

ynonymous in the supermarket business with excellence and innovation and renowned for its expansive destination stores, well-oiled execution, magnificent merchandising and fanatical customer fan base, Wegmans has left an indelible mark on the U.S. grocery scene, which has categorically become a better place as a result of the company's rising-tidelifts-all-boats leadership.

Admired for its engaged front-line associates, quality-first approach, spectacular displays, restaurant-quality prepared foods, and big, beautiful stores, Wegmans has had an undeniable impact

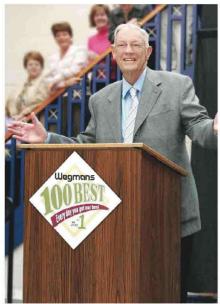
on the grocery industry on its way to becoming one of the largest family-owned companies in America.

Racking up a dizzying array of accolades and generating barrels of virtual ink on all sides of the internet buzz-meter, as its inviting, experiential food-shopping experience reaches new geographic markets, Wegmans never fails to cause a sensation when it comes to town. In 2015, more than 4,000 people contacted the retailer to ask for a store in their respective communities, alongside another 7,300 who wrote the company letters proclaiming their love of shopping at Wegmans.

As one of the most admired retailers on the planet, Wegmans, based in the Rochester, N.Y., suburb of Gates, has long marched to its own beat. With a relentless quest for continuous improvement via calculated risks, a











LOOKING BACK, MOVING FORWARD: Throughout its 100-year history, Wegmans Food Markets has achieved many attention-getting milestones, many of which stem from the visionary leadership of the its late chairman, Robert Wegman (center), who expressed his gratitude to company associates when the company was named No. 1 on Fortune's 100 Best Companies to Work For in 2005. The building blocks of its inventive store design began in the 1960s (top left), and have since given rise to stand-alone Wegmans Pubs (top right) and in-store Burger Bars. Today, Robert's son, Danny Wegman, leads the company as CEO, alongside his daughters, Colleen, president (right), and Nicole, SVP.

willingness to experiment and an enlightened approach to honing the talents residing in its people, the resulting payoffs are self-evident. Widely credited for raising the food retailing bar, Wegmans has all but single-handedly changed customer expectations for grocery shopping by prioritizing an exceptional overall experience with a whatever-it-takes mindset.

Opening no more than four new stores each year, Wegmans opted for deliberate growth in a relatively compact six-state footprint — New York, New Jersey, Pennsylvania, Massachusetts, Maryland and Virginia — belying the dynamic impact it's had in new expansion markets, particularly during the past 35 years, when the 89-store retailer's stellar reputation for quality, quantity, consistency, price points and customer experience made it the institution that modern consumers have come to embrace.

It's no accident, of course, that the timeframe of its ascent to the captaincy of the industry coincided with the tenure of Danny Wegman, CEO of the family-owned company and son of Wegmans' legendary chairman, Robert, who died in April 2006.

While the company's foundation was already rocksolid, the ensuing years of good-to-great progression following Danny's appointment to president in 1976 are unmistakably linked. In recent years, his two daughters — President Colleen and SVP Nicole — have infused even more fresh thinking into the well-respected organization, which proclaims its extended "family" of associates to be its deepest point of pride.

"When our people feel cared about and respected, they turn around and make our customers feel that way, too."

—Danny Wegman, CEO

Fortune Continuously Smiles

Viewed as the indispensable ingredient of Wegmans' secret sauce is a high-trust/high-performing culture that strives to treat each associate as an integral part of an articulated set of core values made up of caring, high standards, making a difference, respect and associate empowerment.

Proof of the same can be found in the company's perennial place on *Fortune*'s 100 Best Companies to Work For list, on which it landed at No. 4 this year, in addition to being the top-ranked retailer. Wegmans is one of only 12 companies that have remained on the list since the ranking's inception in 1998.

"When our people feel cared about and respected, they turn around and make our customers feel that way, too," said Danny, who sent out a Wegmans-size thank-you, after this year's *Fortune* honorees were revealed, to both customers and employees, "because together they make Wegmans a happy place to be."

