

Mi Pueblo Food Center

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ABSTRACT

This case describes a current growth opportunity for Mi Pueblo Food Center, a Hispanic grocery chain with locations throughout the Bay Area, California. The CEO of Mi Pueblo is contemplating opening a new store location in East Palo Alto, CA, which has been without a local, full-service grocery store for over 20 years. Case objectives are for students to develop an understanding of how the grocery industry operates, the risks and opportunities associated with opening a new grocery store location, and the impact on social, environmental, and economic sustainability. The SWOT (Strengths, Weaknesses, Opportunities, Threats) framework is used to analyze whether or not it is feasible for Mi Pueblo to open a new location in East Palo Alto. This case may be used with students in graduate and advanced undergraduate courses.

Keywords. supermarket industry, sustainability, SWOT

1 Introduction

Juvenal Chavez the founder and CEO of Mi Pueblo Food Center, a chain of full-service Hispanic grocery stores serving residents of California's San Francisco Bay Area and headquartered in San Jose. As 2008 drew to a close, Chavez contemplated opening a new store in East Palo Alto (EPA). The area has been labeled a "food desert," meaning its residents do not have easy access to a local, full-service grocery store. Hence, Chavez has the opportunity to capitalize on the need for a grocery store in that area.

Given EPA's demographics and history, Chavez needs to decide if opening a Mi Pueblo in EPA is worth the risks involved.

2 Food Retailing in the U.S. and San Francisco Bay Area

United States

The U.S. grocery industry is defined by retailing general lines of food. It is the largest industry, by sales dollars, in the U.S. In 2009, the industry had revenues of \$510 billion (US Census 2009), double the revenues of the U.S. pharmaceutical industry. Players in the industry face intense competition, which fosters low margins and high fragmentation. Chain supermarkets are defined as companies with more than 10 stores under general management. The top ten chains account for 68% of sales but only 35% of total stores, an indication that there is no clear industry leader (Reinvestment Fund 2011). Many grocery

stores are located within a mile or two of one another, especially in dense city centers. There is intense competition and a strong need for differentiation, which is primarily achieved through companies tailoring price, product mix, and services to a particular target market (Joseph 2009).

While looking for a new store location, companies take several factors into account. These include access to main roads, other retail stores in the area, and high foot traffic. A list of additional important factors is found in table 1 (appendix) (PolicyLink and LISC 2007; IIRA 2014).

The main products sold at grocery stores are fruit, vegetables, meat, dairy, beverages, frozen foods, and dry goods. Fresh and frozen meats comprise the highest revenue source for most grocers. All products are acquired through relationships with suppliers, which differ based on the size and scope of each retailer. Distribution centers are critical for building these supplier relations, and to negotiate pricing. Due to the low margin nature of the industry, pressure is high to negotiate the best prices, which leads to either higher margins, lower prices, or both.

Most major food retailers have their own private label brands whereby they sell popular products that are manufactured or packaged with their own label. Private labels target the "price-sensitive" consumer. Because they are less expensive to produce, private label products boost company profits through their higher margins. Some examples of these brands include Whole Food's 365, Safeway Kitchens, and Wal-Mart's Great Value brands.

The highest contributors to sales are households earning \$70,000 or more per year, which account for 20% of overall grocery sales. Households earning \$10,000 to \$19,999 are the next highest sales contributor. These households tend to buy generic or private label products to save money and maximize value. The recent recession has caused many consumers to become more cost conscious, regardless of income, which has led to an increase in the use of private label branding. In 2008-09 the growth in private labels was double that of branded items, with grocery labels accounting for 25.6% of that growth (Palmer 2009).

One of the unique aspects of the grocery business is slotting fees (or allowances). Most grocery retailers (Wal-Mart is an exception) charge suppliers a slotting in order to secure shelf space. Slotting fees are typically higher for new products. One argument in support of slotting fees is that they protect grocers from the risk of new product failures.

