



Kroger Buys Memphis Schnucks Stores

Sep 2, 2011 4:27 PM, BY SN STAFF

CINCINNATI — [Kroger Co.](#) here has agreed to acquire nine supermarkets and eight convenience stores in the Memphis, Tenn., market from St. Louis-based [Schnuck Markets](#), which is exiting the Memphis market after nine years, both companies said Friday. Terms were not disclosed.

Kroger said it intends to convert eight of the supermarkets to the Kroger banner over the next few weeks, and it plans to convert seven of the c-stores to its Kwik Shop banner. Two of the acquired Schnucks locations will replace existing, smaller Kroger stores, the company said.

Kroger currently has 37 stores in the Memphis area. It is purchasing the Union, Perkins, Germantown, Collierville, Stonebridge, Shelby, Bartlett, Truse and Horn Lake Schnucks grocery stores and all of the area fuel centers, Schnuck said.

Schnucks said its remaining stores in Quince, Forest Hill and Southaven would close within 30 days of the sale.

“Despite the best efforts of our talented store teams and a strong customer following, we were unable to gain the strong foothold we had hoped for when we entered the market in 2002,” Schnucks Chairman and Chief Executive Officer Scott Schnuck said in a statement.

“Schnucks competes very favorably in other markets, but in the Mid-South, fierce competition including a growing number of non-traditional grocers and a lingering high price perception was the one-two punch that brought us to today’s announcement.”

Schnucks had entered the market in 2002 with the purchase of the 12-unit Seessel’s chain, which had previously been acquired by Albertsons.

“For over 60 years, Kroger has proudly served the Memphis community,” said Mark Prestidge, Kroger Delta Division president, in a statement. “Kroger has demonstrated its commitment to the Memphis area by investing over \$70 million on remodels, expansions and fuel centers over the last five years. We continue to focus on upgrading our store base in an effort to provide our customers the best shopping experience possible.”