



HGA <i>is</i> for me. Please send information and stop by my store s
Store Name:
Address:
Zip:
Phone:



### HGA Brings Your Hartford Neighborhood Grocery Store

A consistent best delivered price,

### and

- •a way to monitor it
- Access to information cruicial to both the success of our businesses and the strength of our community
- More sales through joint advertising and movement of competitively priced products
- •Access to a network of public and private business support
- •Control over those forces that have exploited our past division and isolation
- •A mutually beneficial and respectful relationship among ourselves and our vendors



# Strength in our numbers and in ourselves



HGA c/o Hartford Food System, 509 Wethersfield Ave., Hartford, CT 06114, 249-9325 (Anne Whitt, Glen Lawrence, Carlos Salmon, Clinton Reid – Coordinating Committee)

## WHY A Hartford Grocers Association

### AS SMALL BUSINESS PEOPLE

serving communities throughout Hartford, we want to offer a quality product at competitive prices.

**TOGETHER**, we buy millions of dollars of grocery products each year, just like a large supermarket.

**VOLUME** gets supermarkets lower prices, advertising and technical assistance, as well.

collective Buying brings us the power to better our businesses and better serve our customers.



## Hartford Grocers Association brings Big Business benefits into *your* business

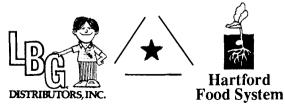


There are more than 100 neighborhood grocers in our city. We buy from the same vendors and share the same concerns about sales, expenses, insurance, security, and providing for our families.

Our needs are HGA's concerns

### HOW HGA Works for You





LBG Distributors of Hamden, CT delivers to each HGA member a full line of grocery, frozen, and HBA products at its best delivered price, already the lowest among its competitors. Each store handles its own ordering, receiving, and payments with LBG.

LBG considers all the products HGA members buy on special manufacturers deals as a group purchase which generates thousands of dollars each month in rebates.

Income earned by HGA through rebates will cover advertising costs, some organizational costs, and be distributed among HGA members according to respective volume.

The Hartford Food System helps coordinate advertising, brokers other wholesale volume deals, monitors agreements and assists merchants with organization and business development.

## The Hartford Courant

Established 1764, Daily Edition, Vol. CLIII No. 75

Friday, March 16, 1990- 6 Sections

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### Smaller grocers band together to compete with chain markets



■ Glen Lawrence, left, owner of the Kwik Stop Variety store on 2543 Main St. in Hartford's North End, tends to his shop. His and other stores have formed a group to buy their stock together to get lower pricing.

By ANITA M. SELINE Courant Staff Writer

At first glance, Glen Lawrence's Kwik Stop Variety store in the North End offers all the goods found in a self-respecting convenience store.

Boxes of cereal, cans of chili and bottles of fruit juice line the shelves, all bearing prices a little higher than those a shopper might see at a large supermarket.

Lawrence and owners of six other area small markets know that it is tough to compete with large supermarket chains, and now they are markets," said Anne Whitt, owner of doing something about it.

"We have the concern within the community that prices are higher. They're always complaining about why they're paying more for the same thing," said Lawrence, who opened his store at 2543 Main St. two years ago.

The problem, storeowners said, is that a neighborhood market buys smaller amounts of goods and cannot enjoy breaks given to larger stores, which have a higher sales volume.

The solution was to combine their buying power. The result is some lower prices, more competitive with those of the supermarket chains.

"We've quickly learned what it's like to be a little fish in a big sea,' said Georgette Yaindl of Hartford

Food System, which has small stores in two housing projects for the elderly. The Food System is helping to coordinate the Hartford Grocers Association, and is a member of the association.

The other stores participating include Roy's Grocery at 27 Nelson St., Crossroads Dairy at 1062 Albany Ave., C & C Dairy at 122 Capen St., Miller's Food Center at 1480 Albany Ave. and Thomas Dairy Mart at 665 Blue Hills Ave.

"We're trying to provide them with competitive prices to the super-Roy's Grocery. "You see, today people are looking for a bargain and lower prices and it's more convenient for them to shop at my store."

