



## West Virginia WIC Vendor Advisory Board Meeting Notes

May 10, 2018

**Participants:** Tina Brandeberry (Ohio Valley Supermarkets), Caitlyn Britel (State WIC Vendor Compliance Liaison), Vanessa Cook (Save A Lot), Ronda Davis (Mid-Ohio Valley WIC), Dorinda Deem (Mid-Ohio Valley WIC), Sherri Easter (State Vendor Authorization and Monitoring Specialist), Denise Ferris (State WIC Director), Nicole Gaines (Mid-Ohio Valley WIC), Craig Hanson (Wal-Mart), Sue Hines (State WIC Vendor Operations and Training Specialist), Michelle Keeling (Kroger), Heather King (Valley Health WIC), Debra Lester (Ceredo Foodfair), Jodi Kyle-Morgan (Randolph-Elkins WIC), Heidi Staats (State WIC Vendor Manager), Cindy Tanner (State WIC EBT Coordinator), Barbara Thomas (KVAT/Food City), Steven Vernick (Vernick's Country Corner), Emma Walters (State WIC Nutrition Education Coordinator)

### Results:

- Interactive small- and large-group discussion concerning New WIC Vendor Minimum Stock Requirements and Exemption Requests.
- Discussion concerning new Peer Group Classification System.
- Breakdown of new Policy Updates
- Interactive small- and large- group discussion concerning new WIC Shopping Guide with recommendations for edits.

**Opening and Welcome:** Denise Ferris, Director, Office of Nutrition Services welcomed attendees to the meeting. She provided an overview of the WV WIC Program. She also mentioned the opportunity for retailer representation in the development of a West Virginia Obesity Plan, and an upcoming Southern States' Obesity Conference. Heidi Staats, Vendor Manager, WV WIC Program reviewed folder contents and facilitated introductions of all attendees.

**Review Agenda, Consensus Decision-Making, and Mutual Understandings:** Heidi walked participants through the day's agenda within the context of the need for an Advisory Board. Consensus decision-making and the use of 'thumbs' to express personal positions related to group decisions was introduced. The following mutual understandings were presented to the group as parameters for individual conduct.

- Stay focused and on task - use "parking lot"
- Be positive and solution oriented
- Everyone has the chance to participate
- Respect others views and opinions
- Be creative, flexible and energetic
- Have fun and get it done!!!

**Minimum Stock Requirements:** Participants were divided into three small groups. They were asked to use the following handouts:

- Minimum Stock Requirements and Allowable Exemptions (Policy 8.11)
- Minimum Stock Requirements per Proposed Peer Groups

Participants were asked to discuss and comment on: 1) Strengths and Opportunities outlined in P & P 8.11, 2) Vendor concerns with proposed minimum stock requirements and/or exemption requests; 3) Potential WIC Customer complaints resulting from proposed minimum stock requirements and exemption requests, and 4) Recommendations, Resources Needed or Additional Questions.

Group 1:

<b>Strengths and Opportunities outlined in P &amp; P 8.11</b>	<b>Vendor concerns with proposed minimum stock requirements and/or exemption requests</b>	<b>Potential WIC Customer complaints resulting from proposed minimum stock requirements and exemption requests</b>	<b>Recommendations, Resources Needed or Additional Questions</b>
<p>Gives opportunity to not lose customer by having 72 hours to get item in.</p> <p>Allows vendors to save money by not being required to stock items that don't sell.</p> <p>If you can't get product within 72 hours, contact State and they step in with help to participant.</p> <p>8oz. cheese! Some customers don't get cheese because can't use. Frozen and canned fruit and vegetables "Added Option."</p>	<p>Can't get formula within 72 hours unless going to another store.</p> <p>Owner wants all 3 stores doing exact same items so don't like the per store exemption.</p> <p>Participants not knowing what's eligible and/or on their card.</p>	<p>Vendors having formula they need; having to wait.</p>	<p>Extension on 72 hours if needed.</p> <p>Participant education to let them know to let vendors know.</p> <p>Help participants download App.</p>

Group 2:

<b>Strengths and Opportunities outlined in P &amp; P 8.11</b>	<b>Vendor concerns with proposed minimum stock requirements and/or exemption requests</b>	<b>Potential WIC Customer complaints resulting from proposed minimum stock requirements and exemption requests</b>	<b>Recommendations, Resources Needed or Additional Questions</b>
<p>Something always on shelf with minimum stock</p> <p>Some variety</p> <p>Keeps loyal customers</p> <p>Exemption option will help small vendors</p> <p>Reductions in losses</p> <p>May help in struggling with formula losses</p> <p>May meet food desert needs</p> <p>Class 5 – Only need to carry canned fruit/vegetables</p>	<p>Smaller stores may have problem with 72 hour deadline.</p> <p>Powdered formula raises cost of inventory</p>	<p>Store not carrying enough formula</p> <p>72 hours – Customer may go other places</p>	<p>How do vendors request an exemption?</p> <ul style="list-style-type: none"> <li>-add exact way to start process in policy</li> <li>-Craig (Wal-Mart) recommends a website link for exemption requests</li> </ul>

