

Store of the Month

Olive Tree Marketplace



Gourmet Meets Grocery

A brand-new hybrid concept in the New York metro area aims to be all things to all people.

By Bridget Goldschmidt



**CONCEPT
CREATORS**

Left to right:
co-owner Dave
Shehadeh, store
designer David
J. Lee, gourmet
chef and co-owner
Hani Qassis, and
co-owner Wally
Shehadeh

Photography by Sue Barr

The first store and counting under retailer co-operative Key Food's latest banner, Olive Tree Marketplace, a combination gourmet emporium/value-focused supermarket, has managed, in the brief time it's been up and running (a soft opening in December, followed by an official debut in January), to wow residents of its surrounding communities in the New York City borough of Staten Island, the co-op's top executives and a certain local journalist who loves Icelandic yogurt.

More about that last one later. First, the ebullient Dave Shehadeh, Olive Tree Marketplace's co-owner along with his five brothers and noted gourmet chef Hani Qassis, proudly provides a tour of the store.

Walk Into Produce

In common with many store layouts, the entering customer's first view of Olive Tree Marketplace is its produce department, where stalwart items like apples and tomatoes sit beside more exotic fare such as aloe leaves, all attractively displayed on tables and periodically misted shelving.



Specials offered the day of *PG's* visit included mini seedless watermelons at \$1.99 apiece, ripe yellow bananas at 48 cents a pound, and a 1-pound bag of organically grown carrots for 99 cents. Lower-profile fixtures here enable shoppers to glimpse the prepared food enticements waiting further back; as Olive Tree Marketplace designer David J. Lee, president of Mount Vernon, N.Y.-based Creative Space Design, explains, "I don't want to block the store."

Shehadeh estimates the current ratio of organic produce to conventional at 25 percent to 75 percent, but "but as we grow, we get feedback from the customers, and as we get feedback from the customers, we customize even more."

After produce comes an island laden "with a variety of cheeses that I don't even know half of them. I'm learning each day as I go," Shehadeh admits cheerfully, adding that the number of offerings is "up there." Accompanying the international assortment are complementary items, including gourmet preserves and crackers, located at the top of the fixture, while a nearby station features stacks of store-prepared olive selections, as well as mushrooms and sun-dried tomatoes, and a small case beckons to shoppers with delectable baked goods from the likes of area company Leonard Novelty Bakery.

Unique Eats

Just ahead is the centerpiece of the store: the prepared food and deli section, which takes up the entire back wall and is crowned by prominent signage and a distinctive gable with exposed beams; close by, a coffee station enables customers to get a cup of hot java just how they like it, a particularly inviting prospect on the frosty day of *PG's* visit.

The first indication of the Mediterranean-inspired wonders in store is a heat-and-eat case offering just a few of the creations of Qassis, whose impressive resumé encompasses stints at Yankee Stadium, New York's Javits Center, Macy's flagship store in Manhattan's Herald Square (where one of his assistants was a pre-fame Rachael Ray), and even the White House. "Everything you see here

is done here," he boasts.

Among the convenient items in the case are his own signature versions of focaccia, grilled pizzas, garlic knots, Philly cheesesteaks, colorful pin-wheels and even franks in blankets, all sold under the Olive Tree Marketplace brand. "Every day, we have a different menu," says Qassis, going on to joke that the lineup "depends on my mood. If I have problem with my wife ..." All kidding aside, he spends "every day, 15 hours a day" working on the menu, aided by a kitchen staff of about 10, with no shortcuts allowed. "We do everything from scratch," he affirms, roundly rejecting the notions of parbaked components or items shipped frozen from a central commissary.

Qassis is passionate about his hands-on approach to the store's cuisine: "You have to be with it, work with it. You need to be experienced with it."

The prepared food section, which Shehadeh extols as being emblematic of the

health-promoting Mediterranean Diet, serves up a smorgasbord of delights that changes daily, including microwaveable meals that "make it easy for all the people who are working late," notes Qassis, indicating such mouthwatering choices as chicken Marsala and chicken Francaise (PG's visit happens to coincide with the store's "Chicken Mania" promotion in which these dishes and others are going for \$3.99 a pound).

Individual portions are available, as well as family servings, with gluten-free and better-for-you options, like the lemon-accented white quinoa salad, duly highlighted. Qassis describes the traffic in this section as "super busy. We do breakfast, lunch and dinner here."

Among Qassis' other standout prepared offerings are Italian paella (made with chicken and filet mignon rather than the seafood featured in the traditional Spanish recipe); turkey muffins, which include such ingredients as turkey breast, balsamic vinegar and vegetables; and some truly monumental meatballs. "The reason we do the large meatballs is they're not going to dry [out] when you cook them," explains Qassis. "If they're small, they're dry."