The association is not just good business, storeowners said. It also allows them to help their customers.

"I got into it because I figured that was the way to help the community and to try to get products at low prices and pass it on to our customers," Lawrence said.

"People in this community are making less and paying more, and 50 percent of them don't have a car" to drive to the larger stores to take advantage of bargains, he said. "At least the customers see offerfort to give something back."

Yaindl said the association hired LBG Distributors of Hamden to buy and deliver food to their stores.

Hartford Food System also is coordinating advertising for the group, and in the coming months hopes to use its connections with local farmers to bring cheaper produce to the markets. The association also received assistance from Hartford's Minority Business Enterprise Program, which is helping with outreach into the Hispanic community.

Yaindl said there are about 140 mom-and-pop stores in Hartford, and the association hopes to sign up 30 of them by the end of the year. Owners of fifteen more stores already have said they intend to join.

The association has been loosely organized for about two years

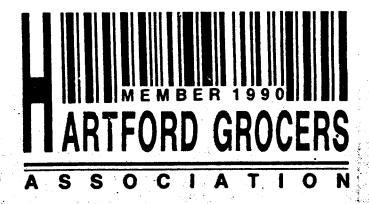
Whitt said that at first, the concept of the association was a little difficult to accept because the small grocers compete against each other. But together the grocers share the benefits of being bigger — not only to buy in larger bulk but to get rebates on their advertising costs.

Lawrence was in his store Thursday night putting up signs that marked his specials.

"I should get a good response. I get a lot of traffic in here," Lawrence

■ Please see more Hartford → news on the next page.

### rganized To Serve Hartford's Neighborhoods



### **Especially For You**

3/9/90 ~ 3/23/90



46 oz.

HORMEL

with Beans

12.5 oz





16 oz.



16 oz.



12 bags



**Bathroom Tissue** 

pack

You've Known Each Of Us For Years. Now, Get To Know Us As



**CROSSROADS DAIRY** 

KWIK STOP VARIETY 2543 Main St.

C & C DAIRY 122 Capen St.

27 Nelson St.

1062 Albany Ave.

### LARTFORD FOOD SYSTEM

Betty Knox and Smith Tower Senior's Stores

MILLER'S FOOD CENTER

**THOMAS** DAIRY MART 665 Blue Hills Ave.

1450 Albany Ave.

HGA	PRELIMINARY SURVEY TO 6 OCT 88 MEETING
STO	RE NAME: Govern
DAT	E: Week of 10/5/88
1.	CURRENT MAIN SUPPLIER? VILLO (4): NONY (2) FREQUENCY? ONCE WIL - once MO.
	TERMS? - Sdays -> no delivery till paid
	BEST THING ABOUT SUPPLIER? nothery (3); product availability; ups. includes
	WORST? IRUCUS
2.	DAIRY Dealtot (5) Maid FREQUENCY? 2-3x/MTERMS? COD
	BREAD? Continental " 6x/WK" " Fdays(1); COI) (and newlos)
	PRODUCE? Kagional MKt " none-daily" COD
	OTHER? NYC " /x/WK-2x/MD" COD (mixed Hems)
	OTHER?
3.	other?  S/L - groderies (weekly-5 no-1)  CASH AND CARRY USE? High St - Cardy, soda, HBH (occapionally)
4.	WEEKLY SALES VOLUME? 1,500-5,000 IN PRODUCE? N/A Jufactor Says Signif
	wic vendor? 5(y) food stamps? 5(y)
	112
•	USE OF SUPPLIER'S SRP'S? MIXTURE HOW ELSE? (5) " " + depending on mumont
7.	WHAT ARE YOUR STORE'S STRENGTHS? Location; product selection + price; product
	" WEAKNESSES? Waston (too many storks); Staffing; general econom
•	operating hours? Thans how staffed? family (4) or registers;  1/2m(2): 10 am 13 cm (1): 8-86)
9.	OPERATING HOURS? That How STAFFED? family (4) on registers;
PAI	n-1/pm(2); 10 Am-12pm(1); 8-86) / offers (2) > x-tra clerks
10.	EVER SOUGHT/GOT/DENIED A LOAN? // FROM WHERE?
11.	ANY INVOLVEMENT WITH BUSINESS ASSOCIATIONS OR NEIGHBORHOOD
	GROUPS? 2(y); ay say NO TIME"
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12. HOW DO YOU THINK YOUR CUSTOMERS SEE YOUR STORE? Convenent
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13. WHAT WOULD GET LOWER PRICES ON YOUR SHELVES? (THER WILLIAM) (6)  24. IF A CASH AND CARRY WERE TO GIVE YOU TERMS, WOULD YOU USE IT AS A  PRIMARY SUPPLIER? (6) ABILITY TO PICK UP ORDERS? (4)  POSSIBLY Cafe (2)  15. ADDITIONAL COMMENTS
74. IF A CASH AND CARRY WERE TO GIVE YOU TERMS, WOULD YOU USE IT AS A
PRIMARY SUPPLIER? (6) ABILITY TO PICK UP ORDERS? US NOW (4)
possibly (ater (2)
15. ADDITIONAL COMMENTS
special concern: rosecunty of lease; sent increase
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I so warehouse must open early
orders phoned be pre-sorted - consistency
o some provide
- consistency
grovers association good idea to get
guas cert
O lower prices
2) share info.
a do ancire
3 compare verdor pricing
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### RESULTS OF NORTHEND GROCERS' 11 MAY 1989 WHOLFSALER RANKING