Hammering home its guiding belief — that good people, working toward a common goal, can

accomplish anything they set out to do, to accomplish its greater purpose: to be the best at serving the needs of its customers — Wegmans fortifies its ambitions by taking care of its teams with attractive benefit programs, including an employee scholarship program that provides \$4.5 million in tuition assistance to associates each year.

Its role as an exemplary employer mirrors its commitment to the communities it serves with exceptional levels of charitable donations focused on programs that reduce hunger, help young people succeed, promote healthy eating and activity, strengthen neighborhoods, and support United



Progressive Grocer asked our Facebook followers:

When compared to other grocery stores, what do you like best about Wegmans? **How does it WOW you?**

Vonnie T.

Fresh organic produce; outof-this-world bakery; best seafood, meat and poultry; professional staff and wonderful pharmacy; best subs ever; fantastic finds in home and gift departments; and Wegmans brand coffee at only \$2.49. Any more questions?

Tracy G.

Wegmans is my happy place!!

Susan H.

Cleanliness and food safety! I know what their standards are. I used to work there. Also, the storebrand products that carry their name are as good as the name brands, for a lot less. The company has a genuine heart and concern for every community they are in and take very good care of their employees. I got a scholarship from them to return to school when I was in my 40s.

Tammy D.

I love their organic section; they have a lot more than any other store.

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SWEET EATS: Wegmans' in-store bakeries are renowned for specialty baked goods, desserts, and authentic European pastries and artisan breads.

Way initiatives. Last year, Wegmans donated about 13.5 million pounds of food to local food banks and programs that feed the hungry.

Indeed, while much has changed over the century that Wegmans has been in business, the company's beliefs about the way to treat people have endured, as Danny affirmed in his letter that appeared in the 100th-anniversary-themed issue of Wegmans' *Menu* magazine: "Our values remain the same. They're the foundation for our core business philosophy that my dad outlined years ago: To do something that no one else is doing, and offer customers a choice they don't have at the moment. This is the only reason for being in business. This is the basic premise on which we at Wegmans operate."

Indeed, the company lives up to that premise in spades. With its upscale, open-air market appeal and lively displays accentuating an excellent assortment, Wegmans — also acclaimed for its spacious aisles — carries 50,000 to 70,000 products, depending on the specific floor plan, which ranges from 75,000 to 140,000 square feet in an ever-expanding geographic base.

The chain is currently prepping for its next wave of evolutionary growth, which includes three more new stores in 2016, in Short Pump, Va.; Owings Mills, Md.; and Charlottesville, Va. Two more are on tap next year for Hanover Township and Montvale, N.J., followed by a new store

on the board for 2018 in Natick, Mass. A little further down the road, on dates yet to be announced, Wegmans will break ground for new sites in Chantilly and Tysons Corner, Va.; Lancaster, Pa.; and Medford, Mass.

However, the most watch-worthy project in Wegmans' development pipeline is a 74,000-square-foot store slated to open, perhaps by late 2018, in the Brooklyn Navy Yard. As Wegmans' first-ever store within New York City's five boroughs, the Navy Yard location will be the retailer's smallest - and Brooklyn's largest — supermarket. This certainly promises to be interesting for the vertically integrated company, which controls its entire distribution and supply chain. Moreover, Wegmans' keen focus on its private brands throughout the store has been a linchpin in solidifying its strong price image.

Social Significance

Inspired by Wegmans' trailblazing industry innovation throughout its 100 years of existence, as well as its unrivaled ability to generate a flood of social feedback, we took to Facebook for the first time to enhance our reporting by inviting PG's followers to tell us about the various ways that Wegmans wows them.

All told, we received 200-plus comments from folks all across the country, who weighed in with comments to the following questions:

Which department/section in Wegmans wows you the most? Why?

What's the rarest "wow" product find you've encountered in a Wegmans?

What's the most indulgent "wow" moment you've had in a Wegmans?

How will Wegmans' first New York City store next year in Brooklyn's Navy Yard wow otherwise jaded New Yorkers?

The following pages of our centennial salute to Wegmans are peppered with some of our favorite comments captured in our pilot experiment with citizen journalism, which we feel best highlight the various ways the sensational supermarket chain wows its legions of food-shopping aficionados.



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Jennifer D.

