



wall between them," says O'Neill. "In the new location, the cheese store is the bistro."

Like all the Pastoral stores from their onset, the Andersonville shop, which opened on Oct. 29, has a carefully curated selection of specialty food, wine and beer that is approachable and appropriate for every day, not just for special occasions. "We consider our stores to be small markets, boutique shops. We are not an emporium," O'Neill says. "We have 150 types of cheese — not 600." The idea is to know the products and how to care for them so they can share all the pertinent information with their customers.

"We stay very focused on our core categories, and while we have gently expanded, our scope is remarkably consistent," says Miller. "Cheese is the hub of the proverbial wheel and then the flanker categories are in relevance to it. This is why we simply do not participate in some categories that other specialty food retailers do."

Location, Location, Location

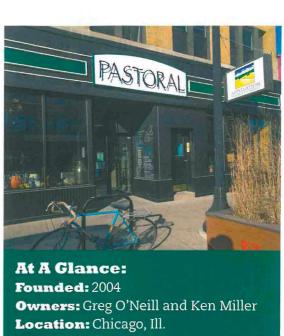
The Andersonville neighborhood has a distinct Scandinavian identity, with many residents of Swedish ancestry. Several of its existing businesses have this cultural affiliation; in fact, says O'Neill, the bar on the corner of the block where the newest Pastoral sits flies the Swedish flag. But like many urban ethnic enclaves, the neighborhood is experiencing major changes. While still maintaining and celebrating — its roots, it has seen the passing of many shops that catered to earlier generations.

"Some of the most revered Scandinavian delis in the area have closed," O'Neill says, adding that they've brought in "some of the specialty and delicacy items that the people in the area have been looking for, like lingonberries and premium Swedish cheeses."

The opening coincided with the neighborhood's 50th anniversary year, so the spotlight shines on the Swedish heritage. Miller says the new store carries "some great Swedish deli items that are still very popular with the locals including cheeses, sausages, pickled herring, handmade lingonberry-cherry jam and gloggs and Aquavit."

According to Redfin, the Seattle-based residential real estate company, Andersonville is the No. 7 hottest urban neighborhood in the country. The vibrant, growing community has a thriving retail and restaurant scene and an active, hip population. "All the pieces coming together" influenced the the decision to open in Andersonville, says O'Neill, who notes that the foot traffic and economics made the neighborhood ripe for opening a new store.

The Andersonville location has all the amenities of the earlier Pastoral shops but goes deeper into



Stores: 2945 North Broadway.

53 East Lake St., 131 North Clinton St. (Chicago French Market), 5212 North

Clark St. (Andersonville)

Restaurants: Appellation (Clark Street), Bar Pastoral (Broadway)

Size: 1,000 to 3,500 square feet

Employees: about 130 Phone: 800-721-4781

Website: www.pastoralartisan.com

Awards: Outstanding Retailer of the Year in 2007 and 2012 by the Specialty

Food Association

the categories, a benefit of its size. There is "more theater," in O'Neill's words, because the size enables "more ability to tell a story." As an example, he mentions charcuterie, saying that a front-and-center slicer means they are able to do the slicing in front of customers.

"This store (carries) fresh artisan bread out of our ovens, craft beer and spirits, jams, honeys, confections, olive bar, gourmet groceries and accompaniments, gift baskets, picnics, etc., plus our very popular made-to-order sandwiches, salads and, new with this location, soups," says Miller. In addition, the store offers "organic sweet and savory pastries, espresso/ cappuccino, granola and quiche."

Another exciting feature is an exclusive in the Chicago market, indeed, in the Midwest — a Maille filling station that showcases earthenware jars of premium mustards. In the U.S., only New York City, Portland, Ore., and now Pastoral's Andersonville location have Maille On Tap. It is the second U.S. store to have a "Maille store-within-a-store." The other is at World Foods in Portland; New York has a freestanding Maille Boutique. Pastoral's Maille On Tap offers

Retailer Profile



seasonal mustards, but not the mass-market mustards available in supermarkets. All the mustards work with Pastoral's charcuterie, says O'Neill.

The Same ... But Different

"We originally considered Andersonville in 2004 when we were opening the first store," O'Neill explains. "But it wasn't appropriate then. Now the area is more vibrant."

The Andersonville store allows O'Neill and Miller to use everything they've learned over the past 10 years to make a seamless move to the next level.

They want this new store to be a community space with a café vibe. Lunch offerings include soup, mac & cheese and grilled cheese sandwiches. Dinner is full-service. The pair is planning to push back the Andersonville opening hours sometime in 2016 so that it can offer European-style pastry-and-espresso breakfasts. A small park — O'Neill calls it a "parklet" — with grass, trees and seats across from the store functions almost

> as an outdoor café where patrons can enjoy the foods they've picked up in store. Of course, this being Chicago, it's not a year-round outdoor dining space.

