

EGS Shopping Center Features K mart, Safeway



Competitiveness Is Key To K mart Success Story

The K mart discount department store of today is a combination of basic principles created before the first K mart opened in 1962 and improvements resulting from almost a decade of experience and research.

The original K mart blueprint emphasized that K mart selling prices must be always competitive. They are still as low as or lower than the selling prices available to K mart customers within any given trading area. Although price tags on K mart merchandise are determined by S.S. Kresge Company headquarters in Detroit, each K mart manager is personally responsible for keeping his store competitive. The manager may recommend lower prices, but he does not have the right to raise them.

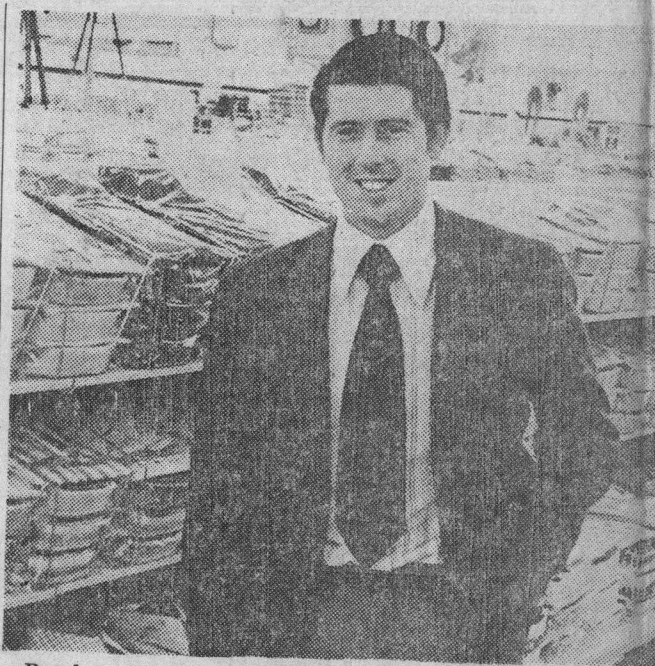
K mart stores were to be publicized as true discount department stores. Only when unusual demand requires K marts to carry certain "fair trade" lines, such as prestige

manage K marts are experienced career managers with proven executive ability and demonstrated qualifications as promotional-minded merchants. The strongest possible emphasis is placed on the maintenance of the consistently high standards for department heads and salespeople.

Experience and research have added some new dimensions to the original K mart blueprint. K mart stores are larger today. The first K marts averaged 68,000 square feet, exclusive of food supermarkets. Today's typical K mart is 84,000 square feet exclusive of the supermarket.

Store size has increased to accommodate new departments and expanded lines that are demanded by modern consumers.

For example, Americans today are do-it-yourself enthusiasts. The higher cost of professional help plus its scarcity have made it necessary for home owners to make additions



Barclay Smith will be merchandise assistant at the 41st Avenue K Mart. A five-year veteran with the S. S. Kresge Company, Smith has worked at stores in San Jose, Vallejo, Commerce and the Western regional office. He will reside here with his wife, Gail, and their three children.

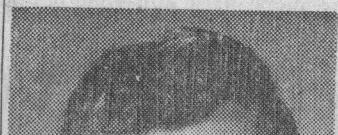


This is an interior view of the 41st Avenue Safeway which opens tomorrow. The store contains 26,295 square

feet, including 17,449 in the sales area, 7462 in the stockroom and 1141 in the mezzanine. There are 84 lineal feet of meat cooler display

cases, 48 feet of meat freezer area, 84 lineal feet of produce cooler display cases, 146 lineal feet of frozen food displays, 60 lineal feet of dairy cooler

displays, 50 lineal feet of ice cream displays and 36 feet in dairy and beverage cooler displays.



cosmetics, do customers find a few items that are not discounted. But policy continues to require the replacement of such merchandise as quickly as other items of equal or superior value and selling merit can be developed.

Part of the company's effort to give customers quality merchandise was to be a private label program. The K mart division has consistently created its own brands of exceptional values in staple assortments. A strong private label program has developed in such lines as cameras, apparel, domestics, hardware and home improvements. Private label merchandise is manufactured under strict controls. Every item is laboratory tested to assure quality equal or superior to that of the leading competitive nationally advertised brand and can be placed on K mart counters at a lower price.

An active import program was also specified to improve merchandise quality while maintaining discount prices. Buying representatives in European and Asian markets work closely with the home office import department. Kresge Company buyers frequently travel abroad in search of merchandise and K mart exclusives. All imported merchandise is required to equal or surpass the quality specifications of its domestic counterpart and be available at lower cost.

An advertising program was to be created to gain customers' complete confidence in the integrity and credibility of K mart. The customer who goes to a K mart in response to a newspaper or television advertisement will find advertised items at advertised prices prominently displayed.