Grocery shopping at Wegmans feels less like a chore and more of a pleasant experience. It could be because the store is clean. always neatly merchandised and has a great assortment of products. And the cashiers are always friendly. It could also be that I can have a great lunch from the Asian food bar before I shop!

Samantha H.

Atmosphere! It feels clean, healthy and somehow cool. I'm not sure if it's the displays, the staff, the different zones of the stores, the fresh and prepared foods packaging, or the selection of goods. But there's just something about walking into Wegmans that makes me feel like I'm at the coolest grocery store there is.

Kerrie S.

Wegmans is the amusement park of grocery shopping! I always send my husband for groceries to other stores, but I am the one who wants to go to Wegmans. From the bakery with its fresh breads and desserts, to the amazing produce selection, I always know I'll find what I'm looking for (and even a few things I didn't know I was looking for).

Sharan K.

From the first step inside a Wegmans, I knew I had found MY store. It was magic.

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Big Deal

Wegmans is committed to giving shoppers more for their money.

By Bridget Goldschmidt

s far as Wegmans Food Markets is concerned, bigger is better. That philosophy informs the Rochester, N.Y.-based grocer's sprawling stores, which try their darnedest to be various things to as many shoppers as possible: grocery store, convenience store, liquor store, pharmacy, eat-in restaurant, corner bar, takeout joint and, last but certainly not least, a place for the community to gather and feel at home.

From its wide, easy-to-shop aisles, to its peerless, reasonably priced product selection — including many private label options — to its super-courteous associates and its near-legendary responsiveness to customer requests, Wegmans has all of the bases covered.

While there's a definite minority of consumers who find such size and selection overwhelming — "Finding the handful of items I needed was like searching for a needle in a haystack, never mind the fact that I had to cover what felt like miles and miles of retail space

to hunt down a bottle of salsa and some black beans," wrote Emily Leaman in Philadelphia magazine in 2012 about an apparently traumatic visit to a Malvern, Pa., store — many fans note that, despite their enormous scale, the stores provide various direct entrances — to the Market Café dining area, for instance — to enable customers to get in and out quickly.

In fact, most visitors, as shown by the overwhelming response to PG's social media queries, seem to be just fine with the grocery store chain the way it is. As one commenter on Leaman's article similarly noted: "Wegmans is a destination, not a grocery store."

Old Meets New

Part of creating that sense of destination is the grocer's willingness to blend innovation with the tried-and-true. For novelties, take a gander at the company's unusual offerings — whoever heard of a bar where you can create your own trail mix, or an in-store bakery with its own mill to grind locally sourced artisan flours? and sense of playfulness, as exemplified by its signature model train chugging along a track suspended from the ceiling. For the traditional, look no further than the outer design of Wegmans' stores, with their familiar clock tower feature meant to evoke a small-town city hall, or perhaps a church or school, harking back to a semimythical American past recalled by your grandparents as a time when life moved at a slower pace and everyone was a little kinder to one another.

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REIGNING CHAMP: Wegmans' 123,000-square-foot store in King of Prussia, Pa., showcases the grocer's savvy in blending innovation with the tried-and-true.



Talking with...

thony Salathe

SVP of Sales & Marketing, Emmi Roth USA





Progressive Grocer: When and why did Emmi Roth USA and Meister Cheese Company join forces to launch Kindred Creamery™ cheeses?

Anthony Salathe: The partnership began in 2015. We recognized that between our two companies we had complementary strengths and if we worked together we could create an exceptional new cheese line. Meister's strength in manufacturing capabilities combined with Emmi Roth USA's "artisan with scale aptitude" came together and this year we officially launched Kindred Creamery. We produce a full line of classic, American style cheeses like Sharp Cheddar, and Colby Jack as well as an assortment of flavored cheeses such as Sweet Fire Mango Jack, Wild Ginseng and Garlic.

PG: What sets Kindred Creamery™ products apart from all the other American cheeses in the marketplace today?