Notes: Low Score 'wins"
Importance factor allows for prioritization of needs & services

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2× TERMS	3			
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39 DATE	<b>88</b> /11/11	1/25/88	2/16/89
Kiddak 511189	LOCATION LBG, Handen	DILEO Materbury	FALK & GAITE, Dracut, Ma.

15 MAY 1989 Ann Whitt Carlos Salmon Glen Lawrence — Negotiating Team Hartford Food System, Technical Assistance

WE, THE UNDERSIGNED HARTFORD GROCERY MERCHANTS, RECOGNIZE THE ADVANTAGES TO ORGANIZING OURSELVES AND OUR COLLECTIVE BUYING POWER. WE UNDERSTAND THROUGH OUR ASSOCIATION WE EACH WILL SECURE:

\*A CONSISTENT BEST DELIVERED PRICE

and \*A WAY TO MONITOR IT

\*ACCESS TO INFORMATION CRUCIAL TO BOTH THE SUCCESS OF OUR BUSINESSES AND THE STRENGTH OF OUR COMMUNITY

\*MORE SALES THROUGH JOINT ADVERTISING AND MOVEMENT OF COMPETITIVELY PRICED PRODUCTS

\*ACCESS TO A NETWORK OF PUBLIC AND PRIVATE SUPPORT

\*CONTROL OVER THOSE FORCES THAT HAVE EXPLOITED OUR PAST DIVISION AND ISOLATION

\*A MUTUALLY BENEFICIAL AND RESPECTFUL RELATIONSHIP AMONGST OURSLEVES AND OUR VENDORS

WE FURTHER UNDERSTAND LBG DISTRIBUTORS OF HAMDEN, CT. WANTS TO WORK

	I AM INTERE	STED.		
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HARTFORD, C	<b>7</b> 06112			
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#### TERMS OF AGREEMENT

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### HARTFORD GROCERS ASSOCIATION HARTFORD FOOD SYSTEM LBG DISTRIBUTORS, INC.

The Hartford Grocers Association (HGA) through the development assistance of the Hartford Food System (HFS) is working with LBG Distributors, Inc. of Hamden, CT to secure the benefits of volume buying. Such benefits include joint advertising, manufacturer's rebates, and a mutually respectful relationship between merchant and vendor.

What follows are the respective responsibilities of HGA, LGB and HFS under this agreement.