Bay Area

The Bay Area is a nine-county region that encompasses the major cities of San Francisco, San Jose, and Oakland, California. It is home to approximately seven million residents, and is relatively densely populated. The diverse population is 42.4% non-Hispanic white, 23.5% Hispanic, 23.0% Asian, and 6.4% African American (Bay Area Census 2009). Almost two-thirds (65.5%) of the population is between 18 to 64 years old, with an average household size of 2.69 people (Bay Area Census 2009). The median household income is \$62,024 (Bay Area Census 2009) with a large income range that provides an opportunity for supermarkets to serve high-, middle-, and low-income communities.

3 Mi Pueblo

History

Juvenal Chavez was born and raised in Mexico. He graduated with a degree in Food Science from Técnico en Industrias Agropecuarias, in Morelia, Michoacán, Mexico. Chavez became a teacher after graduation. However due to the political climate in Mexico, Chavez decided to immigrate to the United States. Chavez arrived in the United States as an undocumented immigrant, speaking no English. He worked various jobs before eventually getting a job at Stanford University cleaning test tubes. After four months at Stanford, Chavez was offered a 50% stake in his brother's taqueria and meat shop. Chavez took a leap of faith, left his \$14 per hour job at Stanford, and pursued his partnership in the family business in 1986.

In 1991, Chavez decided to open Country Time Meats in San Jose, CA, with \$250,000. By 1995, the shop had 75 employees, sales of \$1.1 million per month, and a 20-50 person line out in front of the shop daily. Due to his success, Chavez recognized the untapped potential value of the underserved Hispanic market. There was clear demand and appreciation for his type and quality of products and customer service. In 1998, Chavez renamed the company "Mi Pueblo" to emphasize the firm's Hispanic roots and reflect the store's authentic Hispanic shopping experience.

History of Growth

As Chavez sought to expand Mi Pueblo, he located other areas of underserved Hispanic neighborhoods within the Bay Area, including neighborhoods in San Jose, Salinas, and the South Bay (the area on the southern end of the San Francisco Bay). Chavez spent hours outside retail stores in different neighborhoods, trying to understand the competition and foot and traffic patterns. He focused on areas without a full-service grocery store, and with a Hispanic population representing at least 30% of the residents.

Chavez opened one or two stores per year from 2000-2009. These stores operate in various locations throughout Central and Northern California. By 2009, Mi Pueblo had 13 successful stores in operation. Due to his success, Chavez has received considerable recognition from the community and industry. His company received awards such as "Outstanding Community Enterprise" and "Outstanding Independent Business." Additionally, Chavez received the "Hispanic Business Excellence Award" from the Hispanic Retail 360 Summit.

Chavez is currently considering opening a store in East Palo Alto in 2009, in addition to opening five stores in other Bay Area locations in the 2010 fiscal year. A list of current stores, opening dates, and square footage is shown in table 2 (appendix).

Table 3 (appendix) displays several financial benchmarks for the grocery industry. At the end of the case, you are asked to calculate a series of financial ratios for Mi Pueblo for 2007 and 2008. Using the financial information from Tables 4-6, calculate the Current Ratio, Gross Margin, Return on Assets (ROA), Pretax Profit Margin, and Inventory Turnover. Write your answers in columns "MP 2007" and "MP 2008" to aid in your analysis.

Store Operations

Mi Pueblo is open for business from 7:00 AM to 10:00 PM, 365 days per year. Their stores average approximately 35,000 square feet with a range of 6,000 to 55,000 square feet. Most stores in the industry range from 20,000 to 65,000 square feet, with an average of 33,000 square feet (The Reinvestment Fund 2011).

Mi Pueblo's shopping experience is like those found in Mexican or Latin American mercados. Festive colors decorate the store, with Mexican murals, Hispanic architecture, and lively ranchera music. Mi Pueblo also offers homemade tortillas and sweetbreads. The floor plan is arranged to encourage customer engagement with both employees and other customers. Several pictures of the interior and exterior of a Mi Pueblo store location are shown in Figure 1 (appendix).

Each store is organized into nine departments. These departments include Grocery, Meat, Fish and Seafood, Produce, The Kitchen (prepared food to go), The Cremeria (dairy), Panaderia (bakery), The Tortilleria (tortillas made in house), and Customer Service. The in-store management structure is segmented by department as shown in Figure 2 (appendix).