AS: At Kindred Creamery, we believe that how you treat animals affects not only their contentment, but leads to higher quality milk and the best possible cheese. That's why we started the Cow First™ program. Participating dairy farmers pledge to comply by certain standards and are regularly audited to ensure compliance with our standards. The Cows First standards include treating cows humanely, providing food free from animalbased food, not using artificial growth hormones, and providing cows pasture to graze and roam freely. In turn, the farmers are paid a premium price for the milk.

PG: Why should grocery retailers add Kindred Creamery™ cheeses to their dairy cases? What benefits can they reap by merchandising the brand?

AS: Shoppers are demanding more information from the companies they purchase food from. They care about the quality of the ingredients and the processes that go into creating the products they buy. For Kindred Creamery, a part of the process includes the treatment of the animals who play a vital role in the production of Kindred Creamery cheese. The dairy farmers who care for the cows are also an important part of this process we feel that empowering farmers to go above and beyond in the treatment of their cows really resonates with consumers.



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Karen L.

Their employees are better than [at] most other stores. They are friendly, helpful, and they stay on task.

Kathleen A.

It's a home away from home ... a one-stop shop. It is exciting to go there, you shop, you have tons of choices, and the prices are right. You can enjoy breakfast, lunch and dinner at a variety of restaurants within the store.

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EASY AS PIE: Wegmans' Market Cafés offer a variety of meal options to easily satisfy consumer cravings, whether for sushi, a hearty sandwich, a customized salad or a fresh slice of pizza.

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To help create an in-store ambiance in keeping with its old-timey storefronts, Wegmans carefully selects and trains the people it hires to work in its stores.

"At a time when our stores continue to lead the industry, we are looking for talented individuals to help us remain the best," Kevin Lang, manager of the Wegmans store in King of Prussia, Pa.,

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Mike N.

You have the best selection of organic products at the best prices, hands down.

Progressive Grocer asked our Facebook followers:

Wegmans is set to open its first New York City store next year, in Brooklyn's Navy Yard. How will Wegmans wow otherwise jaded New York consumers?

Cathy B.

Wegmans will wow Brooklyn and the surrounding areas with its huge width and depth of product ranges, especially its store brands. Wegmans employees will also be a strength.

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TASTE AND SEE: Wegmans frequently hosts in-store sampling and product demonstrations to further enhance the customer experience.

noted at the time of a July hiring event for the grocer's seven southeastern Pennsylvania stores. "It's an exciting time to be part of Wegmans, with endless opportunity for employees to grow their careers right alongside the company's continued growth. We have multiple paths for career success and give our employees the freedom to explore any career area throughout the company."

As for inviting customers to relax and take their time, a recent visit to a Wegmans Market Café around lunchtime revealed patrons tapping away at laptops in an unhurried manner, while others enjoyed leisurely sit-down meals. Employees

working in the area were respectful and unobtrusive. Even outside of the café, in the store aisles themselves, shoppers seemed content to savor the experience, with no one in any rush to leave.

With 100 years of growth under its belt, Wegmans' unique approach to business has resulted in phenomenal success: The regional grocer regularly appears on *Progressive Grocer*'s Super 50 list of the nation's top-ranked food retailers. This year, it landed on the 17th rung, with fiscal year-end sales of \$8 billion. By becoming larger than life, Wegmans has perfected a winning formula for attracting and retaining customers.

Seeing Wegmans With a Fresh **Set of Eyes**

A road trip to the Woodbridge, N.J., store easily wows a veteran grocery trade editor.

By Jenny McTaggart

s a trade magazine editor who has written about the grocery industry for more than a decade, I was embarrassed to admit to my colleagues that I had never stepped foot in a Wegmans Food Market.

After all, Wegmans is viewed as the crown jewel of grocery stores. The chain enjoys a cult following of loyal shoppers in its core markets, and has earned a superior reputation among retailers, manufacturers and anyone else who knows the inside of the grocery business.

I made my shameful admission during an editorial conference call earlier this year to discuss ideas regarding a tribute Progressive Grocer editors were conceptualizing to honor Wegmans' ongoing 100th anniversary this year. The initial thought was to launch a social media campaign asking our followers to tell us, "How does Wegmans wow you?"

Up until now, though, the only way Wegmans had wowed me was through anecdotal observations from the trade and consumers that I gathered throughout my years of covering the grocery business.

