

## MEMBER PROFILE

## NUMERO UNO'S SIMPLE PHILOSOPHY QUALITY & AFFORDABILITY

BY LEN LEWIS

## EVERYONE KNOWS "NUMERO UNO" MEANS NUMBER ONE, OR MAYBE TOP PRIORITY.

For the company that bears the name Numero Uno Markets, the priority, and its very mandate, is bringing the freshest food at affordable prices to all consumers, particularly, but not exclusively, Los Angeles' burgeoning Hispanic population.

"There's not a whole lot of secrets in the grocery business. We just want to offer customers high quality products at affordable prices in a clean, shopper friendly environment," said Doug Minor, President of the 13-store chain.

Minor's seemingly simple philosophy is anything but, particularly in one of the most competitive grocery markets in the country. However, it also comes from decades of experience in the industry. Minor cut his teeth in the grocery business. He began as a box boy for Lucky Stores in 1974 when he was about 16 years old. After a few years, he moved on to Ralphs Grocery Co. as a clerk and then as a store manager for Stater Bros. Markets.

Several years later he became a store manager for Albertsons Grocery Warehouse. After that Minor did a four-year stint as a retail counselor for Unified Grocers, Inc. and then 12 years with Fiesta Foods or what was then Fiesta Mexicana Markets. When the operation was sold to El Super in 2010, he joined Numero Uno as President.

At present, the chain operates 13 stores ranging from 12,000 to 32,000 square feet, averaging out at around 20,000 square feet.

"We're pretty comfortable with that number," said Minor, noting that most of the units are in heavily Hispanic areas. "We kind of zig zag up and down the 110 corridor in Los Angeles. But we do have outliers in Pacoima and San Pedro."

However, the notion that Numero Uno is a Hispanic supermarket is somewhat of a myth, he noted.

"Our price structure is based on quality products at affordable prices that meets the needs of everyone shopping in our stores and it's why we do a tremendous volume in meat and produce. It's what everyone, not just Hispanic customers, are looking for," he said.

However, as the chain caters to an increasing number of second and third generation Hispanic shoppers, the merchandising strategy is changing to accommodate new tastes and purchasing patterns.







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"We are delving a bit more into organics and we'll continue to look into that in the future," Minor said. "Still, our customers are most interested in good, fresh meat and produce. I think that the way things are going with pay scales in California, a lot more people will be cooking at home again."

He notes that restaurant prices are going to increase due to higher wages.

"It's going to have a significant impact on dining out," he said. "The result is the grocery business should be flourishing over the next couple of years."

Some food inflation related to the wage increases to \$15 over the next couple of years, will impact grocery, he conceded.

"There's no choice in the matter and you can only cut costs so much before you

have to pass some of it on to consumers," he said. "But we're trying to become more efficient by cutting costs in all areas of the business to save pennies.

"Basically, it's the same thing everyone else is doing. But in doing so, we have to be careful not to jeopardize customer service," he said, noting the stores will maintain full service and self service meat counters in all of our stores.

Asked if new technology plays a role in improvements, Minor said Numero Uno is seeking out different ways to track and measure operations.

"We're looking at different POS systems, and anything else that can track the 'evils' in all departments – that will help us run our business better," he said. "We've had quite a few years of excellent growth and I think sales will continue to be strong. I don't anticipate seeing negative numbers. But it's tapering off a bit and the later part of the year is going to be a big challenge."

That challenge, according to Minor, includes finding good, reliable employees. Numero Uno tries to hold job fairs at stores wherever possible, place ads on different apps, and use word of mouth and employee referrals.

"We also face some pretty tough competitors and just maintaining our piece of the pie is a challenge every day," he said. "Who knows what tomorrow will bring? We're always looking for new stores. There's nothing in the pipeline right now. But we'd like to grow and add a couple of stores this year if the opportunities arise. We're ready."



