

HEB buys Albertson's stores

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The H.E. Butt Grocery Co. will acquire five Albertson's store locations.

HEB is buying stores in Austin and Round Rock, on Gattis School Road in Round Rock, Research Boulevard, South Pleasant Valley Road and Highway 290 West in Austin and Capital of Texas Highway in West Lake. Financial terms were not disclosed.

The agreement gives Alberston's two months to phase out its current stores on Gattis School Road, Research Boulevard and Capital of Texas Highway. HEB says it will re-open the Round Rock store and the Research Boulevard store by early December and the West Lake location in February 2008. The company doesn't plan to put new stores in the U.S. 290 or South Pleasant Valley locations - already closed by Alberston's - saying the Pleasant Valley site will play a role in HEB's plans to rebuild the Riverside location.

Citing rapid growth in the area, HEB executives say the move puts the grocer in strategic locations.

"Central Texas is growing fast and this is part of our long term plan to keep up with that growth," says Jeff Thomas, HEB senior vice president and general manager of the Central Texas region. "We've been wanting to serve these neighborhoods for a long time."

HEB says it plans to double the staff size at each of the new stores. The acquisition brings HEB's Austin and Round Rock locations to 45.