I grew up in Georgia and spent the first half of my life there, so I was quite familiar with another family-owned chain known for stellar customer service and a great selection of fresh food and groceries: Lakeland, Fla.-based Publix Super Markets. And I knew from my past reporting that executives from Wegmans and Publix have been in share groups together. But from what I'd heard,









you really have to experience Wegmans firsthand to really appreciate its uniqueness.

So it was decided: I would visit my first Wegmans, coinciding with the company's centennial celebration, to find out for myself what the fervor and fanaticism are all about. I live in New York City, so the closest Wegmans is nearly 40 miles away, in Woodbridge, N.J. It would be about an

hour's drive from my apartment in Queens, and it would make for a nice Saturday road trip with my happy-go-lucky husband and enthusiastic, foodloving 8-year-old daughter.

Before we set out, I conducted a bit of research to better prepare and familiarize myself with what I could expect from a consumer perspective, while also delving deeper into the opinions from We-

gmans' faithful followers. Perhaps not surprisingly, I found more than one blog post devoted to praising Wegmans. Many people love it for its delicious prepared food selection, and some adore it for its high-quality private label products, while others just enjoy the store environment, including standout service and cleanliness.

To be sure, the grocer has built an enviable level of trust among its most loyal clientele. Even my in-laws, who met in college in Buffalo, N.Y., are among the many fans of Wegmans.

First Impressions

The first thing I noticed about Wegmans is that it's not very flashy from the outside. The store in Woodbridge is located in what looks to be a typical suburban shopping center, and features an abundance of parking — which is a good thing, especially on a Saturday afternoon, when finding a space is no easy task.

The store itself is undeniably huge. Spanning 124,000 square feet, the Woodbridge location has an exterior featuring floral displays amid several entrances.

In fact, lunch was my first objective, after our late-morning hour-long drive. I was in the mood for something simple, while my daughter had pizza on her mind (as always). My husband was hungrier and craving a larger meal.

Not to be let down, we found all three options at Wegmans. I decided to try a 4-inch sandwich from the sub shop. My daughter was thrilled to discover brick-oven-style cheese pizza by the slice. And my husband was impressed to find Southern-style barbecue and slaw with black-eyed peas (his mom's family hails from South Carolina, so he can appreciate good Southern eats the same as me!)

We sat upstairs in a large, open seating area that overlooked the prepared food section of the store. Familiar

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Marty D.

Wegmans will wow them with kindness.

Catherine M.

Wegmans will wow the NYC area with service, quality products, variety of products, and cleanliness of store from top to bottom!

Kathy B.

Wegmans' customer service is amazing. New Yorkers love that sort of thing!

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rock music from the '80s played over the speakers, and a homey décor reminiscent of townhomes with well-lit, welcoming windows made us immediately feel comfortable and ready to enjoy our food.

And enjoy the food we did. It's hard to impress with a sub sandwich, but Wegmans easily managed to do so. The fresh-

A SLICE OF HEAVEN: Eight-year-old Ella McTaggart, daughter of PG Contributing Editor Jenny McTaggart, was clearly pleased by Wegmans' brick-oven pizza.

baked wheat bread hit my taste buds out of the park. Even the turkey, cheese and mayonnaise were a level above any other sub sandwich components I've ever consumed. As my daughter happily devoured her pizza, my husband commented on the "good, sweet" flavor of his barbecue.

While eating, we noticed three college students playing a board game at their table. Clearly, they felt right at home at Wegmans, too.

We were also impressed at the level of cleanliness at the store, including in the bathrooms. During our meal, we saw an employee meticulously cleaning off tables. I guess we're just not used to seeing that much effort at cleaning up, especially in the New York metro area, where everyone's in a big hurry to move on to the next thing.

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Zenaida W.

They will experience vastly diversified merchandise, very clean and well maintained aisles, well-stocked shelves, and very pleasant and courteous personnel. The food at the salad bars is delicious and always fresh.

Laura J.

Cleanliness, wonderful local produce, friendly employees, fantastic selection, deli, café, bakery ... pure heaven!