Group 3:

Strengths and Opportunities outlined in P & P 8.11	Vendor concerns with proposed minimum stock requirements and/or exemption requests	Potential WIC Customer complaints resulting from proposed minimum stock requirements and exemption requests	Recommendations, Resources Needed or Additional Questions
<p>Mr. Vernick: This looks good. We don't have many women with children in the area anymore.</p> <p>Consensus: The vendors like the new minimum stock requirements. If the larger vendors in the area are able to sell the smaller stores the minimum stock requirements, they should be fine. They (Peer Group 5 vendors) appreciate not needing to purchase entire cases of stock when it would result in a financial loss.</p>	<p>N/A</p>	<p>The 72-hour waiting period is potentially inconvenient for participants, but at least they will still be able to receive their items.</p> <p>Participant access is an issue. Mr. Vernick says a lot of people do not have vehicles and come to his store on 4-wheelers.</p>	<p>Group members suggested providing pamphlets to put at the cash register or with the sales fliers advertising WIC.</p>

The work of the small groups along with the comments of all other participants during large group discussion yielded a consensus of approval with recommendation to implement these minimum stocking requirements effective October 1, 2018.

**Peer Group Classification:** Heidi reviewed the culmination of the discussion on Peer Group Classification from the August 2017 meeting. The system used to come up with the proposed six (6) Vendor Peer Groups is as follows based on the "Vendor Peer Group Classification System" handout provided at the meeting.

**"Our goal: A peer group system which best accounts for differences in the composition of vendors within a class while still maintaining overlap in food cost between classes.**

**Condition #1:** Current cost containment rules require at least two peer group criteria be used to define peer groups and one of these must be geography-based.

**Condition #2:** Group stores in terms of characteristics that are known to be correlated with food costs and other business practices that ultimately predict vendor prices (or demonstrate a correlation with those costs).

**Condition #3:** Minimize both the overlap of mean food prices between peer groups and the influence of individual vendors on mean food prices within a peer group.

**Condition #4:** Peer groups should contain at least 30 vendors since this increases the likelihood that the prices of the vendors in the group will approximate a normal distribution.”

### DESCRIPTION OF PROPOSED VENDOR PEER GROUP SYSTEM

Vendor Peer Groups					Average Food Basket Cost (Child's Package) based on redemption	Min Food Basket Cost (Child's Package) based on redemption	Max Food Basket Cost (Child's Package) based on redemption
Peer Group No. (1)	Description (e.g., supermarkets, chain stores, pharmacies) (2)	Number of Vendors in Peer Group					
		Regular Vendors (3)	Above - 50% Vendors (4)	Total (5)			
1	<b>Mass Merchandiser</b> Retailer that sells a wide variety of merchandise but also carries groceries and owns a distribution center	38	0	38	\$36.85	\$32.69	\$40.96
2	<b>Large Rural Chain</b> Retailer that primarily sells groceries, has own distribution center, and operates in 2 or more states. Store located in population area >10,000	49	0	49	\$43.52	\$35.05	\$50.74
3	<b>Small Rural Chain</b> Retailer that primarily sells groceries, and orders from a corporate distribution center. Store located in population area 9,999 - 2,500	41	0	41	\$42.76	\$33.21	\$51.03
4	<b>Isolated Chain</b> Retailer that primarily sells groceries, and orders through corporate distribution center. Store located in population area <2,500	55	0	55	\$43.58	\$35.23	\$51.96
5	<b>Rural Independent Grocery</b> Retailer that primarily sells groceries and does not own a distribution center.	33	0	33	\$48.88	\$42.84	\$56.28
6	<b>Isolated Independent Stores</b> Retailer with a limited assortment of grocery items and uses third-party distribution center.	50	0	50	\$54.14	\$11.97	\$72.06

## Policy Updates and 2018 WIC Approved Food List

Heidi shared that Policy & Procedure 8.03 Participant Access Assessment is currently at the regional office for review and approval. However, all recommendations made at the August 2017 Vendor Advisory Board meeting were reflected in the final draft.

A reminder that shelf tagging is becoming mandatory with all tags in place by January 1, 2019. Retailers stressed the desire to avoid the busy holiday season when implementing new expectations. WIC Vendor Unit will be in stores assuring tagging is correct, or getting tagging set up in stores October, November and December 2018. However, State WIC Office agreed to implementation date revision to February 1, 2019.

