ABA Annual Convention
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IGA Inc.
What is IGA?

The world’s largest Alliance of independent grocery retailers, their wholesalers and premier global manufacturers...

...meeting the needs of local communities with the marketing power of a world-recognized brand.
What is IGA?

- Founded in 1926
- Approximately 1200 stores in the United States, supported by 13 licensed wholesalers from 29 distribution centers
- Operations in nearly 30 countries, commonwealths and territories.
- Aggregated worldwide retail sales of more than $31 billion per year
- Approximately 5,000 Hometown Proud Supermarkets worldwide, supported by 36 distribution companies and major manufacturers, vendors and suppliers.

The Advantage of a World Recognized Brand
Bakery Industry – IGA Perspective

- Bread is declining
- Margins are tight, space commitment may outstrip contribution to profit,
- Bakery products are largely undifferentiated – how many suppliers do we need?
- Have independent operators abdicated the space, variety, and gross margin to the branded route drivers?

Need bakeries to:
- Innovate – Which major brand will innovate to improve the category?
- Advertise/merchandise better – justify your shelf space
- Get committed to the retailers brand - self-space, new products, quality tiers
- Control route drivers better
  - right amount of product
  - Some incent drivers on your brand only – not a prescription for retailer support
- In store rotation of product still remains an opportunity that has inconsistent results for the independent

The Advantage of a World Recognized Brand
Industry consolidation COULD be an opportunity:
- Too many non-differentiated brands
- We will wait and see....... 

Sweet goods represents an opportunity for growth within independent operators  IE Tasty Cake

In Summary Independents need:
- Collaboration and leadership
  - Market trends
- Innovation
- Advertise/merchandise variety
- Better shelf management that includes Private Label
- Assistance in understanding and/or improving category gross margins