



Interview with **Randy Boadway** of Meijer Grocery and General Merchandise Supercenters

How to Turn 175 Supercenters on a Dime and Save \$1 Million Per Year in the Process

VIEWPOINT • Q & A



Randy Boadway, operations process manager at Meijer

If you own and operate 175 supercenters, each of them about 200,000 sq. ft. covering a full line of grocery plus some 40 other departments ranging from electronics to lawn and garden and clothing, then you need plenty of signs—thousands of them.

And if you are a price-sensitive, highly competitive company like Meijer, based in Grand Rapids, MI, you are constantly changing price labels to stay abreast—or ahead—of tough and aggressive competitors. As a result, you need a combined signage and label system that will let you respond to market demands at a moment's notice.

That's exactly why Meijer, which for 25 years had used vinyl-coated labels with adhesive backs for much of its price labeling, decided to switch to a much more flexible system—one that allows the retailer to print inexpensive paper labels and quickly and easily get them on the shelves, virtually on demand.

"In the industry, we do a fair number of price changes," explained Randy Boadway, operations process manager at Meijer. "We're not wait-

ing for anybody. We were happy with our old system, but this gives us a great deal more flexibility and at the same time, saves us money."

The solution for those 175 200,000-sq.-ft. Meijer supercenters is the latest in shelf-edge label and promotional systems. This includes four-foot clear plastic label strips for price labels with built-in promo clips for instant sign placement. Today, those 175 stores have more than 60,000 lineal feet of those strips in each store—more than 10.5 million feet of plastic label strip, including eight profiles for different shelf situations from Trion. In addition, Trion is providing 10 million 2-inch peg fronts to handle scan hook needs. The grand total is approximately 12.2 million feet of label stripping.

Meijer started out as a local grocer determined to offer the best products and prices in town. Today the company says it still offers the best groceries in town, and a whole lot more.

In 1962 the company opened the first Meijer Thrifty Acres, a food and general merchandise store. Meijer claims it was the "birth of one-stop shopping." The company has been famous for its all-inclusive format—a place where you can buy groceries, lawn and garden items, household supplies and clothing all under one roof. Today, those stores are ingrained in the Midwest, and now operate in Michigan, Ohio, Indiana, Illinois, and Kentucky.

"Our success has always been the supercenter format itself," said Boadway. "It's what our customers know us for the most. But when you run this kind of format and this size of store, there are millions of details to take care of, and having the right kind of signage system is extremely important."

Listen in on PROGRESSIVE GROCER'S interview with Boadway:

Q. How did your company make its decision to select the Trion Clear Scan® plain paper labeling system with built-in Info Grip™?

A. Starting last summer, we took one of our stores and gave competing suppliers two aisles to install their products and demonstrate how they would work. We tested for two months, then determined which aisles were most successful and which vendors to continue working with.

Q. Was that the end of the process?

A. No. we then went into three stores, each sponsored by a different vendor. Trion sponsored one of the stores. It was entirely controlled by the Trion group. The performance was exemplary. As a result, we purchased eight label strip profiles from Trion. Within those product categories Trion had a solution to meet virtually all of our needs, including a custom-designed solution for base-deck, bottom-shelf use.

Q. Are the Trion Clear Scan units being used only in dry grocery?

A. Trion products are being used in all departments – indoors, outdoors, freezers, and refrigeration units. If it has a shelf tag on it today, it will have a Trion product sitting on it tomorrow.

Q. What are the benefits? Why go through all of this effort to change a system you were happy with?

A. For us to make a change this extensive, it has to be pretty meaningful. There are always exceptions to the rule, but we've been able to take six to eight label strip profiles of Trion products and find a solution for everything in the building. The cost savings of eliminating the adhesive-backed labels and separate sign holders will be more than \$1 million a year, and we anticipate there will be some labor savings as well.

Q. Is it just the cost savings that you cared about?

A. Absolutely not. This gives us the flexibility we need to change our shelf-edge pricing and signage at a moment's notice. We can change the size, color, and shape of a sign whenever we need to, as well as the price, without losing time and valuable sales opportunity.

Q. Did Trion work with you to help determine how best to meet your company's needs?

A. As an R&D project, they were able to help us prove out the solution for our stores and get all of the T's crossed and the I's dotted. Not a lot of companies out there can do that as well as Trion did. They helped us develop a good solution that really works well in our stores.

To learn about Trion product offerings, visit www.triononline.com or call toll free 800-444-4665.