



Paper: St. Louis Post-Dispatch
Title: FTC PUTS NATIONAL BACK IN BUSINESS
SCHNUCKS GETS OK TO SELL 23 STORES
Date: March 13, 1996

By next week, 17 former National Super Markets can stop masquerading as Schnucks stores. Six other Schnucks also will take the National name.

On Tuesday, the Federal Trade Commission voted 5-0 to approve Schnuck Markets Inc.'s request to sell the 23 stores to Family Co. of America.

Family Co. was formed to buy the stores and operate them as **National supermarkets**. The company's backers include James R. Gibson, a 51-year-old financial consultant from Belleville, and former National managers. In recent weeks, Family Co. has hired back many former National employees in anticipation of the sale going through.

Schnucks bought the former National chain in June from Loblaw Cos. of Canada. The buyout gave Schnucks nearly 100 stores, but the FTC ordered it to sell 24 of them.

Schnucks closed a few stores and will end up with 70 stores in the greater St. Louis area.

Last week, Schnucks asked the FTC for permission to sell Garden Market in Ladue, once owned by National, to Wild Oats Markets Inc., a natural foods supermarket chain based in Boulder, Colo.

Schnucks has operated the 24 stores under its own name since June. Schnucks hung canvas banners over the old National signs at 18 stores the FTC order selected for sale.

Through a spokesman, Family Co. declined to discuss any details of the sale and store reopenings until a news conference scheduled for 2 p.m. today. Family is buying four stores in St. Louis, 11 in St. Louis County, two each in St. Charles and Jefferson counties and four in Illinois.

Nick Torpea, president of Local 655 of the United Food and Commercial Workers Union, greeted the news enthusiastically. Family Co. has agreed to hire back workers under a union contract.

"I just think it's great," Torpea said. "It gives people a choice." Family Co. will be large enough to provide significant competition for Schnucks, he said, along with Dierbergs and an expanded Shop 'n Save chain.

The sale ends a difficult year and two months for many supermarket employees here. Schnucks first announced plans to buy National in January 1995.

Craig D. Schnuck, chairman and chief executive, said his "whole organization expressed a collective sigh of relief" when word of the FTC approval came out Tuesday. "We are particularly glad to get the management people back that we put in those stores to operate them" since June, he said.

Schnucks expects to close the 23 stores Saturday and remove perishables on Sunday, Schnuck said. Schnucks then would take inventory on Monday and turn the stores over to Family Co. after the deal closes, probably on Monday.

Schnuck said shoppers shouldn't expect clearance sales at the 23 stores because Schnucks can move merchandise to nearby stores. "We'll have a sell-down through the normal course of business until Saturday."

Schnucks says Family Co. has hired more than 1,000 Schnucks employees, many of whom formerly worked for National. Schnucks plans to hire several hundred employees who have been operating the 23 stores.

"No Schnucks employees will lose their jobs as a result of selling the 23 stores," Schnucks said in a statement.

Former National employees who have been working at Schnucks temporarily will get severance benefits if they applied to Family Co. but weren't hired, the Schnucks statement said.

Schnucks retains exclusive rights here for the Certified Angus Beef and President's Choice brands, both of which were in National stores before Schnucks bought them.

Earlier this year, Family Co. identified its officers as:

Ronald M. Jezierski, a former National vice president and Family Co.'s president and chief operating officer.

Kevin Beckerle, National's former director of labor relations, who is Family's vice president of human resources.

Joseph E. Hickle, a former manager of general merchandise, Family's sales director.

Jerry Callahan, director of pharmacy, video, general and other merchandise.

Timothy P. Murphy, controller.

Caption:

Graphic Chart - STORES BEING SOLD

The stores being sold S to Family Co. of America are:

FORMER NATIONAL STORES City of St. Louis

5433 Southwest Avenue

2700 South Grand

1605 South Jefferson

8945 Riverview Drive

St. Louis County

10431 St. Charles Rock Road, St. Ann

13041 New Halls Ferry Road, Florissant

7434 Olive Boulevard, U. City

6 South Old Orchard Avenue, Webster Groves

421 North Kirkwood Road, Kirkwood

14885 Clayton Road, Chesterfield

4432 Lemay Ferry Road, Mehlville

St. Charles County

850 Jungermann Road, St. Peters

Jefferson County

215 Arnold Crossroads Shopping Center, Arnold

1200 Sugar Creek Square, Fenton

Illinois

1716 Vandalia Road, Collinsville

4 Market Place, Fairview Heights

1290 Camp Jackson Road, Cahokia

SCHNUCKS STORES

St. Louis County

9719 Watson Road, Crestwood

10223 Lewis and Clark Road, Bellefontaine Neighbors

6965 Parker Road

3661 Reavis Barracks Road

St. Charles

1355 South Fifth Street

Illinois

1435 Vaughn Road, Wood River

Caption:
GRAPHIC

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