Another feature is the ability to have a beer while shopping. This started in the Broadway store — Bar Pastoral is next door — but it's even easier to accomplish in Andersonville since the wine bar/bistro and shop share the same space. Jessica "Jesse" Williams is chef of the bistro, which

Cheesemonger **Brian Smith fills** jars with seasonal mustards at the

station. Pastoral is

second U.S. store to

have a Maille store-

within-a-store. V

Maille On Tap



is called Appellation. Earlier in her career, she was a cheesemonger at Pastoral.

In the Beginning

O'Neill and Miller — partners in life as well as business — come from vastly different employment backgrounds. O'Neill, who grew up in the New York area, was living overseas doing global marketing for clients like Colgate-Palmolive and Polaroid. Miller, who grew up in the Washington D.C., area, was designing software systems for nuclear submarines; a man of many talents, he had also attended culinary school and worked at Chanterelle in New York City.

The two met in Chicago when O'Neill was on a short-term assignment and Miller was passing through on a sabbatical. Perhaps that's why Chicago was the only city that showed up on each one's fivecity list of where they'd like to live.

While the pair was living in Europe, they often discussed how much they enjoyed the food. Since both had demanding jobs, they would pick up cheese, salumi, wine and bread for late-night dinners. The ready availability of quality products made an impact.

By 2003, they were living in Chicago and with O'Neill tiring of corporate America, they started contemplating what to do next. "We were going to a concert one night and I was supposed to pull together a picnic," he says. "What was available was sad. It sparked the concept — 2003 was the turning point.

"We dreamed about a place with ready-to-go things that allowed you to pull a meal together easy, approachable, not stuffy," he remembers. "Ten or 15 years ago Chicago had very little in terms of independent gourmet retailers. Cheese shops were almost nonexistent. There was a niche to fill."

After conducting some serious qualitative and quantitative market research in the fall of 2003, he identified almost 75 percent of the people in the Chicago neighborhoods they were considering as their target customers. The pair was looking to carry products that "were coming from some the best places on earth, made by great people. We wanted a shop to reflect that, not a sterile retail environment." He describes all the Pastoral locations as being not specific to any location but evocative of many, catering to those desires formulated during their European sojourn.

To get ready, they attended Zingerman's Zing Train course in Ann Arbor, Mich. "One of the best things about this field is that everybody helps each other and doesn't worry about competition," O'Neill notes. Then they went to the 2004 Winter Fancy Food Show in San Francisco. By March of 2004, they had found a space

for the first shop on Broadway in the East Lakeview neighborhood and they opened in August.

According the O'Neill, the duo isn't looking to open 30 stores. They want to open only as many as are operationally feasible to maintain quality. "We don't want to become a parody of ourselves," he says. "There's no compromising. If that means opening a new place only every few years, that's OK." Their plan with each new shop is to "digest it, develop it, get it right. It works for us. We're not moved to be a franchise. We've opened where there's an unaddressed need and a market to support it."

Part of the Community Fabric

Community is an important part of Pastoral's ethos. O'Neill and Miller want to promote the concept of eating good food, made in a responsible manner, to the local people and neighborhoods. According to O'Neill, "Our philanthropy and connection is about the community. We're too small to have a national impact. We're looking to get involved in sustenance — making sure people are fed properly and agriculture is sustainable."

Among the local organizations they support is Purple Asparagus, which helps teach Chicago public school kids how to shop for, understand and appreciate a variety of foods. O'Neill stresses that it helps kids understand what constitutes healthy eating.

Pastoral also supports the Silver Fork Program at the Center on Halstead, a cooking school for disadvantaged high-school-aged kids looking for career options. "We go in and teach about food and wine," says O'Neill. He likes the program because it "examine(s) the health side while providing the skill side. It's a hand up not a handout."

Most of Pastoral's employees are hired from the neighborhoods in which the stores are located. And that means the signs posted in Andersonville prior to its opening were in English and Swedish. With the new store, the company has about 130 employees in total. The pair is proud of the fact that Pastoral offered health benefits to its employees before it was required to do so.

Part of the Pastoral's success involves having knowledgeable, committed folks on the front lines. The in-store staff is the face of the operation and growing to 130 associates has presented challenges. "The most challenging thing is people-related," says Miller. "Having a talented, passionate, well-trained staff that embraces our culture is hard to scale. This is critical to delivering our concept so we have taken pains to do it and with each additional store or restaurant, it doesn't get any easier or less important.

