

SCHWEGMANN BRINGS IN EXTRA MUSCLE

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Schwegmann Giant Super Markets is beefing up its management team, bringing in a chief operating officer skilled in the food industry to help the grocery retailer work out the kinks from its acquisition of National Tea Co.'s stores.

Richard Mazer's post is a new one for the company, and his task will be to help assimilate the former National stores into Schwegmann. The combined operations have 29 stores. Schwegmann Chief Executive John Schwegmann has acknowledged the company has run into difficulties leading to inventory and cash shortages since the National deal, which was completed in June 1995.

Mazer had been head of a San Francisco-area grocery consulting firm.

"He came very highly recommended to us," Schwegmann said. "So far we're extremely pleased with his contribution." Mazer started work April 11.

But his arrival came just as the Louisiana grocery market gained a new major player.

HEB Pantry Foods opened in Lake Charles last month, the Texas chain's first foray out of its home state. The Lake Charles grocery market already has Albertson's, Kroger and the Real Superstore, which is part of the Schwegmann chain. And HEB plans further expansion in the Louisiana market, a company spokeswoman said.

Meanwhile, Mazer is settling into his new duties at Schwegmann. "I'm running the operations of the company," he said. "I'm involved in advertising, operations, distribution." Mazer said he is working with Sam Levy, who remains company president. David Erath remains as chief financial officer.

Mazer, 50, said he has spent most of his career in the food industry. He is a former partner with Deloitte and Touche in San Francisco, where he was a national director of mergers and acquisitions in the food industry. As president of the Mazer Group, a San Francisco-area grocery consulting firm, Mazer has been featured in supermarket industry trade publications and at industry seminars. He also is an investor and board member in the Thrifty Foods Supermarket chain in Burlington, Wash.

Mazer is optimistic about his new post. "This is a nice opportunity and I think it's a situation that has lots of promise," he said.

Mazer said this week he's working hard and getting up to speed on operations at Schwegmann. With the arrival of

HEB there is likely one more item on his agenda. HEB Pantry Foods opened a 24,000-square-foot store in Lake Charles on April 17 at the site of a former Delchamps store. The lone Real Superstore is Schwegmann's only operation in that market.

The HEB format defies the industry trend toward mega-groceries. These smaller, neighborhood grocery stores usually are 18,000 to 30,000 square feet, said company spokeswoman Kelli Stevens. The Pantry division has 70 stores, and the chain operates 230 stores under various names.

San Antonio-based HEB is a formidable player in the Texas market and competes heavily on price. It dominates the market in its headquarters city, which Kroger Co. - one of the nation's largest chains - exited three years ago. And industry watchers in Texas also credit HEB with keeping another major grocery chain, Food Lion Inc., out of Houston after HEB opened stores there in 1992.

Mazer is familiar with HEB, but as a regional chain there's a limit to its distribution reach, he said.

HEB plans further expansion in Louisiana but is not ready to commit to the New Orleans area, Stevens said.

But local real estate specialists said it would be unusual for a grocery operator to open one store in a market unless it had plans to add more.

For example, Albertson's operated a single store in Slidell for several years, but is now building stores in Covington and on the West Bank.

Illustration:

Richard Mazer

PHOTO

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