Store of the Month

irroring the food markets of Mexico, where many different vendors and tradespeople gather to sell their wares, Northgate Gonzalez Market delivers an open, visually exciting and fresh atmosphere.

A perfect example is the Anaheim, Calif.-based grocery chain's store in the Los Angeles suburb of Norwalk, recently remodeled to better reflect the company's vision of a neighborhood gathering place focused on fresh food presented in desti-

nation departments.

"Northgate is all about being authentic while also reflecting current trends as they relate to our customers' food tastes and shopping habits," explains Mike Hendry, EVP of marketing and merchandising. "For instance, we incorporate a deliberate blend of authentic scratch products used to make traditional Mexican and South and Central American dishes, while at the same time making those same products available already made, ready-toeat, or in a heat-and-eat fashion. Our customer base is looking for products that suit their lifestyle, budget and cooking ability, and we feel we can deliver on that."

And deliver they do, as demonstrated by rave reviews in local press and social media, as well as the smiling faces of most every shopper. A Progressive Grocer visit this past spring revealed a vibrant, bustling market, driven by enthusiastic and knowledgeable associates eager to guide shoppers toward the best selections to meet their needs.

Fresh Out Front

The most dramatic change was moving the produce section to the opposite side of the store.

"We wanted to change the footprint, open it up and emphasize the fresh offerings," Hendry says. "We wanted to expand our grab-and-go and signature offerings."

For the latter goal, the store







ANY WAY YOU

Northgate offers shoppers authentic flavors via (clockwise from upper left) fresh prepared foods, home prep demonstrations and ready-tocook seasoned proteins.







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—Joshua Gonzalez, mercado development leader

expanded its service counter, broadened its fresh prepared selections and set up checkstands dedicated to foodservice, all aimed at better serving mealtime shoppers.

"We wanted to make it as quick as possible to get in and out at the breakfast, lunch and dinner hours," Hendry says. "All the bars are set up for swift production and quick customer ordering.'

Quick service to be sure, but the wealth of authentic selections surely will compel shoppers to linger and savor. A handful of signature sandwiches (tortas) has swelled to a dozen (with the torta Cubana emerging as the most popular), and the "lunchería" abounds with street-style tacos laden with carnitas and barbacoa, in addition to burritos, tostadas, bowls, salads and wraps.

The changes put fresh food front and center. "We've always done a lot of prepared food, but we expanded in a significant way," Hendry says. "Many of these foods we used to sell, but all behind the counter."

Food bars feature house-made selections such as tamales, salsa and up to eight varieties of authentic Mexican soups with complementary toppings. A new sushi bar joins Northgate's renowned ceviche, or seafood cured in citrus juices. "We're pretty famous for our ceviche. All our stores have it, but we have an expanded assortment here," Hendry says, noting the Central and South American as well as Mexican styles.

There's also "presentation cooking," with chefs stationed at flaming grills to prepare meat and seafood with flair, offering a serving of the food theater that's so important to today's experiential food retailing.

And a new juice counter creates up to 18 flavors of aguas frescas - blends of fruit, water and sugar — delivering refreshing quaffs in traditional profiles as well as trendy new combinations featuring cactus and greens.



HORNO FRESCO

Fresh bakery items run the gamut from authentic bolillo rolls to fancy cream cakes.



Overdelivering

Tortillas are a point of pride at Northgate, and the on-site tortillería is a display of freshness and showmanship. Tortilla makers know their best customers by name and lead them to the freshest batches as shoppers feel the stacks to find the warmest ones.

"We stone-grind all our own corn. We have a silo in the back," Hendry notes. "The whole traditional style — nothing from mixes, everything from scratch. It's a lot more labor, but you can taste the difference."

throughout Southern California, plus some joint-venture operations in Arizona. The company's co-presidents are Miguel Gonzalez Reynoso and Oscar Gonzalez Reynoso, with ownership shared among the family, including Miguel and Teresa's 13 children.