### HGA

- (1) each HGA member will
  - a) join the association with a \$100 membership fee paid to \$IGA.
  - b) sign a pledge to do primary grocery businees with LBG.
  - c) be represented in all advertisements.
  - d) be entitled to any patronage rebates as determind by IIGA.
  - e) identify among its membership merchants who will work with L&G on advertising content and format.
  - f) elect leadership to serve as chair, vicechair, and treasurer whose responsibilities include authoriziation of all cash disbursements.
  - g) attend HGA monthly meetings and/or send a delegate
  - h) prioritize relationship with HGA and LBG

### LBG will

- (1) offer each HGA members its best delivered price
- (2) extend credit upon approval on a load to load basis, never to exceed 14 days.
- (3) upon consultation with HGA representatives, prepare and design commercial print advertising.
- (4) manage rebate monies accruing from manufacturers; make payment to HGA monthly.
- (5) develop an authorized items book
- (6) handle each MGA account individually with respect to ordering, distributing, billing.
- (7) be responsive to HGA members needs of product selection
- (8) consider at the end of 1990 a patronage return to IIGA based on increase in LBG profitability in Hartford to be effective year two
- (8) encourage Hartford accounts to join the association
- (9) provide consistency and reliability in store service

### HFS will

- (1) provide HGA with ongoing assistance with organizational development, including: stimulating membership participation; leadership development, advertising, and public relations
- (2) assist member merchants with business development
- (3) monitor agreements, wholesale price and regulatory trends
- (4) provide for administration of HGA including: assisting preparation of meetings, agendas, correspondence
- (5) assist with licensing
- (6) prepare financial statements and annual report
- (7) facilitate group purchase agreements with vendors and service providers
- (8) secure necessary funding to provide technical assistance

This Terms of Agreement shall commence January 1, 1990 and be renewed and/or ammended one year after.

Sigi	ned					
LGB	President			Date:	/	/
HGA	Chair Members:			Date:	/	/
HFS	Project i	Director:	.*	Date:	_/	/

### APPLICATION FOR MEMBERSHIP

HARTFORD GROCERS ASSOCIATION
NAME: Wickery Chambers UNTE: 14 December 39
HOME ADDRESS: US WRidgefield St TOWN: Hortford 214: 06112
STORE NAME(S): 1. CROSS PORCS 2.
ADDRESS: 1.1062 albany Ave 2.
PHONE: 1. 247 3172
HOW LONG IN OPERATION? 1. 18 LYRS 2.
DO STORES ACCEPT: WIC FOOD STAMPS (please circle)
PRESENT GROCERY WHOLESALER: 1. Dileo bros 2. Retailers Reserved
BREAD VENDOR(5): Wonder
DAIRY VENDOR Sealtest CANDY Retailer'S TOBACCO
MEAT: HILLTOWN PORK COTEXETS II CHORID PRODUCE COST Plus
SOUA: Coke, Tumble Brook, Pepsi 118A
Do you ever leave state to pickup product? Where? BRONX Emina MK
For what? [ROpical folds now often? WEEKIU
Through our association, we can access group rates on a variety of services. Please indicate who you presently do business with.
BUSINESS INSURANCE: COLIN BENNETT MEDICAL INSURANCE: MOTURE OF OME
Do you presently advertise? Please describe:
··
Now many people do you employ? part-time:full-time
•
1 understand that as an association member my business and the
community will enjoy the benefits of cooperative enterprise. I will share
in the responsibilities of the association, including doing my primary
grocery business with LBG Distributors, attending the annual meeting, and
providing my opinion and experience in the growth of the association. I
submit an annual dues of to join with merchants of the Hartford Grocers Association.
518 nature Jugony Mambers Date: 14 December 89
()()

20 November 1989

Hartford Grocers' Association Membership meeting Welcoming Remarks offered by

Ms. Anne Whitt, HGA Coordinating Committee

I would like to at this time welcome and congratulate you on your decision to form this organization - Hartford Grocers' Association - and to move on forward with CHANGE.

On behalf of the HGA Coordinating Committee I thank everyone for their patience and understanding during the formation of our association.

We have worked very hard to arrive at this point. To have all of us under one roof so that we can air our concerns, to finally finalize this association so that we can make a better community and be a UNITED community.