The Kresge Company's traditional "satisfaction always" policy was to be incorporated into the operating standards of every K mart and proclaimed by signs throughout the salesfloor. The sincerity of this policy is proved by the ease with which a customer can get a refund or exchange. The K mart service desk is conveniently located at the front of the store where attendants are always available to refund shopper's money, exchange merchandise or credit charge accounts. The only requirement is the purchase receipt.

One of the final, but perhaps one of the most important, aspects of the original K mart blueprint was that all K marts would be staffed by quality personnel. The men chosen to

and repairs to their themselves. In some stores K mart caters to their needs with building materials departments.

A new department often dictates a change in store layout — hardware and home improvements have been placed adjacent to building materials, providing a convenient traffic pattern for the do-it-yourselfers. Kitchen and bathroom displays let quality-minded shoppers see the appearance of finished rooms or sections of rooms.

The allocation of space is continually re-evaluated to meet consumers' current demands. For instance, the baby boom means more mothers are buying more infantswear. K mart infantswear departments today are much larger than they were in the stores built in 1962. Consumers' interest in photography has resulted in enlarged camera and accessories departments.

Music buffs of all ages are installing stereo tape players in their cars. K marts today offer complete automotive sound centers where shoppers can view and buy a large assortment of tape players and tapes.

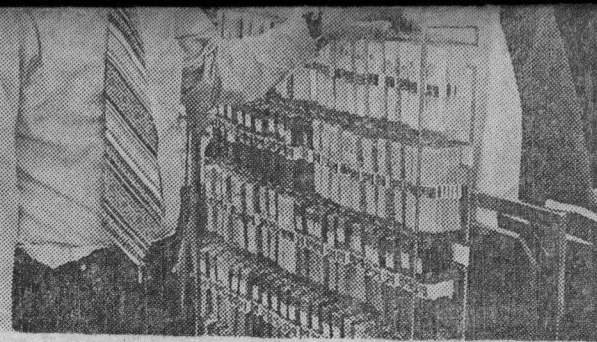
Today's shoppers expect merchants to make their shopping and their decisions as easy as possible. To this end, the new K marts display color televisions in carpeted viewing rooms. This helps shoppers visualize how the sets will look in their living rooms.

In many K marts, sports enthusiasts can view camping and hunting equipment in rooms that simulate the outdoors.

Bigger K marts with more traffic mean more hungry shoppers. Today's K mart grills offer expanded menus and more seating. Booth seats have replaced many tables and chairs to satisfy the preferences of patrons.

New merchandise, new fixturing, new displays, new lighting are constantly being tested. Once they have received customer approval in a few test stores, they are incorporated into stores that are under construction or on the drawing boards. When possible, they are incorporated into existing K marts.

The exteriors of K marts are also under constant scrutiny by company architects. Often by the time a new store opens aspects of its design are obsolete. K mart's character was established before the first store opened in 1962 but its personality is constantly developing.



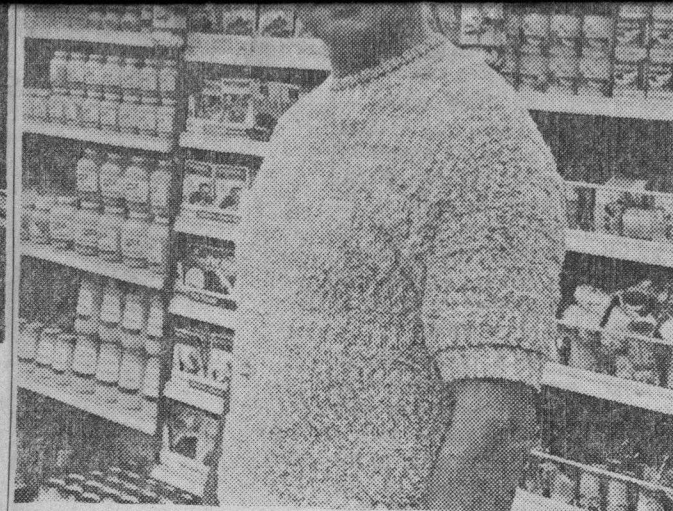
Michael I. J. Mann, 26, is operation assistant at the 41st Avenue K mart. A five-year veteran with the Kresge organization, Mann was previously assigned to the K mart store in Stockton. He will reside here with his wife, Sharon and their son, Scott.



David Gaskell is assistant manager of the K mart store which opens tomorrow at 41st Avenue and the Watsonville freeway off ramp in Soquel. Gaskell, a two-year veteran with K mart worked in the Fairfield store before his current assignment. He will reside here with his wife, Pat.

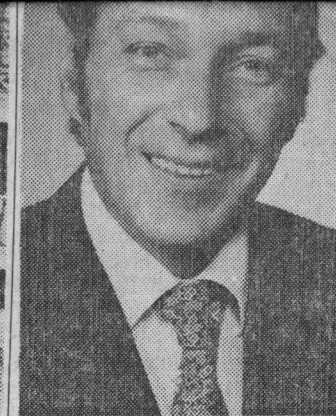


Dennis Platania, 26, is a merchandise assistant at the new K mart department store at 41st Avenue. A graduate of San Jose State, Platania was a manager trainee at Santa Maria for four months prior to his latest assignment.



