

## **RISING TIDE**

### **Supermarket News - Online**

**08/01/2011**

A NEW ROUSES Supermarket slated to open in downtown New Orleans later this year is emblematic of the hopes that residents — and food retailers — have for the resurgence of the long-troubled region.

The 60,000-square-foot store, nearby the Superdome where thousands took refuge during Hurricane Katrina, is at the heart of a residential and commercial development being built in the wake of the city's recent challenges. Those have included the Hurricanes Katrina and Gustav and last year's BP oil spill, which brought an end to new offshore drilling permits, a key cog in the local economies.

“Since we announced the store, there's a lot of retail and residential being announced, wrapped around our store, basically,” Donald Rouse, president of the Thibodaux, La.-based chain, told SN last week. “There's a mixed-use development, with 500 residents, and upscale shops. We are a little bit ahead of it, but sometimes it takes a grocery store coming in to bring that other development.”

It's a welcome sign for many in the market, and one of several signals indicating the optimism operators have for the central Gulf Coast region. Associated Wholesale Grocers of Kansas City, Kan., for example, staged a groundbreaking ceremony last month in Pearl River, La., for a 720,000-square-foot warehouse that will be the new anchor for its Gulf Coast Division.

The new facility, scheduled to open in January 2013, will serve a broad swath of AWG members from Texas to Florida, reducing delivery costs for independents in the region currently served by the company's warehouse in northern Mississippi, near Memphis, Tenn., according to the cooperative wholesaler.

“AWG has a great amount of business in the Gulf Coast region today, and we know that this area of the country has some of the finest independent supermarket operators in the U.S.,” said Steve Dillard, vice president of corporate sales development, AWG, adding that the company anticipates that “additional retailers will see the benefits of being an AWG member.”

It will bring “savings of \$6 million to AWG's current retail members,” he said. It will shave more than 200 miles off of the travel distance to many members, he explained.

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Meanwhile on the other side of New Orleans, a separate groundbreaking recently took place for a new Super 1 Foods store in Carencro, La., marking the further incursion of the banner, owned by Tyler, Texas-based Brookshire Grocery.

“Overall, we are poised for growth in south Louisiana,” said Ronny Hurst, vice president of Super 1 Foods. “We have plans to upgrade five stores located in central or south Louisiana this year. This year will be one of the most exciting we've had in this area in a while with the new store and new projects. Our stores and employees are performing well.”

Charles Cornay, a real estate specialist with Stirling Properties, Lafayette, La., said that market has received some interest from expansion-minded operators.

“There are a few grocery stores looking to expand in the market,” he said, although overall development has been constrained in part by the drilling slowdown.

In addition to the new store planned for Carencro, just outside Lafayette, Super 1 also has two stores in Lafayette, two in Pineville and one each in New Iberia, Opelousas, Eunice, Abbeville and Alexandria. Brookshire's also has two stores in Natchitoches, La.

#### Wal-Mart and Independents

Once dominated by Winn-Dixie Stores and a thriving network of independents, New Orleans and the markets east and west along the Gulf Coast have been inundated by a flood of Wal-Mart stores and have witnessed the rise of a new regional powerhouse in Rouses.