



A&P Nets \$40 Million on Site Sales

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MONTVALE, N.J. — The auction of A&P's Super Fresh stores in Maryland and Washington, D.C., resulted in a .500 batting average and \$40 million for A&P, while opening new markets for two Southbound retailers.

A&P last week said it accepted bids on 12 of the 25 stores it put up for sale, with ShopRite operator Village Super Markets taking two sites and Mrs. Green's Natural Market, a Scarsdale, N.Y.-based natural and organic retailer, taking eight stores. Supervalu is acquiring one store it intends to convert to its Shoppers Food and Pharmacy brand while another store will be sold back to its landlord.

In addition, A&P received bids for pharmacy prescription lists for seven stores by three bidders (three to Walgreen, three to Safeway and one to CVS).

The sales are subject to approval of U.S. Bankruptcy Court, which is scheduled to hold a hearing on the matter June 14. The 13 stores that were not bid on are likely to close, A&P officials said.

Village Super Markets confirmed it had successfully bid on Super Fresh stores in White Oak, Md., and Timonium, Md., for approximately \$6.6 million. The company said it anticipated reopening the stores under the ShopRite banner this summer. Village is the largest member of the Wakefern Food Corp. cooperative, currently operating 26 stores in New Jersey and Pennsylvania.

Its arrival in Maryland would continue a push into Maryland for Wakefern/ShopRite, which began when Klein's Markets joined the co-op in 2009 and continued when Collins Family Markets expanded in Glen Burnie, Md., late last year. ShopRite has also recently announced plans to expand further north into the Capital Region of New York.

“ShopRite has become a real regional powerhouse,” Matt Casey, president of Matthew P. Casey & Associates, a Clark, N.J.-based consultant, told SN last week. “They're pretty saturated in their core area, and if they want to grow, which they do, they have to look further out.

“They've been successful because they operate a good store,” he added. “They have a low-price reputation, they have good service and variety, good promotions, and as a co-op they have members who can really look after their stores more closely than a big chain.”

Mrs. Green's, which A&P said bid successfully for seven stores in Maryland (Baltimore, Parkville, Arnold, Cambridge, Chestertown, Charlestown and Brunswick) and one in Washington, D.C., would also be moving to a new market, but its specific intentions were not clear last week.

Mrs. Green's is currently operated by Mark Pec, a former A&P executive. Pec was traveling last week and unavailable for comment, people at his corporate office said. Mrs. Green's is a division of Planet Organic, a Vancouver, British Columbia-based natural retailer, which in turn is owned by a Toronto-based investor, Catalyst Capital. Officials at Planet Organic and Catalyst did not return calls last week.

A spokesman for Supervalu told SN that the company intends to convert a store it bid for in Ellicott City, Md., to its Shoppers Food & Pharmacy brand. The landlord for the Westminster, Md., store bid to acquire that location.

The sales will help A&P raise more than \$40 million. The company had long noted that its stores in the area were struggling, and it came as little surprise when A&P said it would look to sell the units as part of “optimizing its footprint” earlier this year.

In court documents, A&P said Ahold's Giant-Landover was identified as a “backup bidder” for four stores, while Supervalu was a backup bidder for two and The Fresh Market for one.