Customer service offers check cashing, utility payments, and cash transfers with services offered in both Spanish and English. A shuttle service is available to transport customers without access to a vehicle back home. Security is in place to prevent theft and make consumers feel they are in a safe environment.

Marketing

Mi Pueblo spends relatively little on marketing, in comparison to other supermarkets, such as Safeway, Whole Foods, and Wal-Mart. The company advertises on Spanish-language weekly radio shows and sends out weekly mailers to over one million residences in the areas surrounding its stores. Mi Pueblo also relies heavily on word of mouth to promote its stores and services.

Supply Chain

From 1991 to 2006, Mi Pueblo used a third party as its principal source of supply. In 2007, the company opened its own distribution center in Milpitas, CA. The 110,000 square foot distribution center handles the procurement and shipping of 45% of the products sold in stores. Mi Pueblo uses Direct Store Delivery, or DSD, for the remaining 55% of products sold. DSD includes both individual vendors and third party suppliers, such as Unified Grocers. The shipping and procurement breakdown used by Mi Pueblo is shown in table 7 (appendix).

Third party suppliers are often industry-owned cooperatives. With this model, grocers pool their resources to create larger orders than they could make individually. With larger scale, grocers can thereby negotiate lower costs. Third party suppliers enable smaller grocers to level the playing field and better

compete with larger publicly-owned grocers. Mi Pueblo works with over eighty different suppliers worldwide.

Human Resources

Each store has 150-225 employees, with the majority residing in a three to five mile radius of the store where they work. Most employees are native Spanish speakers and many are first or second-generation immigrants from Mexico or Central America. For many employees, their job at Mi Pueblo is their first employment since arriving in the U.S. There has been some suspicion that some, if not many, of Mi Pueblo's employees are undocumented workers. California is home to some 2.5 million illegal immigrants of the approximately 11 million illegal immigrants in the U.S.

Mi Pueblo offers programs to develop and train its employees to ensure that stores offer a consistent level of customer service. One such program, Mi Pueblo University, focuses on the development of Mi Pueblo employees. Courses include customer service, food handling procedures, work safety, leadership fundamentals, and company values. Chavez leads this program himself. He is well known for his use of his "little book," which he uses as a training manual and gives to every new employee. The book contains a key section that outlines the company's values. This section's goal is to create a strong sense of corporate identity with which each employee can identify. Chavez identifies four major values for Mi Pueblo: *appreciation, respect, commitment, and loyalty*. These four values help guide the development of each individual within the large family of Mi Pueblo.

Mi Pueblo's training programs help to foster long-term careers at Mi Pueblo for high-potential employees. Despite this successful program, employee turnover has been very high, ranging between 60 and 80% annually. This has been attributed to the immigration status of Mi Pueblo's employees, many of whom are paid low wages. For senior employees, turnover is much lower, hovering around 10%.

Management

Juvenal Chavez, Chief Executive Officer (CEO), is people-oriented, and claims that he competes in the "people business." The Chief Financial Officer (CFO), John Zott, is more detail-oriented and focuses on ensuring that management decisions deliver the expected financial results. His previous experience is in food-related companies CFO, Account Manager, and Controller. The VP of Public Affairs, Perla Rodriguez, is outgoing, energetic, and collaborative. Her passion for Mi Pueblo's vision is exemplified through her service work in local communities.

Competitors

Mi Pueblo has three main competitors, discount grocery stores, supermarkets, and small (Mom and Pop) grocers. Discount grocers appeal to customers on a tight budget. These consumers do not place a high value on customer service or product quality, but focus primarily on low prices. Examples of discount grocers in the South Bay include Food4Less, FoodMaxx, and Wal-Mart. Supermarkets, such as Lucky and Safeway, offer higher quality products at a moderate price and appeal to consumers with larger discretionary incomes. Small Mom and Pop stores differentiate themselves by finding niches in local markets. They are typically very small and often serve neighborhood or ethnic communities. Mi Pueblo prices tend to be slightly higher than major supermarket prices, although the pricing for individual products varies greatly. Furthermore, Mi Pueblo offers many ethnic products that are not available in other stores.