James Jackson, a 25-year veteran with Safeway, is manager of the new 41st Avenue store. Starting as a food clerk in San Jose and Salinas, Jackson became a

store manager in 1960 in San Francisco and since has headed stores in Los Gatos, San Jose and Felton before his latest assignment.



Bob Young is assistant manager of the 41st Avenue Safeway store. He was formerly assistant manager of the Aptos Rancho del Mar Safeway and resides in Aptos with his wife, Beverly, and their three children.



Jerold Nelson will be meat department manager at the 41st Avenue Safeway. Nelson started as an apprentice meat cutter with Safeway in 1965 and made journeyman in 1967. He was named head meat cutter in 1971.



Harold Moore is produce department manager of the 41st Avenue Safeway which opens tomorrow. Moore formerly held the same post with Safeway in Felton. He has been with Safeway since 1956.

ARMY TRAINING

Pvt. Ian W. Darbyshire, of 111 Pasatiempo Drive, has completed basic training at the U.S. Army training center for infantry at Ft. Polk, La. He is a 1969 graduate of Soquel High School.

NATO OPERATION

Senior Chief Petty Officer Gary A. Constantine, son of Arthur Constantine of 540 Cathedral Drive, Aptos, took part in the NATO operation "Dawn Patrol" aboard the aircraft carrier USS John F. Kennedy in the Mediterranean.

Safeway To Open Newest Store Adjacent To K mart

Safeway Stores, Incorporated will open its newest Santa Cruz County store at 9 a.m. tomorrow following special ribbon cutting ceremonies to which the public is invited.

Located at 2650 — 41st Avenue, Soquel, the new supermarket occupies 26,295 sq. ft. of floor space adjacent to the K mart store which will open at the same time. Both buildings were designed by Angel Mock and Associates of Inglewood for Eltinge, Graziadio, and Sampson Development Company of Los Angeles, and were built by Metro Construction Company of Santa Clara.

Built of split-faced colored concrete block, both buildings feature a rustic architectural design with wood outrigger beams and a mansard cedar shake covered front exposed roof. They are serviced by a highly landscaped 756-car parking lot.

The interior of the Safeway store has been decorated with special colors, wall graphics and signs to designate various of the store's departments. High-level lighting and wide aisles have been provided to make it easy and comfortable for customers to select from the more than 10,000 items which will be offered for sale.

In addition to the usual supermarket departments the new store will have a large service liquor department. Customers' purchases will be

speedily checked through eight newly designed checkstands which enable checkers to bag most merchandise directly from the shopping cart.

The entire store has been air conditioned for year 'round shopping comfort and a cashier's booth has been installed where checks may be cashed, money orders purchased, empty bottles returned, and floor cleaning and rug shampooing equipment rented.

James Jackson, a 25-year veteran of Safeway, is manager of the new store. A product of Safeway's "Promotion From Within" policy, Jackson started as a food clerk and earned successive promotions as produce department manager and assistant manager in the San Jose and Salinas area prior to appointment as store manager in 1960 in San Francisco. He has since managed stores in Los Gatos, San Jose, and most recently, Felton.

Jackson was born in Vian, Oklahoma and came to California at an early age completing schooling in Bakersfield. He and his wife, Helena, live in Ben Lomond.

Assisting Jackson in supervising the store's staff of 59 employees are Robert Young, assistant store manager; Harold Moore, produce department manager; and Jerold Nelson, meat department manager.

Young started his Safeway career in 1958 as a food clerk.

He was promoted to assistant store manager in 1964. He most recently held that position in the Aptos store. A native of Tarentum, Pennsylvania, Young attended Villanova University and Mexico City College. He now makes his home in Aptos with his wife, Beverly, and children — Greg, Mark and Jennifer.

Moore was born in Fullerton, Nebraska and attended the University of Idaho. He joined the Safeway organization in 1956 shortly after discharge from the U.S. Navy. He has served as produce department manager and assistant store manager in Aptos and Santa Cruz and, most recently was produce department manager in Felton. He and his wife, Rose, have one daughter — Christine. They make their home in Aptos.

A native of Monterey Peninsula, Nelson started with Safeway as an apprentice meat cutter in Monterey in 1965, was promoted to journeyman meat cutter in 1967, and to head meat cutter in 1971.

He attended the local schools including Monterey Peninsula College, and now makes his home in Seaside.

The annual payroll for the new Safeway store is estimated to be \$750,000.00.

Operating hours for all departments will be 9:00 a.m. to 9:00 p.m. daily, and 10:00 a.m. to 7:00 p.m. Sunday.