Fresh at its Best

After our meal, we took in the impressive variety of prepared foods downstairs, including a sushi bar, a salad bar, a soup selection and an Asian bar. I saw firsthand evidence of what I've read about Wegmans' chefs: According to the company, they walk the stores each day to select the best meats, seafood and veggies for the signature entrées and sides that they create in Wegmans' prepared food areas and restaurants. I have a feeling that the company also has a good handle on which products sell best and how much food to prepare - not an easy job for retailers, or foodservice operators, for that matter.

Moving on from prepared foods, we encountered what turned out to be my favorite part of the store: the bakery and patisserie. My daughter and I couldn't resist taking home a cookie and several pastries to enjoy later.

We were also especially impressed with the fresh seafood department,



which was undoubtedly the most massive I've ever seen in a supermarket. It included whole fish on ice, fresh mussels and much more. A friendly seafood department associate was all smiles and ready to engage with shoppers.

The next thing that stood out for us was the cheese cave. We knew we couldn't leave without picking up a sampler of international cheeses for my mother-in-law. The variety of cheeses, representing numerous countries of



STEP RIGHT UP: Wegmans' deli and charcuterie offer shoppers an assortment of traditional and upscale meats and cheeses, served up by engaging, knowledgeable store teams.

origin, was seemingly endless.

Next to the cheese section was a mouth-watering Mediterranean bar featuring stuffed olives, mushrooms and artichokes.

After being so wowed by the other fresh departments, I wasn't quite as impressed with the produce section although part of my impression came from the fact that the selection had been picked over by Saturday afternoon. Even so, the produce looked fresh and included locally grown and organic products.

The center store selection wasn't too different from other traditional supermarkets, although I did notice plenty of Wegmans private label products (definitely a "wow" for me), a special section featuring family-size packaging, and a large area devoted to packaged international foods. My favorite "international" aisle was the Southern section, which featured canned collard greens, hoppin' john and Sylvia's peach cobbler.

Additionally, I was struck by the diverse shoppers at the store. I had expected a somewhat upscale consumer base, but here I saw shoppers of various ethnicities, ages and apparent income levels, which speaks volumes about Wegmans' universal appeal. It also suggests that the company has figured out a smart pricing strategy, especially in Woodbridge, where discounters Walmart and Aldi have stores close by.

My daughter, meanwhile, was excited to find Kellogg's Disney "Frozen" cereal, as well as a cute miniature train that chugs along a track above the dairy section.

Cheers to 100 Years

I would be remiss to not mention Wegmans' adjacent wine, liquor and beer store in Woodbridge. Here I found a selection of \$6 wines, reminiscent of Trader Joe's "Two Buck Chuck." If you feel like spending a little more, there's a selection of "highly rated \$10-andunder wines," as well as "highly rated \$20 and under." A great option for beer lovers, meanwhile, is the mix-andmatch craft beer pack.

As we were leaving, my family and I agreed that Wegmans is a grocery paradise of sorts. The company has figured out how to promote good, healthy eating with those you love, and it's also evident that they've trained their staff well.

Wegmans' planned Brooklyn Navy Yard store won't be a practical choice for my regular grocery shopping trips, but my family will head there whenever we feel like being wowed by a one-of-a-kind grocery-shopping experience. PG

For more information about Wegmas Food Markets, visit progressivegrocer.com/wegmans.



Ginny L.

Wegmans employees go the extra mile for their customers, especially if you have a special-needs child.

Progressive Grocer asked our Facebook followers:

What's the rarest "wow" product find you've encountered in a Wegmans?

Dobie B.

After watching a cooking show in which one of the ingredients in a recipe was jamón, a Spanish ham, I went looking for some. Well, of course I found it at my local Wegmans deli, but it was \$98 a pound! To say the least, I tried another recipe.

Catherine M.

The truffles, the organic meats and produce, salt potatoes, and Hoffman's hot dogs. And don't forget the cheese section!

Blake H.

Several years ago, I regularly purchased Sara Lee New York Style Cheesecakes at Wegmans, because their regular price was more than \$3 less than I had ever seen it anywhere else.

Bonnie C.

The finely chopped celery, and the celery and onions. Wegmans is the only store in the world that wows with these!

Tracey G.

Black and white truffles. They keep them locked up, but just wow!