The section also sells jars of Olive Tree Marketplace branded sauces and soups, which, like everything else, are all



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—Hani Qassis,
gourmet chef and
co-owner

painstakingly crafted in-house. "We grate our [own] cheese here, too," adds Qassis, who describes his food as "healthy stuff with choice."

That idea of choice even extends to the store's fresh mozzarella, which comes in salted and no-salt varieties, while other deli items are available in low-salt and low-sugar versions. "We have to give all the options to the customers," notes Qassis, who adds that free samples for curious consumers are a matter of course.

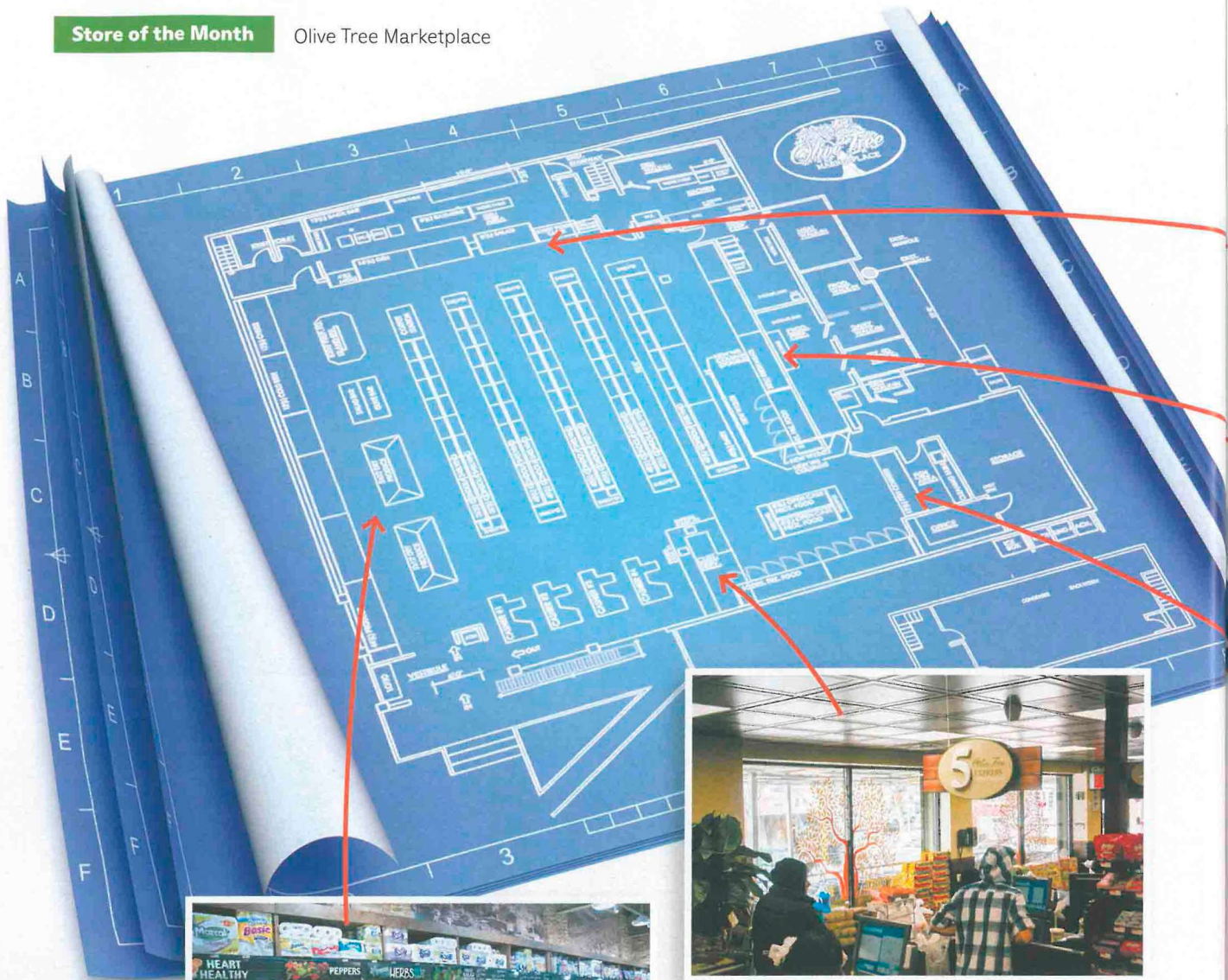
According to Shehadeh, Qassis' labor of love on Olive Tree Marketplace's extensive menu is "how we could [offer items] at that great price, that value price on our gourmet food, [because] everything's made in-store."

Center Forward

Center store is distinguished by various types of shelving, not only providing interest and contrast for the eye but also serving a practical function, through the use of high shelves designed to carry products on top as a way to make the most of the site's small space. "We're trying to maximize on every inch of the store," says Shehadeh. "We've got a wide variety; although it's only 8,000 square feet, we maximized on every inch ... to capitalize on our customers' demands."

