drawback was inconsistency; the staff at Compassion Coalition never knew which products vendors would be filing up their trucks with until they arrived.

In 2015, Rachel Daughtry, Director of Agency Relations, decided to turn the spotlight on the grocery store, now appropriately named Your Bargain Grocer. Daughtry began streaming live videos of the fresh produce arriving on their trucks through social media. Suddenly, people perusing Facebook saw cases of farm fresh eggs being sold for \$.79, name brand ice cream selling at two for \$1, and organic meats, cheeses,



A young boy helps his father pick out a ripe piece of fruit.

and yogurts discounted at an unbelievable rate.

Daughtry began targeting the middle and upper class. She'd post outrageously low sale prices, recipes for unusual items that they'd receive, and, most importantly, she'd explain what Your Bargain Grocer was doing. Individuals were getting a behind-thescene look at how shopping here benefited the needy, as well as their own households, area schools, and youth programs throughout Oneida County.

"I knew if I showed the surplus of quality products we had available that everyone would eventually want to shop here," she said. "Families who maybe couldn't afford to get both a container of strawberries and blueberries, because they're so expensive in today's market, could now come here and get both of them and still be under their budgeted grocery expense." Gaining 7,500 followers in less than six months shed a different light on Your Bargain Grocer. Local companies such as Dino's Sausage, Utica Coffee Roasting, and Piacentino



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An employee stocks the shelves with a variety of fresh produce that would ordinarily be thrown away if not for the Compassion Coalition and Mike Servello.



Farms, began offering their products there. Trucks, once arriving once a week, were now flowing in three times a week, and people from every income level were lining up to take advantage of the deals that awaited them.

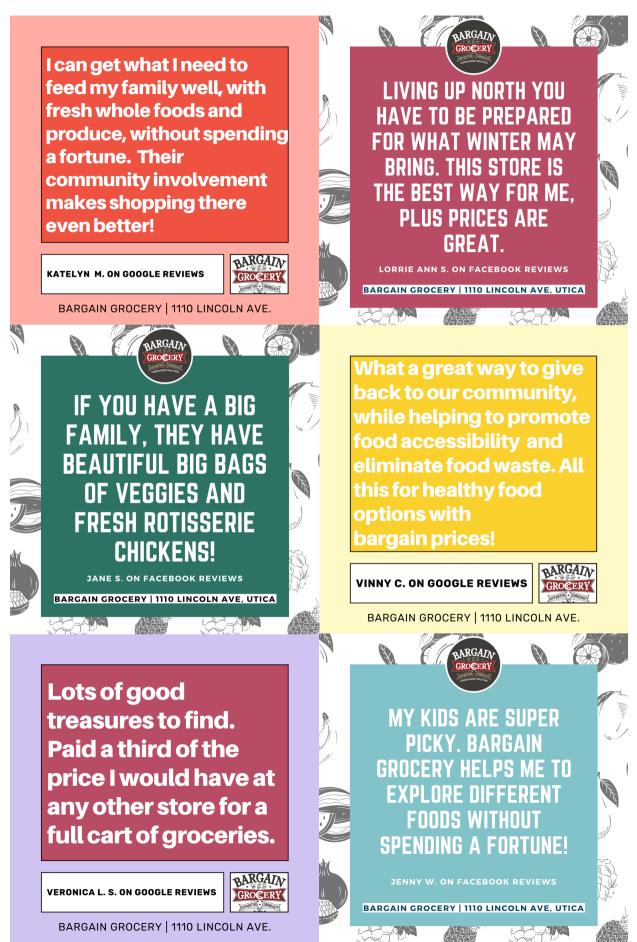
"We're located in a food desert, which means there's no grocery chain within a mile. That means residents at Kennedy Plaza, and around West Utica were going to bodegas for food," Daughtry said. "Now we bring them fresh, salvageable goods that allows them to feed their families in a healthy manner. The Compassion Coalition's mission is to help with hunger and need. I believe we're meeting those expectations, while helping hard-working families who still need a little help, too."

To date Compassion Coalition has aided over 30 schools in central New York. They've stocked them with book bags, school supplies, healthy snacks and even gifts like coloring books and puzzles, so that every child has the means to receive something over the holidays. Last year, Compassion Coalition distributed over \$800,000 worth of giveaways to Utica schools, Kids Oneida, and the House of the Good Shepherd.

"We are one of the largest self-sustaining agencies," Servello said. "We give away \$20 million in product value because of this store. People can now shop with a purpose. They're not just feeding the families inside their own home, they're essentially feeding families outside of their home who could potentially go hungry. They're shopping here and reinvesting in their community. People can look at our agency and know that we're not here to make money, we're here to help." A

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TESTIMONIALS



FOLLOW Along

Compassion Coalition

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