"Northgate was founded in 1980 based on a simple concept

 to serve our customers and communities where they are underserved - providing them with great-quality, fresh, authentic Hispanic foods at fair prices," explains Mike Hendry, EVP of marketing and merchandising. "As a family-owned and -operated company, we serve our community families like they are part of ours. We are tied together by our cultures, our love of family and traditions, new and old, and we do this through the connection of food." www.northgatemarkets.com

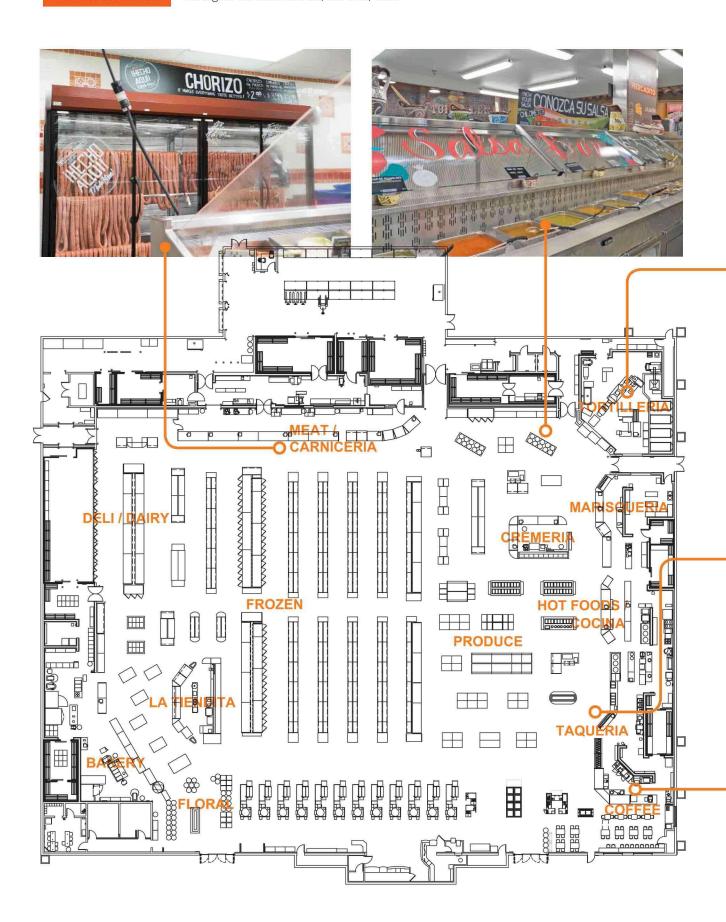
About Northgate Gonzalez Markets

After their shoe business in Jalisco, Mexico, ended in a fire, Miguel Gonzalez Sr. and Teresa Reynoso de Gonzalez moved their family to Los Angeles over a period of years to start

something new. The first Northgate Market opened in January 1980 in Anaheim, Calif., with every family member working in the business. The store quickly became a favorite of local Hispanics who wrestled with the language barrier at mainstream supermarkets, as well as those fond of the Gonzalez family's secret recipes for carne asada, chorizo and carnitas.

The business expanded over the years, eventually reaching 41 locations











Northgate Gonzalez Market

11660 E. Firestone Blvd. Norwalk, Calif. 90650

Grand reopening: Nov. 11, 2015 Total square footage: 59,000 Selling area: 45,000 square feet

SKUs: 15,800 **Employees: 180** Checkouts: 14

Hours: 6:30 a.m.—10:30 p.m.

The Mercadito service counter, or deli, features mostly Hispanic specialty cheeses and cremas, as well as some bries and "more mainstream choices," Hendry says, along with ham, turkey and smoked meats.

The produce selection is "typical of Northgate" but a larger assortment because of the increased space, according to Hendry. "We have expanded organics. We pride ourselves on freshness and quality," he says. "We're not the price leader, but we find the best quality at a fair price. The Hispanic shopper is looking for quality first and price second. We try to overdeliver on that." Additionally, an expanded floral area greets shoppers at the entrance.

Hendry also describes the meat department as typical of most Northgate stores, although 65 feet of service counter does set it apart from other grocers.

"One of our points of difference is our meat counter — we cut, grind and marinate [with] secret family recipes," he says, noting that Southern California is "blessed with good weather for year-round barbecuing."