The section begins with crackers, and the first thing a shopper notices is that the gluten-free





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—Dave Shehadeh, co-owner

products in the category are stocked alongside their conventional counterparts. “Everything’s incorporated together, because if a customer’s looking for a certain type of cracker, they can find it with the conventional store brands,” notes Shehadeh. “We don’t put all the gluten-free products together. We blend them in with conventional products.”

This placement strategy has proved popular so far with the store’s clientele. According to Shehadeh, “We can’t keep up with the orders and demand, and each day customers are asking us for more and more items, and each week, we add more and more things, so it’s a blessing, but ... It’s a good problem to have.”

Along with gluten-free items, the section carries a

wealth of organic and non-GMO items, while shelf tags from Key Food’s Keys to Better Health program call out such attributes as “Heart Health” and “Smart Sugar.” “A lot of people are very health-conscious these days,” particularly those who believe that they are intolerant of gluten, Shehadeh points out, adding, “In every product [category], we try to always blend in an organic or a gluten-free” alternative.

Authenticity has its place as well. In front of a well-curated assortment of products from Goya Foods, which he describes as “basically mainstream now,” Shehadeh notes, “If I want to get my beans, I like to get Goya beans.”

While Shehadeh shows off the impressive pasta sauce set — gesturing toward a line called Dave’s Gourmet, he quips, “My name’s Dave, but I’m not taking the credit for this” — PG meets Store Manager Jeff Lind, whose background in specialty foods made him a perfect fit for Olive Tree Marketplace.

“Dave brought me on board, and it’s the best move I’ve made,” says Lind, explaining that he worked for specialty stores and managed Stop & Shop and ShopRite locations before making the

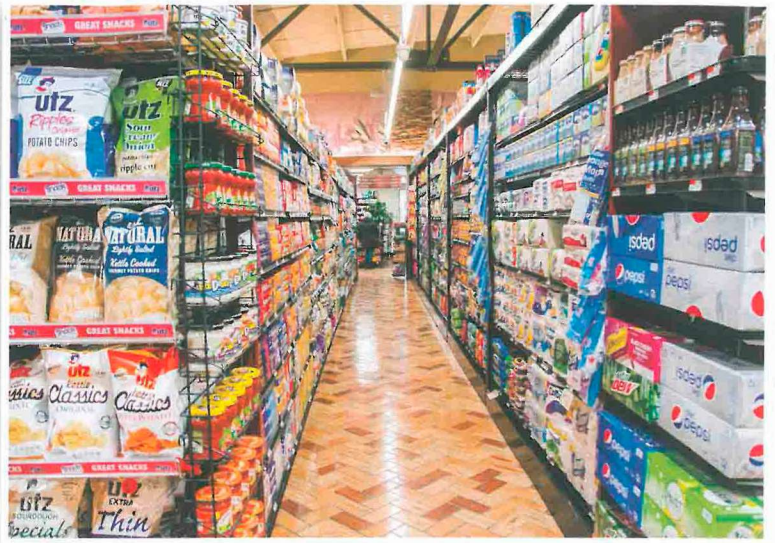


leap to his current position. Asked what attracted him to the store, his reply was unhesitating: "Dave and Hani." The feeling is entirely mutual on Shehadeh's part: "He's been working at this field for a while, and we needed his experience. He's a good part of the team, so it's a good move on both sides."

To procure the specialty items like cucumber juice that its shoppers are coming to expect, "we use various distributors [as well as main distributor C&S Wholesale Grocers], and we go to all extents to get the products," says Shehadeh, noting that "the guys for our specialties and our organic foods, they're in here, like, every week, making orders."

In addition to its branded fresh items, Olive Tree Marketplace could also roll out its own shelf-stable items in the not-so-distant future. "That's definitely something that we're looking to do, putting our own label on, say, olive oil" and other products, Shehadeh confirms.

Despite the fact that center store stocks foods



from various countries, there's no "international aisle" per se; items are "stored by commodity, more or less," notes Lind. Adds Shehadeh, "We make sure, first and foremost, to sell healthy food, and then cater to everything else and give every customer what they want."

Although the section's healthy and specialty products are on prominent display, so are the low prices. "You got sales all the way across the board," says Shehadeh. "[Customers] know they're getting a value on health ... at a great price. We're not price-gouging people just because we consider this an upscale store." Gesturing toward an in-aisle display of Viki's Granola, he continues: "In a regular gourmet store, something like this would cost six-something, \$7. But over here, we sell that for \$3.99. ... We always have [items] at an everyday price."

