



MATT SAUER (LEFT),
WAYNE SAUER AND
PAUL SCHNETTGOECKE



Save-A-Lot Store Snapshot

OPERATORS: Wayne Sauer,
Paul Schnettgoecke and Matt Sauer

NUMBER OF STORES: 9

LOCATIONS: Missouri and Illinois

FIRST STORE OPENING: 1981

ALL IN THE FAMILY

Wayne Sauer builds profitable partnerships in Missouri with his son and brother-in-law.

At age 15, Wayne Sauer was sorting soda bottles and pushing grocery carts for the Del Monte Foods store in Florissant, Mo. Although he didn't know it at the time, the ambitious teen—who grew up in nearby Hazelwood—was embarking on a grocery career that would find him at the helm of nine successful **Save-A-Lot** stores some 48 years later.

"I was drafted in 1971 and served in Vietnam for one year, then came back to the grocery business," Sauer recalls. "I could have gone in my father's contracting business; however, that work wasn't for me."

Instead, Sauer worked while attending college on the GI Bill, first back at Del Monte, then at the local Shop 'n Save. "I moved up the ladder to store manager at Shop 'n Save. But I always wanted to own my own business," he says.

That opportunity came in 1981, when Sauer invested in a Save-A-Lot in Camdenton, Mo. "Back then Save-A-Lot was a new company," he says. "I bought that store with a business partner, who ended up dying prematurely, and I just kept buying stores here and there."

Today, that "here and there" includes nine towns—Camdenton, Laurie, Cedar Hill, St. Clair, Neosho, Pleasant Hill, Sedalia and Pacific, Mo., and Pinckneyville, Ill.

"I have nine stores with nine partners," Sauer explains. "My brother-in-law, Paul Schnettgoecke, is a business partner and co-owner of four stores; my son, Matt Sauer, has three stores with me; and Dale Holzer is also a partner in five of the stores."

The other six business partners own minority stakes in various stores, he adds. "All of the businesses are partnerships—that is just what works for me."

A matter of size and location

Sauer's newest store, which opened in June 2014 in Pacific, was a build-from-scratch undertaking, as was the St. Clair store, which debuted in 2010. The remaining seven locations were existing stores that the business partners renovated.

"There are pros and cons with each," says Schnettgoecke. "Obviously, there is more of a financial commitment going ground up over leasing ... if there is a viable, existing building available that meets our cost model, I'm not against going this route. Our latest project just didn't have existing property to our liking."

Whether improving an existing store or building from the ground up, Sauer and his business partners follow a similar format.

"All of the stores are between 11,000 and 15,000 square feet, and most are 12,000 square feet," says Sauer, who prefers small to mid-size markets.

Location is another important consideration, says Schnettgoecke, who is involved in the Cedar Hill, St. Clair, Neosho and Pacific stores.

"I prefer to find niches in the market that do not provide a low-cost grocery option for the people in these communities," he explains. "People really appreciate a friendly, clean and low-cost option that gives them the small town feeling they used to have before the mega-store concept took over."

Model operations

Besides being ideal for the small store footprints that Sauer likes, Save-A-Lot delivers benefits such as low overhead so the store can make a profit on lower volume, he says. Being able to order almost all of the products their stores stock from Save-A-Lot distribution centers is an added plus.

"Save-A-Lot provides 90 percent of our inventory, which keeps the back door closed more than opened. If we get most of the inventory in one or two trucks, it saves on labor and lets us run a more efficient operation," says Sauer. "And the quality of products we purchase from Save-A-Lot is outstanding."

Schnettgoecke concurs. "Having to deal with Save-A-Lot only, for the most part, makes it much easier on my business organizationally and [allows me] to utilize Save-A-Lot's buying power," he says.

With nine stores in nine different cities, Sauer and his business partners have plenty to keep them busy, putting any talk of future expansion on the back burner for now.

"My attitude is one at a time," Schnettgoecke says. "There is a maturation process with each store opened—to let the dust settle, if you will, to see what you have and to staff the stores effectively. We never stop looking for opportunities, but our new Pacific location is focus No. 1 right now."

If they do eventually expand again, the partners are committed to the Save-A-Lot program. "Some owners have a tendency to 'chase' their competition in regards to gimmicks and products, and they stray from the basic premise," says Schnettgoecke, who advises owners to instead "follow the program, run a clean and organized store, and let your competition chase you." **GE**

Wayne Sauer:
**"I always
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