

Some Background Information on Harry Blazer

My name is Harry Blazer. I was born in Providence, Rhode Island and lived until I was 16 in Cranston, Rhode Island. I attended public schools through junior high and then attended one of the oldest preparatory schools in the country, Moses Brown, in Providence, R.I., where I graduated as a national honor student after being allowed to skip 11th grade. I attended Brandeis University for three years and then Berklee College of Music in Boston for a semester (a school with which I had been affiliated since I was 12 years of age).

I had been playing drums since I was 8, and professionally since age 12 and in the early 70's began touring with such luminaries as Johnny Mathis, Paul Anka, Dean Martin, Diana Ross, Doc Severinsen and jazz legends such as Freddie Hubbard, Lee Ritenour, Gary Burton and Ernie Watts. I left the music industry in 1979 to work with my brother in the food industry.

My father was a pioneer in the discount retailing industry, which started in Rhode Island with Ann & Hope and my dad's store, Lorraine Mill Outlet in Pawtucket. My father told me that early in his career he initiated a lawsuit against a major consumer products manufacturer because they, along with other major suppliers of general merchandise, HBA and clothing, would only sell to stores that would keystone products (price at 100% markup), thus making established department stores immune to competition. He won this restraint of trade case and as a result opened the door to an industry that has become the most powerful force in retailing – *Discounting*. So from an early age, I was able to witness the power of creating superior value through innovation and disintermediation.

After managing my father's business in Rhode Island for a number of years and experimenting in food in the basement of the store, my brother, Robert Blazer, decided to strike out on his own. He moved to Atlanta where he founded *Dekalb Farmers Market*, in Decatur, Georgia (DFM) in 1977. It began as a fruit and vegetable stand that was housed in a 7,500 sq. ft. greenhouse-like structure on a dirt lot and has grown to be the most successful and largest retail food store in North America dedicated exclusively to the sale of perishables and specialty groceries.

I left a career in music to join my brother in 1979. I learned the business from the ground up – doing every job there was to do. Over the next few years, under my direction, we expanded seafood and added meat, cheese, deli, bakery, flowers and plants, and complementary ambient offerings. With my help, the store grew from a neighborhood fruit and veg stand to a 25,000 sq. ft. destination fresh and specialty store with reputedly the highest productivity in terms of sales, comp sales growth and profit in the retail food industry (\$2500/sq. ft. – 10% EBT). It was soon busting at its seams.

In 1985, as General Manager and Chief Operating Officer, I orchestrated the relocation of DFM from its original location to a new 100,000 sq. ft. facility several miles away. The new market also served as a "terminal market" for local wholesale trade and contained in-house facilities for

the manufacturing of bakery and prepared food items. DFM remains a destination for millions of shoppers a year and is today still one of the largest and most successful retail food stores in the country (140,000 sq. ft. and set to expand again selling no national brand groceries).

I left DFM in 1986 to start my own company. In 1988, I opened **Harry's Farmers Market** (HFM) in Alpharetta, Georgia and in 1993 opened our first neighborhood fresh convenience store, called **Harry's in a Hurry** (HIAH). Over the years, the business grew into a chain of 9 stores (3 Megastores and 6 Hurry stores). In 2001, HFM was sold to Whole Foods as the cornerstone for their expansion in the Southeast. Many of HFM employees went on to gain regional and national leadership positions within Whole Foods and reputedly IT systems that we developed were expanded for use throughout the company.

In the early 1990's, I was approached by **HEB**, the largest privately owned supermarket chain in the USA, for help in coaching the company in the procurement, merchandising and marketing of fresh and specialty foods. This was a multi-year consulting project that saw about 500 HEB employees, from produce clerks to corporate executives, receive training at the *Harry's* Alpharetta store.

In essence, we helped HEB reengineer their entire fresh food-supply chain, change how they merchandised and marketed fresh, prepared and specialty foods, and provided valuable input into their manufacturing, distribution and procurement operations. Our efforts also culminated in the creation of the **Central Market** concept (CM), which subsequently grew into a separate division within HEB, and the establishment of HEB as one of the foremost leaders in the merchandising, manufacturing and procurement of fresh and specialty foods.

Central Market validated for the industry the power inherent in the farmers-market/grocery store hybrid, aspects of which have been much emulated across the industry. Like DFM and HFM, CM is dedicated exclusively to the sale of perishables and specialty foods. Even today, Central Markets are among the preeminent food stores in the USA.

After the sale of HFM to Whole Foods and the culmination of a 5-year consulting/non-compete agreement, I was approached by HEB again to help rejuvenate their Central Market concept. This led to a one-year consulting agreement which included the procurement of produce for the **Central Market** division.

In 2007, **Loblaws**, the largest supermarket chain in Canada, asked us to help revitalize all of their fresh departments. This resulted in a multi-year contract, where our team was the primary engine for innovation for fresh within the company. We were involved in store operations, procurement, distribution, merchandising, marketing, store design and product development.

In the process, our team was instrumental in helping to revitalize Loblaws's conventional store business. These efforts culminated in the development of an effective culture for fresh

and specialty innovation within the company and the consequent development of the Maple Leaf Garden format, to which many of Loblaw's conventional stores have been converted nationally.