Reviewed the New Food List Education Tool. Retailers like the format and feel this is much more helpful than one large letter. They also agreed with deletions being on a separate page instead of by food category. State Office agreed to this revision.

Participants worked in three (3) small, mixed groups with the goal to create a WIC Approved Shopping Guide which will be of the greatest benefit to the participants and vendors. Each group was given a section of the new WIC Approved Shopping Guide for review and suggested revisions. They were provided the following handouts:

- WIC Approved Shopping Guide – Effective October 1, 2018

See Attachment 1 large group consensus recommendations.

**Next Steps:** The purpose of 'Next Steps' is to highlight the tasks, persons responsible and timelines identified within the meeting. Some tasks, persons responsible and timelines may be found in the body of the notes. However, every attempt should be made to repeat the tasks, timelines and responsible parties in the 'Next Steps' section of the notes for ease of reference and accountability by all staff.

- Heidi will develop meeting minutes and send to attendees, all WIC Vendors and Local Agency Directors by 5/31/18.
- The 3<sup>rd</sup> Annual Vendor Advisory Board meeting will occur March 20, 2019. The meeting will be hosted by Mid-Ohio Valley Health Department WIC Program at 211 6<sup>th</sup> Street, Parkersburg, WV 26101.
- Per request of several corporate retailers, Vendor Advisory Board quarterly phone calls will be piloted beginning July 19, 2018 at 9:30 am and continue in FY 2019 (October 18, 2018 and January 17, 2019) to offer the ability of all vendors to stay up to date on status of policy and procedure changes recommended by the Board as well as federal or state regulation changes which could influence vendor operations.
- Policy & Procedure 8.11 Minimum Stock Requirements and Allowable Exemptions will be revised to reflect process for requesting an exemption then submitted to the Mid-Atlantic Regional Office (MARO).
- Vendor Management Unit will assess definition of each peer group classification to consider business model, and pairing like structured retailers. Once appropriately

reflected in product redemption prices then submission to MARO in hopes of October 1, 2018 implementation date.

**Parking Lot:** The purpose of the parking lot is ‘park’ important ideas, thoughts and concepts that need attention, but are not within the scope of the current meeting. Participants should plan time for addressing the issues on the parking lot in a way that is meaningful and timely for the group. The following issues were placed on the parking lot at the meeting.

- WIC outreach in grocery stores (lanes, ad racks, etc.)
- How to educate participants and local agencies on getting products within 72 hours
- Share redemption data and food package prescriptions with vendors
- Include statement on Vendor listing to ask for manager to order products
- Shelf tagging expectation moved to February 1, 2019 to avoid busy holiday season
- May 2018 to release excel APL file
- Wording in decals, i.e.: “Proud WV WIC Vendor”
- Confirm number of times one may enter their PIN before account is locked

**Check Out:** Participants were asked to share what went well with the day’s meeting and what they recommended changing in order to improve future meetings. Participants used individual index cards to share their thoughts. Following are the group’s collective responses. This information can and should be used by participants to guide them in shaping the direction and tone of their meetings, as well as by the facilitator to improve future meeting planning and delivery.

+ What Went Well?	Δ What would you change?
<ul style="list-style-type: none"> <li>• Well organized</li> <li>• Nice blend of small group vs large group</li> <li>• Good information</li> <li>• I thought everything went well; no problems</li> <li>• Great discussions on lists</li> <li>• Learning about new items</li> <li>• Wording is very important</li> <li>• Got to hear different perspectives; vendors vs WIC (locals)</li> <li>• A lot of good information</li> <li>• Very well organized</li> <li>• Promoted team engagement</li> <li>• Allowed to see different perspectives</li> </ul>	<ul style="list-style-type: none"> <li>• A lot to cover in 1 day</li> <li>• More man food</li> </ul>

<ul style="list-style-type: none"><li>• Excellent meeting</li><li>• By far, the best WIC Advisory Board meeting I've attended</li> <li>-Really "listened" to retailers</li> <li>-Did not let any one person dominate</li> <li>-Felt more like a partnership between WIC and vendors to better serve participants</li> <li>• Like the Peer Groups – very fair</li><li>• Really like "exemptions"</li><li>• GREAT communications!</li><li>• Small Groups!!</li><li>• Liked small group work</li><li>• Lunch</li><li>• Materials thorough and organized</li><li>• Well paced – start/end on time</li><li>• Very well organized</li><li>• Great lunch!</li><li>• Small group with vendors are always helpful, coming from Local WIC standpoint, in knowing what they think the clients have trouble with so we can do more participant trainings.</li><li>• I love coming to these meetings. I really enjoy the information I receive and the fact that we all have a voice.</li><li>• Great discussions</li></ul>	
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