

FOOD RETAILING IN AMERICA: A BRIEF ACCOUNTING OF INNOVATION, TECHNOLOGY & DISRUPTION

The grocery industry has seen its share of game-changing invention, colossal success stories and epic failures. Here is a handful of milestone markers that begins to tell the tale of food retailing in America.

The invention of packaged shelf-stable foods sets the table for the future of branded products to fill center-store shelves.



1814
Englishman **Bryan Donkin** spearheads the development of preserving meat in sealed, airtight tinned containers. His company later merges into **Crosse & Blackwell**. Heinz, Underwood and Nestlé offer quality canned foods in the U.S.

1810
Nicolas Appert, a French confectioner and brewer, wins the prize for developing the method of sealing food in glass jars.

1905
H-E-B is founded when **Florence Butt** opens the C.C. Butt Grocery Store in Kerrville, TX.

1916
Wegmans is founded by John and Walter Wegman as the **Rochester Fruit and Vegetable Company** in upstate New York.

1916
Clarence Saunders pioneers the concept of the first self-service grocery store with his **Piggly Wiggly** stores in Memphis, TN.

1930
Arguably America's first true supermarket opens in Jamaica, Queens in New York City. **King Kullen** stores operate beneath the motto of "Pile it high. Sell it low."

1940s
The **delicatessen** becomes an integrated department within grocery stores, offering a menu of fresh, prepared hot and cold foods and sliced-to-order imported or locally sourced meats and cheeses.

1962
The first **Walmart** opens in Rogers, AR. As of 2016, Walmart operates over 11,500 stores and club stores in 27 countries.

1968
Hooleys Supermarkets launches the first **Cub Store** (Consumers United for Buying) in Stillwater, MN. It is the first total discount food store in the U.S. Cub is acquired by SuperValu in 1980.



1974
First-ever **UPC-marked item** is scanned at retail. The item is a 10-pack of Wrigley's Juicy Fruit chewing gum.

Roadside Pantry Effect

Consumers now navigate a world of 360-degree food availability, picking and choosing from a huge pantry of roadside (physical world) as well as virtual options.



2002
FreshDirect, online grocery delivery, is introduced to the New York market.



2006
Organic is no longer the sole domain of the specialty/natural channel as Walmart moves to fully integrate organic products into a wide variety of category offerings in food, drug and apparel.

2007
Amazon pilots its home grocery delivery business model with the unveiling of **AmazonFresh** in Mercer Island, WA.

2011
The great transformation of health & wellness is fully established. Consumers view **fresh, real and clean food** as the foundation for a wellness lifestyle.

19TH CENTURY

1859
The Great Atlantic & Pacific (A&P) is founded by George Gilman. Within a few years, a small chain of retail, tea and coffee stores is operating in New York City.

1878
A&P grows to 70 stores, becoming the nation's first grocery chain.



Enter the era of modern-day food retailing with the birth of the supermarket in the U.S.

1976
The membership-only club store concept debuts in San Diego, CA, by **Sol Price** with the first **Price Club** store.

1980
Whole Foods Market opens in Austin, TX, introducing the first supermarket concept to the natural foods industry.



1983
Jim Sinegal and **Jeffrey Brotman** launch **Costco** in Seattle, WA.

20TH CENTURY

1993
CERN puts the **World Wide Web** software into the public domain.



1993
Price Club and Costco merge to make **Costco** (in 2015) the second-largest retailer in the world behind Walmart.

1995
Jeff Bezos launches **Amazon** online. In 2015, it surpasses Walmart as the most valuable retailer in America by market capitalization.

1996
Peapod launches the website for its online grocery shopping and delivery service.

1997
HomeGrocer.com, one of the first fully integrated Internet grocery operations, is launched. In 2000 **Webvan** acquires HomeGrocer.com. In 2008 CNET names Webvan the largest dot.com flop in history.



Over the course of the 20th century, the supermarket channel saw the absorption of super-fresh categories (meat, produce, dairy, bakery), the rise of packaged prepared foods and the super-sizing of center store.

21ST CENTURY

2012
Blue Apron, meal-kit startup, kicks off. In 2015 it delivers 3 million meals a month to home cooks across America.

2014
There are more than 8,000 **farmers markets** operating in communities across America, according to the USDA.

2015
A&P folds. After decades of failing to keep up with an evolving competitive landscape and falling out of step with consumers, A&P goes out of business.

2015
Whole Foods Market announces that it will launch its new store concept, **365 by Whole Foods Market**, in 2016. The new concept will highlight fresh, organic, value and convenience.



THE FUTURE

The convergence of physical and digital retailing, while causing further disruption across the food and beverage landscape, opens up a world of new possibilities for engaging with consumers with quality products and services and compelling shopping experiences.