

Food Fight: Local Grocers Face New Competition From National Chains

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Back in 1938, Short Pump Grocery, which sat on West Broad Street at the present-day site of the Victory Nissan car dealership, opened to serve the needs of the small country town. Small as it may have been, it was plenty big for Short Pump at the time.

Today, the quaint [Short Pump Grocery](#) sits at its relocated home in Goochland County as a reminder of

simpler times. More than a dozen mega-sized grocery chains now dot the suburban landscape in its place. More and more players are heading out on the field to try and secure a portion of the market share as the area population increases.

Richmond-based Ukrop's Supermarkets, Inc. was the first large-scale grocer to put down roots in the immediate Short Pump area, opening a store in the Short Pump Crossing shopping center in 1996. It may have seemed inevitable that the tiny Short Pump Grocery would one day fall victim to bigger grocers, but now, larger local retailers such as Ukrop's are even getting a run for their money.

There were very few changes in the grocery store scene in the past decade until the opening of the highly-anticipated [Whole Foods Market](#) at West Broad Village in September. [Trader Joe's](#) followed in Whole Foods' footsteps, opening a store in the Short Pump Station shopping center a few weeks later. So what do the local retailers think of all this new competition for their loyal customers? We set out for answers from officials with Ukrop's and Tom Leonard's Farmer's Market.



Tom Leonard's Isn't Afraid Of A Little Competition

Tom Leonard, who owns a farmer's market on Brookriver Drive, behind Best Buy, may not have prime Broad Street frontage, but it doesn't seem to affect his business. Positioned just across the street from Whole Foods Market, Tom Leonard's Farmer's Market

has still seen strong sales. "I paid a third of what Broad Street [frontage] costs; therefore, my prices remain lower," Leonard explained. The local entrepreneur operates only one store in the Richmond area, which is also the only one under his name. His father, Stew Leonard, operates four stores in the northeast, each roughly the size of an average Costco warehouse.

Tom Leonard's store may be small in comparison, but that will soon change. According to Leonard, the store is currently only 25% the size it will be once expanded. He currently owns seven acres between Brookriver Drive and Interstate 64, all the way to the S&K Menswear building. The larger store will feature more prepared foods, meats, and cheeses, just to name a few offerings. A 2,500 square foot expansion is planned for sometime in early 2009, shortly after the holiday rush winds down.

"The one thing these bigger stores don't have is me," Leonard said about the personal service he provides to customers in his store. He also prides his store on extremely fresh, often times local, produce. "We often say, 'you have to own the farm to get it any fresher.'" Despite the high quality of produce, we found Tom Leonard's prices to be very reasonable. It's another principle Leonard puts faith in. "The economy is weak. People want bargains. [Whole Foods' parking lot] will probably be filled with Hummers. They're a great operator, but expensive."

Leonard doesn't currently have any future plans for opening additional locations, choosing to focus on his sole operation on a personal level. "My philosophy is to put your eggs in one basket, then watch that basket," Leonard said about his business principles.

Ukrop's Stays Ahead Of The Competition

Ukrop's has been a staple in Richmond's business scene and culture for as long as most of us can remember. Many Richmonders are loyal to this well-established family-run business, but nevertheless, the company is responding to market trends in innovative ways to stay ahead of the national competition. "The key thing, whether you're playing football or selling groceries, is that you have to understand your competition, but you



can't *be* the competition," said Kevin Hade, Ukrop's vice president of sales and operations. "We are going to continue to try and exceed our customer's expectations. We've been pretty successful at that for 70+ years."

Ukrop's has responded to changing customer trends for decades. "Cafés [in Ukrop's stores] started in the 1980s as

we recognized that consumers would be busier in the future and wouldn't have time to prepare meals. We've always made strategic investments to make sure customers have exactly what they need."

Hade thinks the grocery market is becoming a lot more niched, and sees competition encroaching on not just Ukrop's, but grocers in general. Not only are there an expanded selection of grocery stores, but customers are eating at restaurants a lot more often. "When someone's eating out, they're not cooking. But, one thing we offer with our cafés is a nice, affordable evening."

The company's Short Pump location is undergoing a facelift to bring it up to date with other stores in the area. Construction crews are currently updating the kitchen, deli, and café areas. "The cheese section will also be larger, we'll have a new salad bar, and more there will be more emphasis on organic food and produce. We've got some really cool things in store, like a Starbucks in the front of the store, family restrooms, and more. Every piece of that store will have been touched [by the time construction is complete]. It's going to be our best store yet." The company also has plans to open a store on Nuckols Road, near Twin Hickory, around October of 2009.

"We're not like a Food Lion or Kroger. We evolve and each store takes on its own personality. We build one store a year, and we're constantly working on our [business] model," Hade said.

Tough Enough To Compete

It appears that both Tom Leonard's and Ukrop's are tough enough to take on the national competition, even though there will be some market fluctuation. We wish both local stores continued success in Short Pump and the Richmond area as a whole.