During our consulting assignment at Loblaw, we:

- had operational and merchandising control of two stores that were used as "labs" to prototype innovations.
- procured tens of millions of dollars of produce and specialty food items through our buying arm.
- developed and ran a distribution center that supplied Loblaw's most prominent stores in the chain, located in the Greater Toronto area, with produce and specialty groceries.
- developed and administered the IT and accounting systems to support these procurement, distribution and logistics operations.
- developed innovative programs for fresh departments.
- helped rollout specific programs into 100's of store.
- were instrumental in revitalizing **Loblaw's** conventional supermarket business nationwide.

Our team engaged in all aspects of innovation: conceptualization, development and implementation to include recipe development, working with manufacturers to actualize new products, prototyping of new products in stores, developing new merchandising, procurement and marketing methodologies, optimizing logistics and supply chain, creating information systems to support fresh, developing new operational procedures and processes, teaching the teachers, etc.

In 2008, we were also contracted to help develop innovations in fresh retailing for the second largest supermarket chain in Australia – **Coles**, which led to the creation of several successful new store prototypes and catalyzed the revitalization over the next five years of its business nationally.

In 2010, we were invited by a **Morrisons UK** to revitalize their fresh offering. Various initiatives over four years helped not only to transform their merchandising of fresh but also influenced the way retailing of fresh was executed by other major UK retailers. The contract culminated in the development of a totally new food retail format.

Also during 2010 and 2011, we worked with **Weston Bakery** (the largest Bakery Products Manufacturer in the world), to prototype new retail solutions in several Loblaw stores, which included:

- total redesign of the physical retail environment (look and feel).
- the development and introduction of over 100 new "clean ingredient" products.
- re-merchandising of the department including fixtures, packaging, signage, messaging.
- re-engineering of back room processes and procedures and development and deployment of specialized machinery to help support the new retail program.
- utilization of fully-baked frozen and rapid reheating technologies to provide hot artisan bread throughout the day.
- development of specialized IT programs.

In 2015, I was involved with a major southeastern U.S. supermarket chain to improve the selection, merchandising, procurement and handling of all fresh and specialty foods.

Over the last 35 years, as a manager, owner, operator and consultant, I have developed a reputation it seems as one of the foremost experts and innovators in the procurement, merchandising and marketing of perishables and specialty foods. What follows is some background on *Harry's Farmers Market* and *Harry's in a Hurry stores*.

A little about Harry's Farmers Market and Harry's in a Hurry

- a) Recognized by Fortune Magazine as one of the 100 fastest growing companies in the USA.
- b) Consumer brand recognition within the Atlanta metro area on par with the most well known national consumer brands.
- c) Some of the highest volume perishable stores in the country, with the largest bakery, seafood, meat, produce and specialty grocery departments in the country at the time.
- d) One of the most extensive produce inspection and field buying staffs in the country.
- e) Industry standard-setting logistics to optimize freshness.
- f) First retail organization in the southeast to monitor pesticide residues in their produce.
- g) Direct receivers for fresh and specialty foods from around the world through our own specialty food distribution company.
- h) The first retailer to be certified under the Department of Commerce HACCP program that also allowed us to grade our seafood Grade A.
- i) The first to introduce the Fresh Convenience Store concept in the USA supported by our own procurement, distribution and manufacturing infrastructure (the stores were called Harry's in a Hurry).
- j) We envisioned, built and operated the highest compliance USDA prepared foods facility in the United States (99.7%) that produced hundreds of proprietary fresh products, made from scratch daily including Harry's ready to eat, ready to heat and ready to cook items that became the recognized forerunner of the Home Meal Replacement category including "Hungry in a Hurry" and "Healthy in a Hurry" meals, which bore the "Heartwise" seal from the American Heart Association. These were fresh, refrigerated, microwavable/reheatable/ovenable, entrees and sides made with very high quality, all natural ingredients that rivaled restaurant fare while providing superior value.
- k) First to introduce artisan breads and baked goods in the USA to scale, that were previously only available in the small, artisan bakeshop. Developed unique processes and methods to optimize efficiency while remaining true to artisanal quality. Produced tens of thousands of units daily without the use of starches, stabilizers, extenders, fillers, conditioners, artificial sweeteners and flavorings, preservatives or hydrogenated fats. In 1994, HFM was awarded The Retailer's Bakery-Deli Association's "The Leading Edge Award" for its innovativeness.
- l) Named Grocer of the Year an unprecedented 3 years in a row by the Georgia Department of Agriculture. HFM set the standard for cleanliness and food safety among food retailers, nationally.
- m) Won more consumer-based awards for excellence than all other food stores combined in its service area.

- n) The most successful IPO offering up to that time in the Southeast (1993).
- o) Highest produce industry rating for Integrity in business dealings (Blue Book and Red Book).
- p) On the must see list of the most prominent retail business leaders in the world.
- q) Some of the most admirable vendor relationships in the industry.
- r) The Harry's family was comprised of team members representing 26 different nationalities.

Harry's Farmers Market was a world renowned, best-of-class fresh, specialty and prepared food retail, distribution, procurement and manufacturing enterprise with some of the best relationships in the industry with associates, truckers, growers, vendors and customers. The development and integration of key strategic proficiencies from farm to fork, contributed much to its differentiation in the marketplace, innovativeness and "speed to market" with new products and concepts.

We look forward to working with you,

Harry Blazer