In addition to offering chorizo, carne asada and other local specialties, Northgate draws attention to leaner cuts, as well as natural and grass-fed meat options. "We really have an emphasis on healthy alternatives," Hendry says, noting the banner's Viva la Salud — "to your health" — tag program to call out health aspects of products. "We're one of the few in this segment that goes after health in a different way."

Making traditional Hispanic delicacies healthier includes offering cactus tortillas, made with less flour, and making aguas frescas with less added sugar.

Meanwhile, an expanded seafood department displays its wares in open cases. "Most of our

fixtures are on wheels. The store is built on flexibility," Hendry explains, pointing out the outlets and drop cords throughout the store so demos can bet set up in moments.

"It's all about the show," he adds — from guacamole made to order, to demos on how to prep nopales, or cactus leaves. "We bring the show to the shopper."

That also includes cake decorators in the bak-

ery, where most items are made from scratch daily, including sweet breads and bolillo rolls. "There's a new batch every 15 to 20 minutes. People will wait for the hot ones," Hendry says.

La Tiendita, a separate counter near the bakery, makes fresh churros and other specialties, including Tosty Locos, a treat including fruit, chips and seeds.

Northgate explores collaborations with suppliers to excite shoppers in new and different ways, including food pairings, cooking classes and recipe inspirations. "It's about how we can make food and brands important and relevant to our customers," Hendry says. "We want to do this absent a dependency on price, but rather through a deeper connection."



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—Mike Hendry, EVP of marketing and merchandising

Center of Attention

Spirits take center stage in center store, with an expanded tequila set that offers an aisle of \$30-or-under selections, with premium bottles in a separate case.

"We have one of the best varieties of Mexican beer," Hendry says, pointing out the mix-and-match

craft 6-packs. A slightly larger wine set aims to broaden shoppers' horizons; as Hendry explains, wine isn't as popular among Hispanic consumers, who tend to favor sweeter varieties, but interest is growing. "People are open to trying new things."

Northgate had to rethink its approach to center store after removing four full aisles of grocery to accommodate the expanded fresh area, Hendry



says. "Our strategy on center store is, we have a good mix of brands our customers have come to know from Mexico. We want to cater to our primary customers, but we want it to be a full shop for anyone coming in," he notes. "By condensing it and focusing on the most popular SKUs, we ended up increasing sales."

The Fiesta aisle highlights Hispanic products from Mexico and Latin America, including huge shelf sets for hot sauces and salsas.

"We're continuing our quest to push for more and different foods at a fast pace, as well as changing up the merchandising of the store," Hendry says. "It is sometimes easy to get stuck within boundaries of departments or programs, and these stores are built to be flexible, fluid and ever-changing. We continue to push ourselves to break out of traditional merchandising."

Stronger Foundation

Northgate faces a self-imposed challenge: to create a differentiated experience, a real shopping destination for people who love Hispanic foods, regardless of one's culinary abilities or cultural background.

It appears to be succeeding — an article in OC Weekly earlier this year referred to one of the banner's stores as a "Mexican-food Disneyland."

Joshua Gonzalez, the company's mercado development leader, is one of the latest generation of family members to work in the business, which he says includes more than 50 cousins. His father is one of the 13 brothers and sisters who own the company with their parents.

"We're really interested in growing this business," Gonzalez says, alternately speaking with PG and interacting with shoppers in Spanish. "We do our best to hire people who know each



secure and always puts a face to the company."

And customers have responded quite positively to all of the innovations and changes. "Our research and feedback tell us that our target customer segments really love what we do," Hendry says. "Challenging, being different than what you've done

before, being disruptive to your normal mode of business and creating new strategies that challenge our normal thinking."

With such a strong focus on great food, quality and service, Gonzalez says that "we're hungry to continue to improve this every day, to build a stronger foundation for the associates and the family." PG



HIGH SPIRITS

Northgate caters to local demand for tequila with an expanded shelf set (opposite page), and offers a wide selection of chilies and other authentic ingredients for home cooks.

other so they work well together, people who are recommended by our own associates. We have ones with 25, 30 years [of experience], and their children. ... We want to give them room to grow."

The owners "walk the stores every day," Gonzalez notes. "Each owner walks a store at least two to three times a week. It helps our people feel