

RETAILER PROFILE

CEO Judith Spires has been with Balducci's since 2010



BALDUCCI'S

FOOD LOVER'S MARKET

Still fresh after 100 years

• By Anna Wolfe •

Very few businesses, and even fewer gourmet businesses, can trace their roots back a century or more.

That's not the case with Balducci's Food Lover's Market.

Established in 1916 by Louis Balducci in Brooklyn, N.Y., Balducci's has changed ownership numerous times — from the Balducci family to Sutton Place Gourmet to several investment firms.

Back in 2000, *The New York Times* described the “pioneering specialty food market” as “the first to sell premium quality foods — with a top-flight butcher shop, fishmonger, deli and greengrocer all under one roof.”

Last year, KB Holding Inc., a Delaware investment firm, saw the potential in this legacy brand and struck a deal to buy Balducci's along with upscale supermarket chain Kings Food Markets from Angelo, Gordon & Co. and MTN Capital Partners LLC.

PHOTOGRAPHY BY VITO PALMISANO

ROCKING IT IN RYE BROOK

More than 100 years after first opening its doors, Balducci's is not resting on its laurels. The retailer has doubled down on its efforts to serve the highest quality food to discerning customers.

It appears that Balducci's has struck the right mix of location and demographics with its newest location. In January, the specialty food retailer opened in the Rye Ridge Shopping Center in Rye Brook, N.Y. The village has a median household income of \$131,488, as much as \$48,000 higher than other nearby towns in Westchester County, according to Data USA 2015.

Catering to today's convenience-seeking consumer, the 11,000-square-foot store features an open concept layout with clear sightlines across much of the store.

Inside the main entrance is the specialty cheese case that's stocked with hundreds of domestic and imported specialty cheeses, all cut and wrapped to order. Then there's the prepared foods case and grab-and-go items. The open kitchen, where all of these items are made in-store daily by Balducci's team of chefs, is in full view.

Prepared foods have been a top-seller for the retailer. "Balducci's chef-prepared offerings are the crown jewel of the market with a vast selection of freshly prepared items made daily by our own in-store chefs, making it easy for our guest to plans meals quickly without sacrificing quality," says CEO Judith Spires.

When *The Gourmet Retailer* toured the location with Spires in June, the prepared food cases were stocked with dozens of entrées and sides including Citrus Glazed Grilled Salmon, Haricot Verts with Shallots and Herbs Provençal, Chipotle Turkey Burgers, Hoisin Flank Steak with Shitake Mushrooms, Horseradish & Herb Crusted Cod, an array of salads, and much more.

"Everything is geared towards a sophisticated palate. That's our brand," adds Spires.

Walking through the store, there's a "sense of discovery," she notes. Produce is in the center, while seafood, meat and dairy flank the back of the store.

What helps set Balducci's apart is its commitment to offering the highest quality. "Most items are hand-picked or hand-selected. And we sell only the freshest quality. That's what our customers have come to expect and appreciate," says Spires. "Our customer understands the nuanced differences."

The meat and seafood section is stocked with only the freshest, top-of-the-catch seafood and local lamb, pork, beef and sausage that's made in-store. "Our professionally trained seafood mongers and butchers are equipped to fulfill any of our guests needs, whether finding the best cut of meat or providing preparation tips and seasonal recipe ideas," says Spires.

Spires is quick to credit the staff for their contributions. "We have real quality food here, and a team of people that love what they do," she adds.

Produce, showcased in the center of the store, is what Spires describes as an "Old World category." These days, Balducci's also has sushi. "That's not Old World," she adds. "It's an example of how we have evolved." Add to that list of examples a Meze Bar,



At A Glance Balducci's Food Lover's Market

Founded: 1916 by Louis Balducci in Brooklyn, N.Y.

Owners: KB Holding Inc.

CEO and Chairman: Judith Spires

Locations: Seven in New York, Connecticut, Maryland, Virginia and two On the Go Café locations in New York City and Baltimore. One Balducci's Express inside the Philadelphia International Airport.

Photographed: Rye Brook, N.Y. Opened January 2017

Employees: 75 at Rye Brook

Size: 11,000 square feet

Phone: 914-308-3692

Website: www.balduccis.com and www.balduccis.com/ryebrook

Ramen Bar and grain bowls.

"We pride ourselves by being on trend," says Spires. Walking through the produce department, "cauliflower is in, potatoes are out," she adds. Spiralized vegetables are in, and Balducci's has done the prep work. "And we have different sizes ready for them."