Other Hispanic markets within the Bay Area include Super Mercado and Chavez Supermarket. Mi Pueblo does not consider these stores to be a major competitive threat. Both are smaller in terms of both store size and number of locations. Neither chain offers the quality or variety found in Mi Pueblo stores.

Unlike Mi Pueblo's large competitors, its employees are not unionized. Mi Pueblo pays its employees at or above the minimum wage. Unionization would be a double-edged sword for Mi Pueblo. On one hand, the company would likely benefit from reduced turnover. However, an employee union would likely lead to increased labor costs and reduced flexibility in employee management.

Sustaining Communities and Philanthropy

Mi Pueblo is strongly rooted in the communities in which it operates. In addition to providing local access to ethnic foods, it provides local employment and a sense of community for many immigrants.

Mi Pueblo has also established itself as a company with a strong track record of corporate social responsibility. The company is one of the top sponsors of the Univision Éxito Escolar scholarship, or "Univision Scholastic Achievement" scholarship. Mi Pueblo has partnered with Northern California Food

Banks for their annual food drives, where they have collected thousands of pounds of food for donation each year. Through its collaboration with St. Jude's Children's Research Hospital and Univision Radio, the company has helped children suffering from cancer and other life-threatening diseases. In addition, Mi Pueblo sponsors community events, such as the San Jose Salsa Festival and the East Palo Alto Cinco de Mayo Festival. These events have been made possible through their strong partnership with schools and organizations in Northern California.

4 Opportunity in East Palo Alto

Brief History

East Palo Alto is located in San Mateo County and bounded by Menlo Park, Palo Alto and the San Francisco Bay. EPA experienced mass gentrification in the early 2000's, largely due to the development of the "Ravenswood 101" shopping center. The shopping center includes big box stores and high-income housing for Silicon Valley employees. Current city residents opposed the development, as it priced lower-income communities out of the city. Moreover, the development brought in low-paying retail jobs.

EPA is known locally for its high crime rate. During the 1980's and 1990's, East Palo Alto faced extensive violence. In 1992, EPA had the highest homicide rate in the U.S. Physical violence has declined in recent years, yet EPA still has the highest crime rate in the county (City-data.com 2009). However, for the 2006-2008 period, EPA's Chief of Police Ron Davis reported a 42% and 20% reduction in homicides and crime, respectively (EPA Today 2008).

Demographics

A large percentage of EPA residents are Hispanic, hence Chavez believes that the demographics align well with Mi Pueblo's target market. EPA has a total population of 33,272 people, with 6.5% identifying as White, 15.6% as African American, 7.2% as Asian, and 59.0% as Hispanic. The mean household income is \$50,142. Additional demographic information for East Palo Alto can be found in Table 8 (appendix).

The area surrounding the location where the new Mi Pueblo would be located is heavily Hispanic, housing a population of 50-55% native Spanish speakers. More than half of the Hispanic residents in that area were born outside of the U.S. In addition, 30% of Hispanic households in the city make more than \$60,000 annually (US Census 2009). Chavez believes that both the ethnic background and income statistics of EPA residents are favorable for a Mi Pueblo store.

Mi Pueblo stores have also found favor within other ethnic communities. Many people of Hawaiian, Pacific Islander, or Asian descent prefer Mi Pueblo to other large chains. Mi Pueblo offers ethnic foods items that are rarely found at conventional grocers, such as taro root. Mi Pueblo is also favored over the smaller Mom and Pop stores that may offer ethnic foods but at higher prices.

Market

East Palo Alto has been a "food desert" for the past 20 years. Residents do not currently have access to a full-service grocery store within the city limits. Liquor stores, convenience stores, and Mom and Pop stores are the major alternatives offering a limited selection of foods, often of low quality and at high prices. Due to high produce costs and the lack of a full-service market, the community mobilized to launch their own farmers market in 2008. Given this movement, Chavez believes that there is a demand for a full-service grocery establishment.

Competition and Leakage

There are eight small corner markets in EPA. The prices at these stores are higher than at conventional supermarkets. Yet, despite the high prices the stores account for 48% of food sales by EPA residents.