Asked how Olive Tree Marketplace is able to do that, he replies: "It's all about buying it and stocking up on it, and buying it at the right time. And some stores, they'll buy it at a cheap price and still sell it for the more expensive price. We don't do that. We try to work on a reasonable margin to pay the bills and keep the customers coming back." Further emphasizing the difference between his establishment and its specialty store rivals, he notes: "When you go to what they call an upscale supermarket, they won't throw sales on like this. They'll get it cheap and still sell it expensive. ... You know, we want to be fair; we want to keep the customers happy. ... The biggest expense today is putting meals on our table every day."

In fact, the store often surpasses sales price expectations. "We customize our sales every week," explains Shehadeh. "Key Food has great promotions. What we'll do, we'll go above and beyond their promotions. We'll even drop the price cheaper. Let's say they have a Poland Spring 24-pack of water on sale for \$4.99, we'll drop it a dollar. We'll drop it more than a dollar; we'll drop it to \$3.88 for the week. We have the ability and the flexibility to customize our sales and customize our prices to what we want to do."



1490 Clove Road,
Staten Island, NY
10301

Grand opening:
Jan. 9, 2015

**Total square
footage:** 11,000

Selling area:
8,000 square feet

SKUs: 30,000

Checkouts: 5

Store hours:
Monday-Saturday,
7 a.m. to 10 p.m.;
Sunday, 7 a.m. to
9 p.m.

Store designer:
Creative Space
Design, Mount
Vernon, N.Y.

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The value pricing is important, since various income levels shop the store, including folks who have to watch their budgets, and often cash-strapped students from two nearby colleges, St. John's University and Wagner College. Referring to the store's surrounding communities, Shehadeh says with a smile: "You've got Todt Hill, [which] is very upscale; you've got Grymes Hill; you've got Dongan Hills. That's a great place to plant an Olive Tree, is on a hill."

Moving on from a small nonfoods section that even includes reptile food, as Shehadeh notes with pride, we arrive at an array of fresh-baked breads on an end cap, much of it produced in-store, augmented by items from Melone Brothers, a local artisan bakery that makes such bread varieties as Asiago Cheese, Kalamata Olive and Cranberry Walnut. "It's always hot bread all the time," he says.

'Everything Into One'

As well as featuring grass-fed and organic items and the services of an in-store butcher, the meat department is distinguished by an exclusive product line. "We make our own sausages," Shehadeh says, granting *PG*'s photographer exclusive access to the store's kitchen to record the sausage-making



process. Later, a store associate provides samples of Olive Tree Marketplace's delicious just-grilled lamb sausage; a sweet Italian pork variety is also available.

It's in the dairy section, which, Shehadeh affirms, offers "the full line of organics, and we have a high demand for it," that he recounts the aforementioned story of the local journalist. "We had a lady who was doing an interview from [cable TV channel] NY1 — over here we have the Siggis' [Icelandic yogurt] — and I heard her screaming, 'I don't believe you carry this; I love this!' It was something that they could only get from a health food store or a specialty store, but when they come into a supermarket like this one, they find everything that they want."

The frozen food department, along with the usual

complement of organic products — including on-trend kale — provides yet another Olive Tree Marketplace specialty: ravioli crafted by local company Pastosa Ravioli and sold under the market's brand in plain white boxes with black lettering. "They package it for us, but it's made fresh," notes Shehadeh.

Olive Tree Marketplace's daily deliveries of seafood come courtesy of New York-area supplier Sea Breeze



Fish Market Inc., and include sea bass and red snapper. On the day of *PG*'s visit, a huge whole Alaskan halibut is on display, which Shehadeh says sells for "anywhere from \$20 a pound, depending on the market value." Under the counter is a tank containing fresh lobsters, which are steamed in-house, among other house-made seafood delicacies. Shehadeh admits to a weakness for one item in particular: "I always eat the oysters over here, about a dozen a day." A nearby rack holds such ancillary products as seafood batter and cocktail sauces.

Olive Tree Marketplace's newly minted mashup of gourmet and grocery is already a success. "Believe it or not, we've only been opened for a month, and our sales have doubled in a matter of a month, from the time that we opened," declares Shehadeh.

Even with all of the "awesome" feedback the store has received since its debut, however, he still welcomes constructive criticism from shoppers. "We always take customers' suggestions," he says. "Maybe there's something that we're missing, something we can improve on. We always take it in, and it's something that we strive to get better [at]."

As for the concept's ultimate goal, he explains: "We're meshing two worlds into one, and we're trying to get everything into one. Usually, if you're going to have gourmet food, you're going to go to a gourmet store; you want specialty foods, you got to go to a specialty food store; you want a conventional supermarket that offers sales and everything, you go to a conventional supermarket. We're offering everything in one, and that's what makes us unique and that's what's going to make us stand out." **PG**

For more about Olive Tree Marketplace, including further plans for the banner, visit Progressivegrocer.com/olivetreemarketplace.