The Cambridge General Store

How a rural community can step up and change the direction they were destined to go

November 29, 2010

- Date Cambridge was informed the local Duckwall Store would close in 6 weeks
- There was disbelief among the community members that this was happening
- Two members of the Economic Development Board met to discuss what to do next
- Someone with retail experience was needed to help them understand what needed to be done and how

Next 2 Weeks

- Talking to chain operations like Dollar General
- Talking about what we envision the new store to be like
- Talking to hardware and variety vendors
- Discussing ownership models—single investor, small group of investors, cooperative, and community owned

Next Step

- It was time to find out if we were on the right track and bring community members up to date
- Community wide meeting on December 22nd, just over 3 weeks since notice was given
- Thought there would be around 50 people show up at the meeting, had over 225 people
- Response was very favorable to the concept we were proposing

First Investor Meeting

- Was held on January 3, 2011
- Expectations were again exceeded as over 125 people attended
- Investment minimum was $500 and could invest more in $500 increments
- It was stressed over and over at this meeting that investment could be at risk
- At end of meeting we had close to $50,000 in hand

Investment Goal

- We wanted to raise $250,000
- $175,000 was the mark to reach before we moved forward with the project—had this in less than 3 weeks
- A total of $262,000 was raised from 126 investors
- Investment levels ranged from $500 to $10,000, most in the $1000 to $2500 range with local investment club adding $40,000

The Cambridge Clarion

- For a project like this we knew the local newspaper could be an asset
- Provided the paper with information and news releases
- This helped keep the public informed and resulted in excellent buy-in
- The Clarion helped build the excitement as we got closer to the Grand Opening

Organizational Meeting

- February 3, 2011, Cambridge Variety Store LLC became official with meeting of investors
- Elected a 7 member Board of Managers
- This included the 3 of us that had been working on the project
- Board consists of business owners, managers, accountant, and bank officers

Next Steps

- Hired our manager
- Cleaned up store
- Painted walls and touched up fixtures
- Changed light fixtures to more energy efficient T-8 bulbs
- Created policy manuals
- Had a store naming contest

Getting The Store Open

- I worked with our manager deciding on who our vendors would be
- Once the vendors were chosen the merchandise had to be ordered
- Had to coordinate the arrival of the merchandise
- Had to get the shelves stocked
- Spent time researching POS systems

Grand Opening

- Held on May 18, 2011, less than 6 months after notice was received about the store closing
- Was done in two steps
- The night before, on May 17th, held a special opening for the investors
- This was the 2nd Duckwall store to reopen, the first was in Iowa by a single investor

Why Was This Project Successful

- Current Duckwall Manager wanted to stay
- City owned the building and was willing to work with us (reduced rent)
- The local Duckwall store had been profitable
- Opportunity to address missing retail needs in the community
- Purchased all the fixtures for $4000
- Are operating debt free
- Desire of community members to keep the store

The Next Steps

- First year sales should top $500,000
- Need to become as profitable as possible as there is a need to expand to meet the needs of our trade area
- Analyze sales and profits per department so we can fine tune the merchandise selection
- Expand our special order opportunities
- Increase our market share of local customers
- Reach out to customers out of our trade area