There are a range of grocery options for EPA residents within three to four miles of the city resulting in large leakage of EPA's food dollars. These options include Safeway, Trader Joe's, Whole Foods, Grocery Outlet, Lucky, and others, accounting for 52% of food purchases by EPA residents. EPA residents spend \$1.3 million on groceries per week, which translates to \$677,000 in leakage per week (Pitney Bowes 2009). This weekly leakage accumulates to \$35 million in lost revenue each year.

EPA also suffers from high unemployment. According to the U.S. Bureau of Labor Statistics, EPA had an unemployment rate of 19.5% in 2009. This rate is more than three times the rate of its neighboring cities, Palo Alto and Menlo Park. Additionally, it is 5% greater than the state average, and 10% more than the national average (U.S. Bureau of Labor Statistics 2009). Providing jobs to local residents is a high priority

for the city's government.

5 Looking Forward

Chavez has an important decision to make regarding opening a store in EPA. Although there is good market alignment with Mi Pueblo's target market, he wonders whether this will translate into customers and demand for the company's products and services. Mi Pueblo would have first mover advantage if they were to pursue the location in East Palo Alto. However, Chavez must also consider the risks. Mi Pueblo would be opening a store in a city that has an unfortunate reputation for crime and violence and which has been without a full-service grocery store for the past 20 years.

6 Questions

1. What is Mi Pueblo's current strategy?
2. Conduct a financial analysis using the data provided in the case.
3. Conduct a SWOT analysis for Mi Pueblo regarding the decision to open a store in East Palo Alto.
4. What are the sustainability considerations (social, economic, environmental) that might affect the decision to open a store in East Palo Alto?
5. What are the major considerations regarding the hiring of undocumented workers and how might this impact Mi Pueblo and the decision to open a store in East Palo Alto?
6. Would you recommend to Chavez that Mi Pueblo open a store in East Palo Alto? Why or why not?
7. If the recommendation is yes, what would your strategy be?

Note

This case is based on a true business situation, and was prepared to provide material for class discussion; it is not intended to illustrate effective or ineffective handling of a managerial situation. The authors may have disguised certain data to protect trade secrets and preserve confidentiality. Interested instructors at educational institutions may request access to a teaching note and additional material by contacting the editor of the IJFSD.

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Appendix

Table 1.

List of information needed to determine whether a location is feasible for opening and operating a new grocery store.

Market
(1) Do the surrounding communities align with your target market?
(2) Will the surrounding communities provide enough business to be profitable?
(3) What is the expected population growth?
(4) How difficult will it be to find staff to fill employment need at the store?
Location
(1) How much foot traffic is within the surrounding area?
(2) Are[is] there a[n] anchor store[s] that will drive individuals to the general area?
(3) Is the location close to any major freeway or road?
(4) Is there enough land to supply ample building and parking square footage?
(5) Is there a major competitor within the area?
(6) How much are development costs within the area?
Sources: Illinois Institute for Rural Affairs (IIRA), (2014) and PolicyLink and Local Initiatives Support Corporation (LISC), (2007).

Table 2.

Mi Pueblo Food Center opening dates, location, and square footage (where available)

City	Opening Date	Square Footage
(1) Mountain View	3/1/1992	6,684
(2) San Jose	3/1/1997	19,600
(3) San Jose	6/1/1998	10,910
(4) Modesto	12/4/2000	42,610
(5) Modesto	12/4/2000	-
(6) Salinas	9/15/2003	25,588
(7) Watsonville	6/19/2004	-
(8) Hayward	2/25/2006	-
(9) Oakland	3/31/2007	33,042
(10) Hayward	8/11/2007	-
(11) San Jose	8/16/2008	40,105
(12) Pittsburg	3/14/2009	50,173
(13) San Jose	4/11/2009	39,826

Table 3.

Financial benchmarks for the grocery industry. Calculate the financial ratios for Mi Pueblo for both 2007 and 2008

Mi Pueblo San Jose, Inc.			
Key Financial Ratios			
	Industry (2009)	MP 2007	MP 2008
Current Ratio	1.40		
Gross Margin	25.30%		
ROA	6.70%		
PreTax Profit Margin	1.50%		
Inventory Turnover	15.10		
Source for Industry Benchmarks: The Retail Owners Institute			

Table 4.