Grocery, snacks, refrigerated juices and beverages, a self-service coffee bar with Stumptown Coffee's Cold Brew on draft, confections and bakery round out the store's easy-to-navigate footprint. Throughout the store are sampling stations, both self-serve and staffed. Plus there's an in-store seating area in the front



of the store where customers can enjoy their purchases and access free WiFi.

CONSUMER BEHAVIOR

Today's Balducci's customers not only have discerning tastes, but also are looking for convenience.

"Many of our customers are coming into our food markets and want quick and convenient meal options," says Spires. "We are hearing 'I need inspiration. I need ideas. I need convenience. I need quality.' And it is our goal to provide those offerings with the best experience possible."

Customers also are not planning meals far in advance. "Our customers are interested in small sizes, and they have one or two days of shopping in the cart; they're not buying for a week," Spires says.

In addition to leading specialty food brands, Balducci's has offered its own store-branded products — peanuts, pistachios, chocolates, confections, spices and more — for "decades," says Spires, and it is a "growing area. We feature items that are sourced with

the highest quality in mind and the most popular items in that category include marinades and coffee ... We continue to provide new and unique offerings that cater to the sophisticated palate of our customer."

CATERING

When it comes to the store's notable features, Robert Bistro, catering manager, points to the "open kitchen that lets customers see what the team of chefs are doing." All the store's prepared foods and party platters are made in sight of the customers. "It's great advertising and a testament to what we do," says Bistro.

Catering is in demand year-round from customers, including corporate clients. No job is too large or too small. The catering team does everything from "full-blown meals" to side dishes, Bistro says.

"It's amazing the number of people who don't want to cook for holidays," he adds. And it's not just fourth-quarter holidays. The catering team has a summer barbecue menu

LEFT: Balducci's promotes its in-store events on its stores' website and on Facebook and Twitter. Pictured is Wilmil Garcia-Colondres, Rye Brook's executive chef. Each store has an executive chef. **MIDDLE:** Chefs oversee the creation of the store's in-house prepared foods. They are the "crown jewel" of the store, says CEO Judith Spires. **RIGHT:** Luis Rivera is one of the store's professionally trained seafood mongers and butchers.

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Judith Spires

Judith Spires, pictured right, is chairman and CEO of KB Holding Inc., a Delaware-based investment firm that owns Balducci's Food Lover's Market and Kings Food Markets. Spires received the 2016 Top Women in Grocery Trailblazer from *Progressive Grocer*, *TGR's* sister publication, and the Chicago-based Network of Executive Women. She also is the 2017 Lifetime Achievement Award honoree for the *NJBIZ* Best 50 Women in Business, and received the 2016 Corporate Lifetime Achievement Award from the Association for Corporate Growth in New Jersey.

During her more than 30 years in retail, Spires has worked her way up from cashier to CEO. She began her career at Malvern, Pa.-based Acme Markets while she was in high school and college, and subsequently discovered her passion for the retail service industry.

Prior to taking the helm at Balducci's and Kings in 2010, Spires served as president of Acme Markets and president of Albertsons' Dallas-Fort Worth and Rocky Mountain divisions.



◀ Specialty cheeses are showcased near the entrance at Rye Brook.



▲ The meat department offers prime cuts, house-made sausage and more.

that includes crowd-pleasing favorites such as Buttermilk Fried Chicken, BBQ Pork Spare Ribs, BBQ Pulled Pork Shoulder, White Mac'n Cheese, Thai Pasta Salad, Cornbread, and Lemon Meringue Pie, to name a few.

Whether its prepared foods for tonight's dinner or a catering order for a dinner party, "many of the customers see Balducci's as their personal chef," says Angel Caban, store manager.

And oftentimes, they're "looking for healthy, tasty and convenient," Bistro adds. The retailer is using Seamless to deliver online catering orders.

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The Rye Brook store aims to be daily destination for the area's foodies. "At the end of the day, we want this to be the first store they shop," says Caban. Balducci's also has a loyalty program where members get \$10 for every \$250 spent.

FUTURE

More locations are in the works. Balducci's is on track to open its eighth full-service location at Reston Town Center in Reston, Va., next spring. The gourmet market will be the anchor store in Boston Properties' The Signature, a luxury residential project with ground-level retail.

More stores will be in the pipeline. Spires says the company is looking for locations that are 10,000 to 12,000 square feet inside "charming buildings" with "varied architecture" where Balducci's can "create a signature shopping experience in a modern setting."

Spires adds, "Our customers are not looking for boring, they're looking for interesting. We have big plans for this brand." **TGR**