I stress united because this is the only way we'll make a change – a VISIBLE change. By being united we make the difference. We can demand action. Our numbers count.

The problems we are facing have little or nothing to do with Who's Who in America but rather the WHY's and the Cries we hear in the neighborhoods of our community.

WHY don't we have a supermarket in the Northend owned and operated by our own? WHY don't we have a better price structure so that we in the community don't have to go to the suburbs to shop?

And WHY we as Hartford businesspeople, aren't we better role models for our youth?

We are here today to make a start. We are gathering as a group of businesspeople concerned about our community and to take that first step to claim back and give back to that community.

Lastly, we'd like to thank Georgette Yaindl and the Hartford Food System for all her hard work and effort to help us in this struggle. She's put in many long hours for us with little more than a thank you so I ask that we offer her another one right now.

I now give you our former Mayor of Hartford, Mr. Thirman Milner. Thirman is director of government affairs for the FINAST Corporation and is here to share some insight on grocery industry trends and what HGA can mean to all of us.

Mr. Milner...

### BUDGET, HARTFORD GROCERS ASSOCIATION, JAN-DEC 1990

50

350

Phone

Miscellaneous

i		SOURCE	
INCOME			Commit
Membership Dues	3,000	merchants @ &100	800 (1/10/90)
Manufacturer Rebates	3,000	LBG Distributors, Inc.	
Church/Foundations	15,500	Knox Downtown Council Methodist Self Determination Fund Marianist Sharing Sisters of Mercy	1,000
Hartford Food System	5,000	CDBG	5,000
In-Kind Support	500	C&S Wholesalers, Inc.	500
Total	27,000		
EXPENSE			
Hartford Food			
System Staff	15,000		
fringe	1,950		
Other Consult/Technic			
Assistance	1,000		
Advertising	8,000		
Promo materials	500		
Postage	150		

travel/refreshments/fecs

Pending 2,200

3,000

7,500 3,000 4,000

#### HGA: PROJECT GOALS

- l. to develop a neighborhood grocers' association serving three of martford's 4 Northend communities
- 2. to access neighborhood grocery stores to lower wholesale costs and more reliable sales services through collectivized buying
- 3. to formulate a retail mix in product and price that serves both the merchant and low-income customer
- 4. to change patterns of isolation and division among neighborhood grocery merchants by providing a regular channel for information exchange regarding, among other things, public mandates/services, industry trends, neighborhood news, nutrition needs of at-risk customers, wholesale cost comparisons
- 5. to identify and support small business leaders of color
- 6. to provide neighborhood grocers with technical assistance, including general business development, and licencing procedures and compliance
- 7. to encourage the sales of fresh and nutritious foods, particularly produce and food products grown and prepared in the greater Hartford area.
- 8. to develop a Community Advisory Committee to provide guidance and evaluation of HGA responsiveness to and role within the community.

#### MINIMUM\_OBJECTIVES

- 3. Interview 4-5 area wholesalers. Organize data collected in matrix. Feb. 15, 1989 (completed)
- 4. 7 grocers attend meeting: decide on wholesaler and association dues structure Apr./May '89 (completed)
- 5. 3-person steering committee identified <u>Apr/May 189</u> (Coordinating Committee established)

Minimum Objectives, cont'd

- 6. wholesale negotiations finalized extending at least a 2% cost saving Sept  $\underline{89}$  (completed)
- 7. 10 merchants join association Jan '90
- 8. Joint advertising campaign piloted Jan '90
- 9. Suggested Retail Price fields set ongoing
- 10. Association grows by three stores/month begin Feb 190
- 11. 5 merchants attend business development workshop April'90
- 14. 4 HGA stores purchase and promote sales of CT Grown produce Summer 190
- 15. Group buying position leveraged with one other vendor Fall '90

#### MAXIMUM OBJECTIVES

- l. group buying position leveraged with at least two other vendors or service providers  $\underline{\text{Dec. }^190}$
- 2. HGA considers incorporation as a cooperative υες '90
- 3. IIGA funding reaches self-sufficiency through membership dues and manufacturer's rebates.