Mi Pueblo's Balance Sheet, 2007-2008

Mi Pueblo San Jose, Inc.		
Balance Sheet		
Assets	2007	2008
Current Assets		
Cash and cash equivalents	\$ 5,747,863	\$ 10,731,590
Accounts receivable	58,550	283,563
Inventory	5,540,631	6,588,430
Prepaid Expenses	572,663	474,773
Total current assets	11,919,707	18,078,356
Property and Equipment, net	13,967,673	-
Equipment and Leasehold Improvements, net		25,064,714
Deposits and Other Assets	460,004	639,355
Investment in Unified Western Grocers, Inc.	126,887	229,381
Intangible Assets, net	294,873	336,593
	\$ 26,769,144	\$ 44,348,399
Liabilities and Stockholders Equity		
Current Liabilities		
Accounts payable	6,669,342	7,173,828
Accrued expenses	3,182,757	4,287,503
Total current liabilities	9,852,099	11,461,331
Stockholder's Equity		
Common stock, no par value; 2,000,000 shares authorized		
556,666 shares issued and outstanding	120,000	120,000
Retained earnings	16,797,045	32,767,068
	16,917,045	32,887,068
	\$ 26,769,144	\$ 44,348,399

Table 5.
Mi Pueblo's Profit and Loss Statement, 2007-2008

Mi Pueblo San Jose, Inc.		
Profit and Loss Statement		
	2007	2008
Sales Revenue	\$ 179,826,493	\$ 224,289,247
Cost of Sales	117,348,271	143,135,103
Gross Profit	62,478,222	81,154,144
Operating Expenses		
Salaries and benefits	34,017,385	42,306,486
Supplies and laundry	3,520,050	4,498,278
Rent and lease	4,388,420	5,286,855
Excess Rent	1,000,000	-
Depreciation and Amortization	2,748,476	1,995,599
Advertising	1,748,328	-
Utilities	2,763,465	-
Professional fees	540,784	-
Legal Settlements	1,015,000	-
Repairs and maintenance	2,248,139	-
Taxes and licenses	691,378	-
Bank fees	143,278	-
Interest	1,656	-
Insurance	309,713	-
Automobile and truck	328,664	-
Travel and entertainment	113,855	-
Delivery fees	405,315	-
Security	935,800	-
Other	1,440,082	14,079,349
Total Operating Expenses	58,359,788	68,166,567
Total Operating Income (EBITDA)	4,118,434	12,987,577
Other income (expense):		
Interest and dividend income	248,229	0
Interest income	-	76894
Other income, net	274,482	577518
Loss on disposal of equipment	(72,060)	0
	450,651	654,412
Income before provision for state income taxes	4,569,085	13,641,989
Provision for state income taxes	78,043	19,589
Net Income	4,491,042	13,622,400

Table 6.
Mi Pueblo's Statement of Cash Flows, 2007-2008

Mi Pueblo San Jose, Inc.		
Statement of Cash Flows		
	2007	2008
Cash Flow From Operating Activities		
Net Income	\$ 4,491,042	\$ 13,622,400
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,748,476	1,995,599
Loss on disposal of equipment	72,060	-
Change in working capital components:		
Accounts receivable	(13,494)	(225,013)
Inventory	(1,842,850)	(1,047,799)
Prepaid expenses	(85,417)	97,890
Deposits, other assets, and intangibles	(52,400)	(230,440)
Accounts payable	2,764,596	504,486
Accrued expenses	634,043	1,104,746
Net cash provided by operating activities	8,716,056	15,821,869
Cash Flows from Investing Activities		
Purchase of property and equipment	(6,861,345)	(9,153,788)
Purchase of investment in Unified Western Grocers, Inc.	(43,503)	(102,494)
Net cash used in investing activities	(6,904,848)	(9,256,282)
Cash Flows From Financing Activities		
Principal payments on long-term debt	(159,333)	-
Distributions paid	(5,953,579)	(1,581,860)
Net cash used in financing activities	(6,112,912)	(1,581,860)
Net increase in cash and cash equivalents	(4,331,704)	4,983,727
Cash:		
Beginning	10,079,567	5,747,863
Ending	5,747,863	10,731,590

