

British invasion

Tesco set to open 5 local food markets

By Kevin Smith, Staff Writer
San Gabriel Valley Tribune

WEST COVINA - British food giant Tesco is about to open shop in the San Gabriel Valley.

On Nov. 8 the company will open Fresh & Easy Neighborhood Market stores in West Covina and Arcadia. The openings are part of Tesco's 2007 launch of 30 stores in four U.S. markets - Los Angeles, Phoenix, Las Vegas and San Diego.

Other grocers, including Ralphs, Vons, Albertsons, Trader Joe's and Whole Foods Market, are already firmly established with Southland consumers.

But one industry analyst says they're plenty worried.

"They're afraid ... as they should be," said Phil Lempert, an industry analyst known as the Supermarket Guru. "This will change the retail landscape. People will be exposed to something different."

That "something different" is a relatively small, 10,000-square-

foot market concept that leans heavily on fresh food offerings, including pre-prepared meals and sushi.

"We have a wide range of food, like sandwiches, sushi and dinners," Fresh & Easy spokesman Brendan Wonnacott said. "The sandwiches are made with ingredients that are delivered fresh to the stores each day."

Wonnacott said Tesco spent a lot of time crafting its Fresh & Easy concept for the U.S. market.

"This format has been a year in the making," he said. "The company spent a lot of time researching with consumers and employees. They spent time in the homes of consumers learning about their shopping and cooking habits, and they went shopping with them. Then they designed stores for the American consumer."

The West Covina Fresh & Easy location will be at the corner of West Covina Parkway and south California Avenue and the Arcadia market will be at Foothill Boulevard and Second Avenue.

Each store will employ 20 to 30 workers hired from the surrounding area. Company officials said all store employees will work 20 hours or more and be eligible for comprehensive health care and other benefits.

Entry-level positions will start at \$10 an hour, with a potential quarterly bonus of up to 10 percent, according to the company.

Lempert figures Southern California's existing grocers - including big-box retailers like Wal-Mart - will tweak their operations to better compete with Fresh & Easy.

"I think the huge superstores are a thing of the past," he said. "Wal-Mart will probably recreate that (smaller) kind of shopping experience by building a store within a store. You might see a Fresh & Easy rip-off, if you will. It's just a way of breaking up that huge cavern and creating areas that feel more personal."

Tesco came under fire recently when the Urban & Environmental Policy Institute at Occidental College released a study entitled "Shopping for a Market: Evaluating Tesco's Entry into Los Angeles and the United States."

The report said Tesco's plan to rely on part-time workers would limit the ability of those people to earn a living wage "without having to juggle multiple jobs."

The report also said that the company is guilty of supply-chain abuses, such as poor working conditions, food safety problems and environmental exposures - all of which have been documented by governmental agencies, nonprofit groups and the media.

Tim Mason, chief executive officer for Tesco's Fresh & Easy Neighborhood Market division, defended the company in the wake of that report.

The company, he said will be "a good steward of the environment and to be a great place to work."

Other Fresh & Easy locations will soon open in Glendora, La Mirada and San Dimas.