"We have the regular training that most similar retailers



provide on basics but we also provide specialized training on cheese, wine and such," he continues. In addition, they provide training on "things like olive oil (and) special small production French mustards." And then there are the truly special aspects, like "visiting winemakers' guided tastings and even having a cheesemaker from Switzerland teaching about how to make the perfect fondue."

▲ Jesse Williams is the chef at the in-house bistro Appellation.

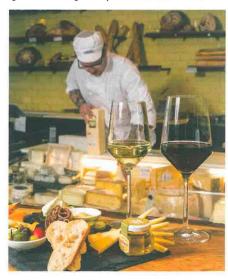
Above and Beyond

For the past five years, Pastoral has sponsored the Pastoral Artisan Producer Festival (No. 6 is scheduled for April 2016). The festival brings together 95 to 100 producers of the charcuterie, cheese, wine, confections and other items carried in the shops to share their products with Chicago.

O'Neill estimates 12,000-15,000 people attended the one-day event in 2015. Held on a Saturday at the end of April, it's one of the city's largest food festivals and free to the public, thanks to sponsorship from The Specialty

Food Association and Wisconsin Milk Marketing Board. By making it free, families, young people and those of lesser means are able to attend. This past April they started accepting nonmandatory donations that go to Purple Asparagus and the Greater Chicago Food Bank.

"Producers enjoy it, consumers enjoy it," says O'Neill. "It's great quality interaction. You just have to show up." Designed to help people understand who makes what they buy Jordan Edwards, the head cheesemonger in the Andersonville store, chooses cheese for a typical plate served in the bistro. V



Retailer Profile

every day, the festival features demos and shares information. For example, honey makers explain how to extract honey from hives.

Daily entries on Facebook promote tastings, cruises, picnics, special collections, seasonal goodies and a huge array of other activities that Pastoral sponsors and/or offers. The enticing pictures and crisp entries invite followers to drop in or pre-order everything from a this-would-be-amazing-to-eat-at-my-desklunch to a catered event.

"Social media is critical to building awareness and participation in what we are doing," says Miller. "We have a dedicated person on our staff that cultivates content from our experts and finds relevant external info as well. Pastoral has over 10k followers on Facebook and large followings on both Twitter and Instagram." Its e-newsletter has more than 10,000 current subscribers.

Thinking Outside the Shop

Pastoral also has an online and a wholesale business as well as a commissary/warehouse where all the housemade products are created.

O'Neill describes the on-line business as "not big like Zingerman's or DiBruno Bros., but it is solid and growing." Small production items comprise the majority of the offering, with about a 50/50 split between domestic and international items. Because local law allows it, the online business also sells wine and cheese. Many of the online shoppers subscribe to monthly clubs.

The core clientele comes from the Midwest, people who want to send a taste of Chicago. "Shipping is pretty cheap to those who live within a day's drive," he adds.

Catering services run the gamut from private parties and corporate events to business lunches and picnics for two. The website offers distinct, downloadable menus for catering platters, sandwich and salad

trays, and picnic options. Beer and wine selections to complement the menus are also available.

The wholesale business came about because restaurants located in the same neighborhoods as the stores wanted to buy from Pastoral. The chefs and/or owners were already buying personally and wanted to buy for their businesses. What began as neighborhood eateries contacting Pastoral became a distinct business venture. They brought in Lisa Futterman — a cheese maven in her own right - who expanded the wholesale business. Today, says O'Neill, "Our cheeses are in big restaurants and neighborhood restaurants."

This is another example of becoming part of the community fabric. O'Neill says having a retail store in a neighborhood sparks interest by local restaurants about 90, most in Chicago with some in surrounding areas - to carry Pastoral's cheese. He describes it as neighbors supporting neighbors. "Lots of small businesses try to support each other. We even have barter arrangements. For example, the local athletic club. We do their catering, I get a gym membership."

For the first five years they were in business, O'Neill worked behind the counter. Miller worked on the business end but did not join in full-time until 2007; until then he was still pursuing his software career. With so much growth, neither man is in the stores on a regular basis anymore; they spend their time running, growing and perfecting Pastoral Enterprises LLC, the corporate identity they've created to encompass the shops, restuarants, catering and wholesale arms of the business. But when necessary, they jump right in. Case in point, an August concert that packed the downtown store with shoppers looking for picnic items. Miller worked a register, O'Neill a counter. "I love sending people home with more than they thought they would find," says O'Neill. "You send them home as heroes." TGR

All the Pastoral shops have a carefully curated selection of wine, cheese and charcuterie to assemble a quick and delicious meal.