Table 7.
Mi Pueblo Product Distribution Summary

DSD (Direct Store Delivery)	Unified	20 %
	Frito Lay, Pepsi, Coke, etc.	35 %
	TOTAL	55 %
Mi Pueblo Distribution Center (Distribution Center)	Grocery	30 %
	Meat	18 %
	Produce	51 %
	Supplies	1 %
	TOTAL	45 %

Table 8.
Population demographics of East Palo Alto

Total Population (#)	33,575
Gender (%)	
Male	49.0%
Female	51.0%
Age (%)	
19 years and under	34.7%
20 to 44 years	41.0%
45 to 84 years	23.5%
85 years and older	0.05%
Racial Composition (%)	
Hispanic or Latino (of any race)	59.0%
Black/African American	15.6%
Asian	7.2%
White	6.2%
Islander	10.9%
American Indian & Alaskan	0.2%
Other	0.9%
Place of Birth of Hispanic Residents (%)	
Born in state of residence	41.7%
Born in other state in the U.S.	3.2%
Native; born outside the U.S.	0.4%
Foreign born	54.7%
Annual Household Income of Hispanic Residents (%)	
<\$29,999	24.8%
\$30,000 to \$59,999	41.3%
\$60,000 to \$99,999	20.3%
>\$100,000	13.7%
Source: United States Census Bureau	



Mi Pueblo's Exterior Storefront



Mi Pueblo's Taqueria Section



Mi Pueblo's Produce Section



Products from Mi Pueblo's Panaderia

Figure 1. Mi Pueblo Food Center Store and Sections

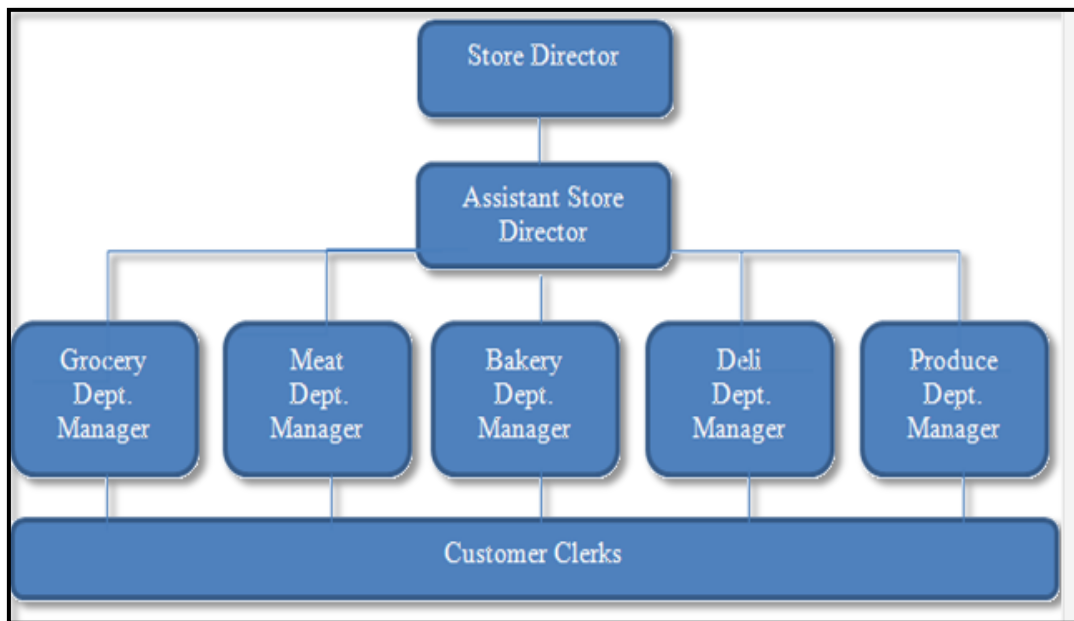


Figure 2. Mi Pueblo In-store Management Structure