

SPECIAL-NEEDS PROGRAMS:

Navan Foods

For shoppers with special-needs diets and food allergies, a little information goes a long way. That's why Jennifer Elizondo makes sure to scrutinize manufacturers extra closely before letting their products into Navan Foods, the special-

ty supermarket she opened this spring in Virginia Beach, Va.

Not satisfied with an ingredients lists alone, Elizondo developed a questionnaire that asks companies about their manufacturing environment and possible risks for allergic shoppers. Using the information she gathers, she prints shelf cards

for every product that provide a full disclosure of ingredients and the production process. It's a labor-intensive task, she said, but her customers truly appreciate it. Like Elizondo, whose young son has multiple food allergies, many of them are used to shopping several locations to find everything they need.

"By the time they come in here and realize there's food out there for them, it's like this huge weight has just been lifted off their shoulders," said Elizondo.

Navan Foods carries more than 600 products, including cereals, snacks and frozen meals. In addition to allergy-friendly brands such as Enjoy Life Foods and Gluten Free Pantry, the store also carries products from more mainstream companies, such as Pacific Natural Foods, that Elizondo believes display a keen awareness to food intolerances.

Although most of Navan's customers are people with allergies, Elizondo said she also gets shoppers who have autistic children, are on a gluten-free diet or are just trying to eat healthy. For them, Navan Foods is the only place where they can find everything they need under one roof.

— JW



PRIVATE LABEL:

Trader Joe's

When a store is about 85% private label, it's natural for everyone to envy its own-brand cachet, yearn for its profit margins and fear its nearby presence. Trader Joe's evokes all those responses — and more.

The 300-store chain is notorious for being secretive, so analysts and observers have become the most reliable sources of information. Most think that sales per square foot hover around \$1,500 — more than twice that of conventional supermarkets. The total SKU count, centered on fast-turning, high-margin items, is generally estimated at 2,500 to 3,000, though the retailer will only admit to stocking "more than 800" private-label products.

Inside stores, which average about 10,000 square feet, shoppers find a South Seas-themed environment and a variety of own-brand products that reflect a global palette. While that might not be unique, what the retailer does better than anyone else is combine quality with a low price to create a rabidly loyal customer base.

Trader Joe's is aggressive with its private label, and should be. When customers worried earlier this year about the safety of food imported from China, Trader Joe's announced it would pull from its shelves garlic, frozen spinach and other single-ingredient items sourced from that country.

Trader Joe's business philosophy helped get it named to the 2008 list of the World's Most Ethical Companies by *Ethisphere Magazine*.

"Having great products at very reasonable prices is one [reason]," said Robert Leffel,

associate director of The Ethisphere Institute, publisher of the magazine. "We were also impressed with their determination not to carry any products with artificial colors, flavors, MSG or added trans fats."

— RV

